

APNIC 35 CONFERENCE

SINGAPORE
25 February - 1 March 2013

Treasurer Report



SINGAPORE

25 February - 1 March 2013

Financial Status 2012

APNIC



Financial Status 2012

- Annual accounts audited by Ernst & Young
 - Operating surplus of AUD \$3,250,239
 - Operating revenue
 - AUD \$17.6m (budget was AUD 16.4m) 7% above budget
 - IP Resource Application Fees + \$1.24m
 - Interest + \$0.17m
 - Membership Fees + \$0.41m
 - Cost Recovery Training -\$0.59m
 - Operating expenses
 - AUD 14.4m (budget was AUD 15.7m) 8% below budget
 - Travel -\$0.59m(Cost recovery Training)
 - Meeting & Training -\$0.29m
 - Income Tax -\$0.16

Statement of Income - Revenue

Revenue (AUD)	Actual 2012	Budget 2012	Budget Δ	Budget Δ%
IP resource application fees	2,232,250	989,103	1,243,147	126%
Interest income	583,052	412,000	171,052	42%
Membership fees	14,361,213	13,952,067	409,146	3%
Non-member fees	227,966	219,069	8,897	4%
Reactivation fees	43,200	27,390	15,810	58%
Sundry income	210,680	858,907	-648,228	-75%
Total Revenue	17,658,361	16,458,536	1,199,824	7%

Statement of Income - Expenses

Expenses (AUD)	Actual 2012	Budget 2012	Budget Δ	Budget Δ%
Communication expenses	440,762	444,768	-4,006	-1%
Computer expenses	551,362	573,812	-22,450	-4%
Depreciation expense	816,998	900,000	-83,002	-9%
ICANN contract fee	321,655	310,000	11,655	4%
Meeting and training expenses	191,561	490,400	-298,839	-61%
Office operating expenses	249,930	239,445	10,485	4%
Professional fees	939,882	900,350	39,532	4%
Salaries and personnel expenses	8,145,433	8,245,603	-100,170	-1%
Sponsorship/ publicity expenses	270,696	346,000	-75,304	-22%
Travel expenses	1,822,239	2,412,358	-590,119	-24%
Other operating expenses	675,110	718,413	-43,303	-6%
Total Expenses	14,425,628	15,581,149	-1,155,521	-7%

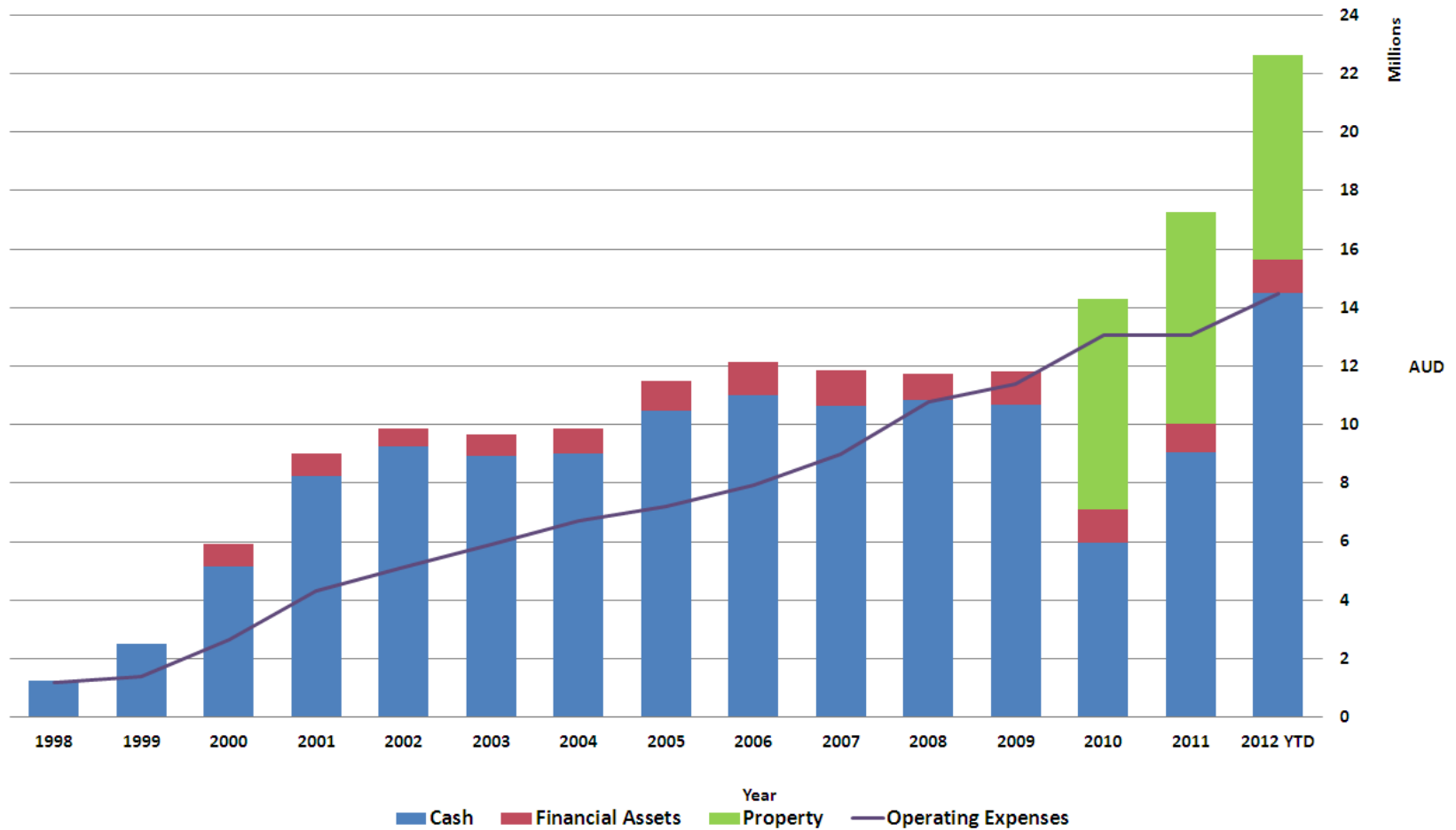
Operating Surplus

Operating Surplus (AUD)	Actual 2012	Budget 2012	Budget Δ	Budget Δ%
Total Revenue	17,658,361	16,458,536	1,199,825	7%
Total Expenses	14,425,628	15,581,149	-1,155,521	-7%
Operating Surplus Before Income Tax	3,232,733	877,387	2,355,346	268%
Income tax benefit	-17,506	150,000	-167,506	-112%
Operating Surplus After Income Tax	3,250,239	727,387	2,522,852	347%

Statement of Financial Position

Financial Position (AUD)	2012	2011	Δ%
Current assets	16,015,716	10,843,341	48%
Non-current assets	9,290,616	9,527,766	-2%
Total Assets	25,306,332	20,371,107	24%
Current liabilities	10,265,765	8,705,168	18%
Non-current liabilities	231,810	258,041	-10%
Total Liabilities	10,497,575	8,963,209	17%
Net Assets/ Total Equity	14,808,757	11,407,898	30%

APNIC Reserve



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Budget 2013

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Budget Process

- Budgeted activity plan and priority list driven by inputs from:
 - APNIC Survey
 - EC Strategic Guidance
 - APNIC's existing core operational requirements
- Detailed - bottom up – zero based, expense budgeting
- Revenue forecasts derived from detailed analysis of Membership data and income forecasts
- Focus on financial stability
- Ensure high level of financial governance and control in APNIC activities

Revenue Assumptions - 2013

- IP Address Allocation Fee
 - Reduced by 50% from March 1, 2013
 - Revenue impact of AUD \$1.04M in 2013
 - >90% of new Associate members request resources
- Membership Fees
 - Forecast growth of 750 new members in 2013(646 in 2012)
 - Growth in Associate tier from new memberships
 - Growth in Very Small and Small tiers as members transition from Associate tier
 - Around 9% of new members are from LDC economies
- Transfer Fees
 - Provided for AUD \$75k of revenue for 2013

Projected Revenue 2013

Revenue (AUD)	Budget 2013	Actual 2012	Δ%
IP resource application fees	1,457,750	2,232,250	-35%
Interest income	595,000	583,052	2%
Membership fees	15,045,828	14,361,213	5%
Non-member fees	230,000	227,966	1%
Reactivation fees	35,100	43,200	-19%
Sundry income	331,500	210,680	57%
Total Revenue	17,695,178	17,658,361	0%

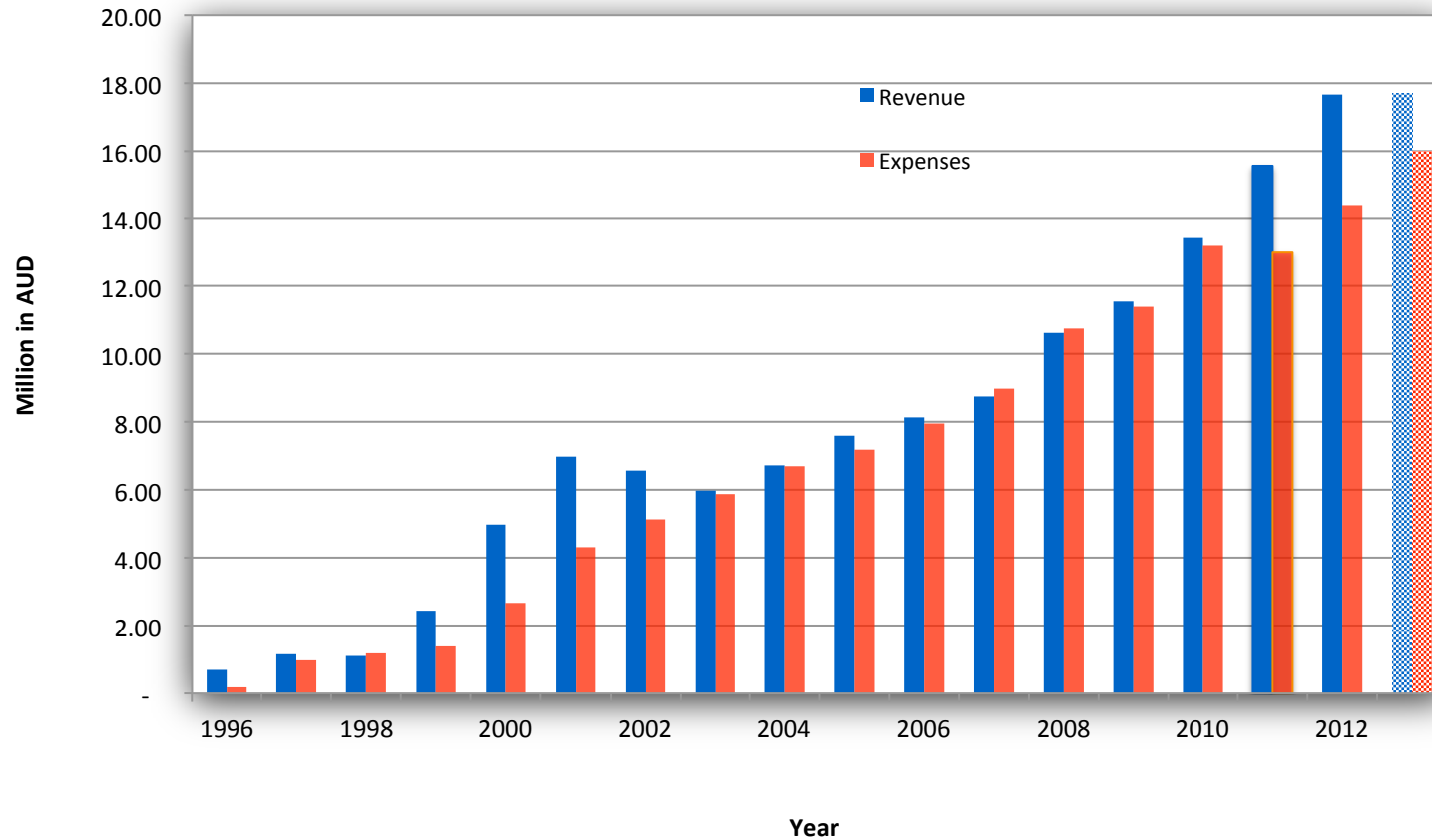
Projected Expenses 2013

Expenses (AUD)	Budget 2013	Actual 2012	Δ%
Communication expenses	531,416	440,762	21%
Computer expenses	637,160	551,362	16%
Depreciation expense	894,609	816,998	9%
ICANN contract fee	310,000	321,655	-4%
Meeting and training expenses	352,550	191,561	84%
Office operating expenses	289,420	249,930	16%
Professional fees	1,154,775	939,882	23%
Salaries and personnel expenses	8,671,800	8,145,433	6%
Sponsorship/ publicity expenses	335,500	270,696	24%
Travel expenses	2,030,182	1,822,239	11%
Other operating expenses	721,143	675,110	7%
Total Expenses	15,928,555	14,425,628	10%

Projected Operating Surplus 2013

Operating Surplus (AUD)	Budget 2013	Actual 2012	Δ%
Total Revenue	17,695,178	17,658,361	0%
Total Expenses	15,928,555	14,425,628	10%
Operating Surplus Before Income Tax	1,766,623	3,232,733	-45%
Income tax expense/ (benefits)	60,000	-17,506	-443%
Operating Surplus After Income Tax	1,706,623	3,250,239	-47%

Revenue and Expense Analysis



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