

Financial Review 2008/2009

Overview

In the financial year 2008/2009, the Institution continued to sustain a healthy financial and cash position. The surplus for the year was HK\$1.16 million where the income was decreased by HK\$0.9 million and the expenditure was increased by HK\$1.4 million as compared to last year. Total net assets as at 31 March 2009 including the decrease in fair value of investment of HK\$2.3 million were HK\$57 million which is about HK\$1.1 million lower than that of last year.

Source of Fund

Major sources of income were membership fees, accreditation income and training fees. These accounted for 83% of the total income of HK\$26.8 million. Although the membership income was increased by 1.4% for the year, the reduction in deposit interest rate and conference income accounted for 25.6% decrease in other income. As a result, the total income was decreased by 3.1% as compared to that of last year of HK\$27.7 million.

Use of Fund

Total expenditure for the year was HK\$25.7 million. There was an increase of 5.6% as compared to HK\$24.3 million last year.

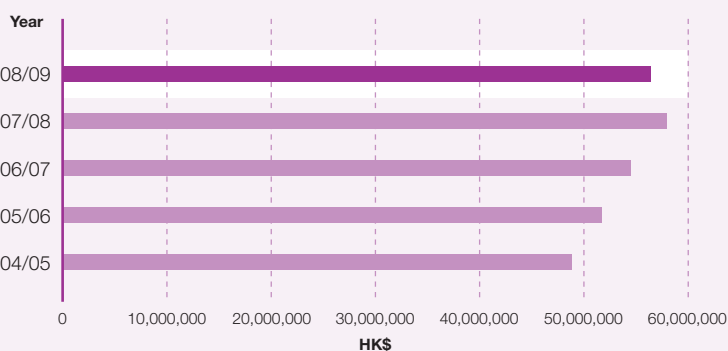
To maintain a close link with our overseas chapters and sister institutions, activities were arranged in the UK and Canada during the year and the expenses were approximately HK\$180,000.

The production of a new HKIE video for introducing the Institution has commenced in the year and the cost incurred in the year was HK\$130,000.

The Institution has spent for various other activities by an amount of HK\$650,000 in the year under review. These activities included the Exhibition on Engineering a Better Hong Kong, the HKIE Retreat Meeting, Standardisation and Maintenance of Division Websites, etc.

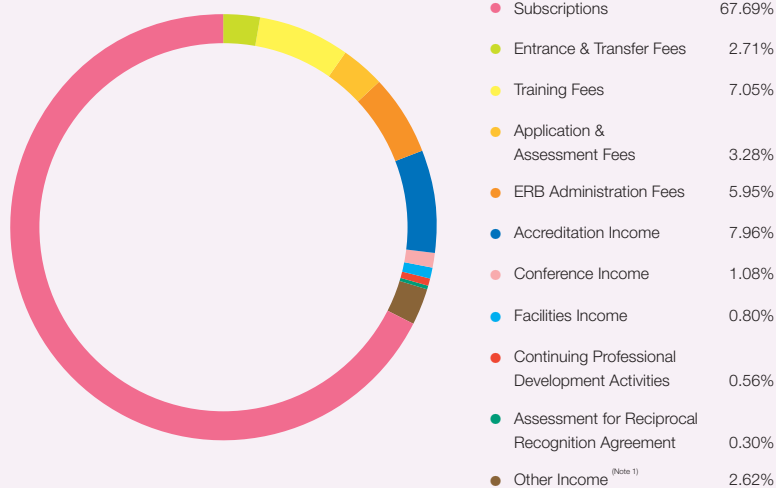
Total Net Assets

Year Ended	Total Net Assets	Fixed Assets	Net Current Assets
04/05	49,089,869	25,914,072	23,175,797
05/06	51,925,871	24,785,569	27,140,302
06/07	54,775,330	24,015,151	30,760,179
07/08	58,170,260	22,939,945	35,230,315
08/09	56,995,506	30,735,756	26,259,750



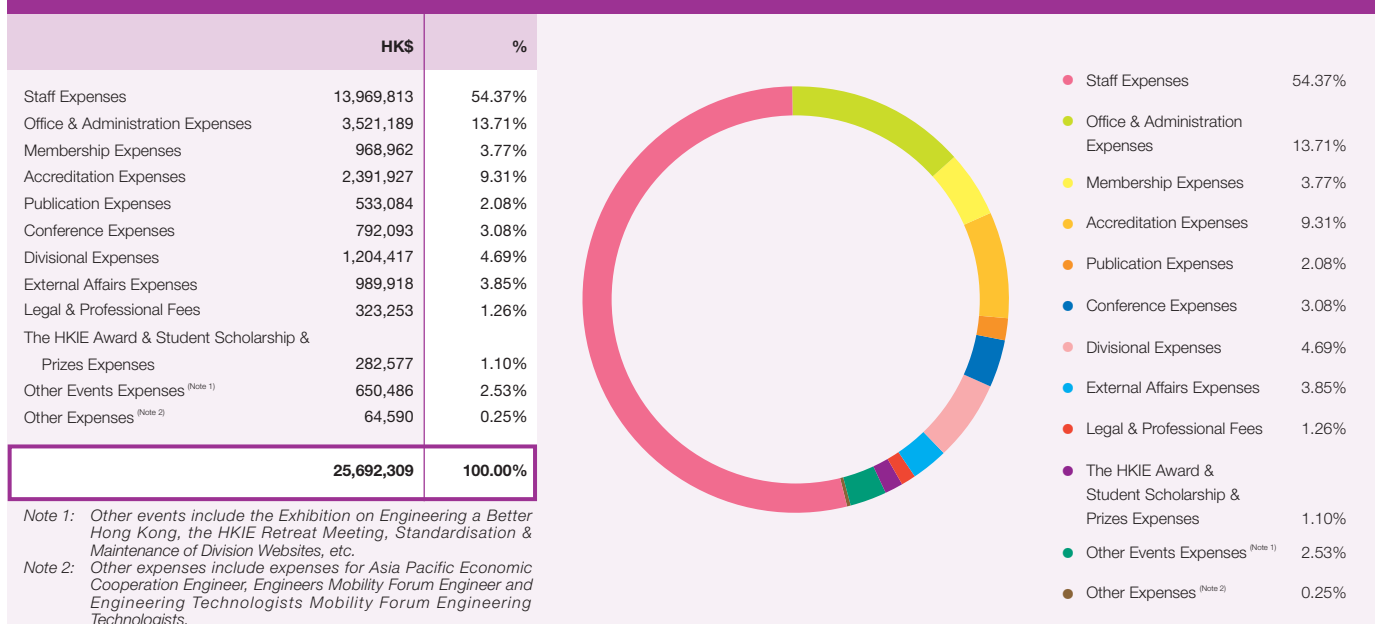
Source of Fund

	HK\$	%
Subscriptions	18,172,636	67.69%
Entrance & Transfer Fees	728,085	2.71%
Training Fees	1,893,900	7.05%
Application & Assessment Fees	880,577	3.28%
ERB Administration Fees	1,598,398	5.95%
Accreditation Income	2,137,896	7.96%
Conference Income	290,916	1.08%
Facilities Income	214,066	0.80%
Continuing Professional Development Activities	149,489	0.56%
Assessment for Reciprocal Recognition Agreement	80,534	0.30%
Other Income ^(Note 1)	702,536	2.62%
Total	26,849,033	100.00%



Note 1: Other income includes interest income, dividend income, Asia Pacific Economic Cooperation Engineer registration fees, Engineers Mobility Forum Engineer registration fees, Engineering Technologists Mobility Forum Engineering Technologists registration fees, etc.

Use of Fund



Performance by Divisions

	(1) Allocation 2008/09 HK\$	(2) Surplus/ (Deficit) b/f HK\$	(3) Surplus Returned to Headquarters HK\$	(4) Income HK\$ (Note 1)	(5)=(1)+(2)-(3)+(4) Total Funds HK\$	(6) Expenditure HK\$ (Note 2)	(7)=(5)-(6) Surplus/ (Deficit) at 31 March 2009 HK\$ (Note 3)
Associate Members Committee	55,082	29,945	-	51	85,078	32,171	52,907
Biomedical Division	37,000	34,743	-	567	72,310	(30,515)*	102,825
Building Division	65,000	295,170	-	16,530	376,700	(16,274)*	392,974
Building Services Division	106,000	956,685	-	47,241	1,109,926	42,459	1,067,467
Control, Automation & Instrumentation Division	55,000	147,439	-	11,538	213,977	207,141	6,836
Civil Division	149,000	779,000	-	30,391	958,391	44,916	913,475
Electrical Division	81,000	550,560	-	10,431	641,991	118,321	523,670
Electronics Division	54,000	177,190	-	10,636	241,826	27,727	214,099
Environmental Division	101,000	522,864	-	16,359	640,223	124,472	515,751
Fire Division	36,000	-	-	4	36,004	(23,620)*	59,624
Gas & Energy Division	48,000	73,263	-	4,869	126,132	80,204	45,928
Geotechnical Division	96,000	440,615	-	3,636	540,251	340,025	200,226
Information Technology Division	78,000	203,629	-	13,601	295,230	167,898	127,332
Materials Division	41,000	75,355	-	1,328	117,683	60,896	56,787
Manufacturing & Industrial Division	46,000	128,213	-	5,713	179,926	16,465	163,461
Mechanical, Marine, Naval Architecture & Chemical Division	75,000	121,288	-	9,633	205,921	(36,238)*	242,159
Nuclear Division	35,000	28,464	-	45	63,509	36,359	27,150
Safety Specialist Committee	88,000	120,037	-	0	208,037	152,778	55,259
Structural Division	113,000	410,323	-	5,133	528,456	(110,779)*	639,235
Student Chapter – Poly U	27,038	-	-	2	27,040	5,542	21,498
Student Chapter – HKUST	19,592	-	-	1	19,593	3,628	15,965
Student Chapter – HKU	14,659	12,177	-	11	26,847	8,992	17,855
Young Members Committee	93,000	210,784	-	15,237	319,021	(55,804)*	374,825
Total	1,513,371	5,317,744	-	202,957	7,034,072	1,196,764	5,837,308

Note 1: Income included receipts for affiliate subscriptions.

Note 2: Expenditure included net deficit/(surplus) of special events.

Note 3: Surplus represents accumulated surplus and therefore does not agree with the current year surplus in the audited accounts.

* Being special events surplus in excess of total expenditure for the year.