

**Report to the 26th General Assembly
FIG Working Week in Paris, 13-17 April 2002**

**Financial Report
Accounts 2002 and Budgets 2003 and 2004**

1. General

The German Council thinks that in conjunction with the handover between the US and German Councils it is useful for the members to get a summary report on the financial situation of FIG and some information of future perspectives. This kind of report will be given once a year.

2. Financial situation at the end of 2002

During the US Council FIG managed to build a financial reserve of CHF 330,091 in cash at the end of 2002, which is extremely good compared to the situation in the beginning of 2000 when the US Council took over. The total assets were almost CHF 397.199 (~ 271.000 €), which is quite close to the annual expenditure of FIG. The goal for both the US and the German Council has been to collect a fund that is equal to at least the annual expenditure of the Federation. 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 is CHF 54,450 in total, which is more than 12 per cent of the annual membership fees. Fortunately most of these arrears will be paid during the next years, but they have a negative impact on the cash flow.

Secondly, 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. Because some current members are loose members at the same time the increase in the income is not as large as we could wish.

2003 will be the first time where the member associations from the poorest countries will get a 50 per cent discount on their fees as a support. This has also a negative impact in the budget.

Third concern is the risk that FIG – like other international associations – is linked to the changes in exchange rates. During the last year and in 2003 FIG will lose some money because of the weak US dollar. When our expenditure is mostly in euro or in Danish kroner (which is linked to euro within 1-2 percent margin limit) this increases the risk of the US dollar. In addition running the accounts de facto in four currencies (CHF, USD, EUR and DKK) costs both money and time. Therefore the Council has decided to propose to the General Assembly that the official currency of FIG will be changed from Swiss franc to Euro as per January 1, 2004. This will save us up to CHF 10,000 in costs and in workload. In addition we are able to avoid most of the risks in exchange rates.

The fourth concern is about the years 2004-2006. FIG has got remarkable support from Denmark during the establishment phase of the permanent office. Part of this support was promised only for the first five years while the other part e.g. office space and other services provided free of charge by DdL will continue permanently. The support for the first five years will be over by the end of 2003, which means that in the budget for 2004 we need to create new income to reach the same level as we have in 2003. This means that in 2004 FIG will hardly be able to make any surplus instead we would be happy if a breakeven level could be reached.

The final concern is about the income basis. At the moment FIG is too dependant on the income from membership dues. To secure the finances of the Federation FIG absolutely needs to broaden its income basis. In the first stage this means bigger involvement in organising FIG events, first and foremost income from the work provided by FIG, but FIG also needs to take more responsibility in organising the events. This means some investment to the FIG office to both in staff and in expertise. I am happy to say that we have already managed to hire a third person to the office for these reasons.

The Council has already decided that FIG will gradually start to play a bigger role in organising its events. A good example will be the 2nd Regional Conference in Marrakech in December 2003. We have also agreed with the candidate for FIG Working Week 2008 that FIG will be the main organiser in 2008, of course in good co-operation with the local member association. In the years between now and 2008 FIG will gradually increase its role. However, we have to accept that there will be some years when we are not able to increase the fund reserve, but have to invest for the future.

Accounts 2002

The operational result from 2002 is the largest ever showing a surplus of CHF 127,848 (~87.000 €). This includes increased income from external projects, savings in the publication costs (postponing the annual review 2001 to 2002 and giving up the printed version of the Bulletin). Giving up the printed version of the Bulletin means savings of almost CHF 40,000. All these costs were included in the budget under member support. Further the travel and meeting costs were lower than estimated.

Budget 2003

The revised budget for 2003 shows a surplus of CHF 50,500. The main reason for this is the increased income from external projects. These include the work provided by the office to Working Week 2003 in Paris, production of volume 0 from the FIG Congress 2002 and organising the Regional Conference in Morocco. The income from these projects is about four times more than the estimate in the preliminary budget. This is very promising for the future even though there is no possibility of keeping the same level in 2004. Furthermore the costs include a fully salaried assistant to the FIG office Dorte Rechendorff who started February 1, 2003.

Budget 2004

The revised budget 2004 shows a surplus of CHF 13,500. The reason for the much lower result than in 2003 is the dropout of the support to the permanent office and smaller amount of income from the FIG events. However, at the moment no income has been budgeted from the Regional Conference or other FIG events than the Working Week in Athens.

Dr.-Ing. Ralf Schroth
Vice President

FIG Accounts for 2002

	Result 2002 CHF	Budget 2002 CHF	Result 2001 CHF
		General Assembly 2002	
INCOME			
SUBSCRIPTIONS			
Member associations ¹⁾	337,138	355,000	325,604
Affiliates	5,253	5,000	3,889
Corporate members ²⁾	74,487	76,000	55,437
Academic members ³⁾	14,789	17,000	9,450
TOTAL	431,667	453,000	394,380
Other income:			
Advertising	1,612	7,000	-
Sale of publications	1,336	1,000	422
Interest income	1,987	4,000	3,538
External projects ⁴⁾	43,320	46,000	19,105
Various ⁵⁾	61,274	59,000	18,360
Total Income	541,106	570,000	435,805
EXPENDITURE			
Administration, FIG Office and Council ⁶⁾	108,220	106,000	79,228
Council Meetings	33,960	31,000	26,773
FIG Meetings ⁷⁾	63,223	71,000	63,104
Member support ⁸⁾	63,076	109,000	55,034
Commission activity ⁹⁾	59,088	70,000	64,186
Promotion ¹⁰⁾	42,795	60,000	62,481
External Projects	42,896	45,000	30,318
Total expenditure	413,258	492,000	381,124
RESULT FOR THE YEAR	127,848	78,000	54,681
ACCUMULATED PROFIT (EDUCATION FOUNDATION)	55,551		6,057
TOTAL RESULT	183,090	78,000	60,738

Notes:

- 1) The income from member associations in 2002 is lower than budgeted because some of the member associations have fewer members than earlier and because of the changes in exchange rates.
- 2) Only two new corporate members joined during the instead of budgeted three.
- 3) Five new academic members joined FIG in 2002 instead of budgeted ten.
- 4) External projects include compensation from FIG 2002 to FIG office for the work FIG provided for Congress 2002.

- 5) Various include financial support to staff of permanent office from KMS, Denmark and travel reimbursements.
- 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 and administrative meetings.
- 8) Expenditure for member support includes publications, assistance to member associations, visits to member associations and project costs directly related to members. It also includes most of the up-date costs of the website. The savings is mostly because the Annual Review was postponed to 2003 and it was given up to produce printed version of the Bulletin (almost 40,000 CHF).
- 9) Commission grants, ACCO meetings and support to commission projects.
- 10) Promotion includes costs occurred in promoting FIG at the UN and international meetings and promotion to get new members. This includes events like UN Earth Summit in Johannesburg (Rio +10), World Urban Forum in Nairobi and ISO TC 211.

FIG Budget for 2003

	Budget 2003 CHF	Budget 2003 CHF	Result 2002 CHF	Budget 2002 CHF	Result 2001 CHF
	General Assembly 2003	General Assembly 2002		General Assembly 2002	
INCOME					
SUBSCRIPTIONS					
Member associations ¹⁾	315,500	354,000	337,138	355,000	325,604
Affiliates	5,500	6,500	5,253	5,000	3,889
Corporate members ²⁾	86,000	93,000	74,487	76,000	55,437
Academic members ³⁾	15,500	20,000	14,789	17,000	9,450
TOTAL	422,500	473,500	431,667	453,000	394,380
Other income:					
Advertising	2,000	7,000	1,612	7,000	-
Sale of publications	1,000	1,000	1,336	1,000	422
Interest income	11,000	5,000	1,987	4,000	3,538
External projects ⁴⁾	69,000	15,000	43,320	46,000	19,105
Various ⁵⁾	60,000	59,000	61,274	59,000	18,360
Total Income	565,500	560,500	541,106	570,000	435,805
EXPENDITURE					
Administration, FIG Office and Council ⁶⁾	135,000	129,000	108,220	106,000	79,228
Council Meetings	39,000	45,000	33,960	31,000	26,773
FIG Meetings ⁷⁾	61,000	85,000	63,223	71,000	63,104
Member support ⁸⁾	81,000	114,000	63,076	109,000	55,034
Commission activity ⁹⁾	99,000	75,000	59,088	70,000	64,186
Promotion ¹⁰⁾	49,000	58,000	42,795	60,000	62,481
External Projects	51,000	29,000	42,896	45,000	30,318
Total expenditure	515,000	535,000	413,258	492,000	381,124
RESULT FOR THE YEAR	50,500	25,500	127,848	78,000	54,681
ACCUMULATED PROFIT (EDUCATION FOUNDATION) ¹¹⁾			55,551		6,057
TOTAL RESULT¹²⁾	50,500	25,500	183,090	78,000	60,738

Notes to FIG Budget for 2003

- 1) The income from member associations in 2003 is lower than budgeted last year because two member associations have decided to discontinue their membership and some associations have adjusted their number of members. The decision of the General Assembly in 2001 to offer 50 per cent deduction in membership fees to member associations from the poorest countries have been implemented.
- 2) It is expected that one new corporate member will join in category C and two new members in category E will join in 2003. As the corporate membership fees are calculated in US dollars, the present low exchange rate has a negative influence on the estimated income.
- 3) 10 new academic members are assumed to become members in 2003, ending to a total number of 62 academic members. At the time the agenda is compiled already five new members have joined. As the academic membership fees are calculated in US dollars, the present low exchange rate has a negative influence on the estimated income.
- 4) External projects include income from producing volume 0 for FIG 2002, compensation from FIG 2003 and the Regional Conference in Morocco to FIG office for the work FIG is providing. Expenditure to external suppliers in connection with the projects that FIG office has paid for will be added to the invoice.
- 5) Various include financial support to staff of permanent office from KMS, Denmark and travel reimbursement.
- 6) Administration includes a part of the wages for the staff of the FIG Office, besides most of the office expenses such as accounting, telephone, insurance, supplies, bank costs etc.
- 7) FIG meetings include costs of the General Assembly and administrative costs directly linked to the working week and administrative meetings.
- 8) Expenditure for member support includes costs for the Bulletin in electronic format, visits to member associations and project costs related directly to members. It also includes publications and a constant up-date of the website.
- 9) Commission grants, ACCO meetings and support to commission projects.
- 10) Promotion includes costs occurred in promoting FIG at the UN and international meetings and promotion to get new members. This includes events like ISO TC211 in Switzerland, 19th Session of the Commission on Human Settlements in Kenya.
- 11) Education Foundation is budgeted separately.
- 12) The aim of the Council is to collect a reserve that in longer-term covers expenditure for one year in the FIG budget and to prepare for the situation with the permanent office after the first five years.

FIG Budget for 2004

	Budget 2004 CHF	Budget 2003 CHF	Result 2002 CHF ¹⁾	Budget 2002 CHF
	General Assembly 2003	General Assembly 2003		General Assembly 2002
INCOME				
SUBSCRIPTIONS				
Member associations ²⁾	337,000	315,500	337,138	355,000
Affiliates	6,000	5,500	5,253	5,000
Corporate members ³⁾	92,000	86,000	74,487	76,000
Academic members ⁴⁾	18,000	15,500	14,789	17,000
TOTAL	453,000	422,500	431,667	453,000
Other income:				
Advertising	2,000	2,000	1,612	7,000
Sale of publications	1,000	1,000	1,336	1,000
Interest income	13,000	11,000	1,987	4,000
External projects	40,000	69,000	43,320	46,000
Various ⁵⁾	0	60,000	61,274	59,000
Total Income	509,000	565,500	541,106	570,000
EXPENDITURE				
Administration, FIG Office and Council	134,000	135,000	108,220	106,000
Council Meetings ⁶⁾	31,000	39,000	33,960	31,000
FIG Meetings ⁷⁾	62,000	61,000	63,223	71,000
Member support ⁸⁾	87,000	81,000	63,076	109,000
Commission activity ⁹⁾	89,500	99,000	59,088	70,000
Promotion ¹⁰⁾	54,000	49,000	42,795	60,000
External projects	38,000	51,000	42,896	45,000
Total expenditure	495,500	515,000	413,258	492,000
RESULT FOR THE YEAR	13,500	50,500	127,848	78,000
ACCUMULATED PROFIT (EDUCATION FOUNDATION) ¹¹⁾			55,551	
TOTAL RESULT ¹²⁾	13,500	50,500	183,090	78,000

Notes to FIG Budget for 2004

- 1) The income from member associations in 2004 is based on the changes for 2003, including the 50% deduction for members from poorest countries. Only a modest increase in new members is included in the budget (totally 1,000 persons).
- 2) It is estimated that one corporate member will join in category C and two new in category E. The low US dollar exchange rate is reflected in the 2004 budget.
- 3) Ten new academic members are assumed to become members in 2004, the total number being 72 members. The low US dollar exchange rate is reflected in the 2004 budget.
- 4) External projects include compensation from FIG 2004 in Athens and the 3rd Regional Conference to FIG office for the work FIG is providing. Expenditure to external suppliers in connection with FIG events that FIG Office is paying for will be added to the invoice.
- 5) Various include travel reimbursements etc.
- 6) Administration includes a part of the wages for the staff of the FIG Office, besides most of the office expenses such as accounting, telephone, insurance, supplies, bank costs etc.
- 7) FIG meetings include costs of the General Assembly and administrative costs directly linked to the working week and administrative meetings.
- 8) Expenditure for member support includes costs of the Bulletin in electronic format and visits to member associations and project costs related directly to members. It also includes publication costs and a constant up-date of the website.
- 9) Commission grants, ACCO meetings and support to commission projects.
- 10) Promotion includes costs occurred in promoting FIG at the UN and international meetings and promotion to get new members. This includes events like the 2nd World Urban Forum in Barcelona and the 19th Plenary of ISO TC 211.
- 11) Education Foundation is budgeted separately.
- 12) The aim of the Council is to collect a reserve that in longer-term covers expenditure for one year in the FIG budget and to prepare for the situation with the permanent office after the first five years. Result in 2004 is lower than in previous years because it is the first without the sponsorship for the first five years from KMS.