

# Financial Review 2009/2010

## Overview

In the financial year 2009/2010, the Institution continued to sustain a healthy financial and cash position. The surplus for the year was HK\$1.6 million with the income and expenditure increased by HK\$1.5 million and HK\$1 million respectively as compared to last year. Total net assets as at 31 March 2010 including the increase in fair value of investment of HK\$5.3 million were HK\$64 million which is about HK\$7 million higher than that of last year.

## Source of Fund

Major sources of income were membership fees, accreditation income and training fees. These accounted for 82% of the total income of HK\$28.3 million. As compared to the total income of last year of HK\$26.8 million, there was an increase of 5.6% for the year.

## Use of Fund

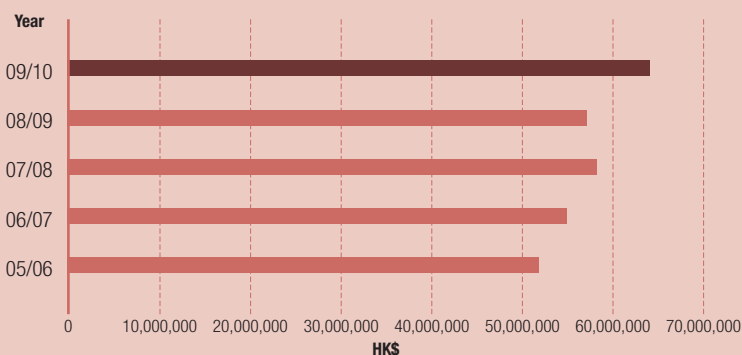
Total expenditure for the year was HK\$26.7 million. There was an increase of 4% as compared to HK\$25.7 million last year.

The new HKIE Corporate Video which aims at enhancing the status of engineers and appreciation of the contributions of engineers to society was launched during the year and the cost incurred in the year was HK\$178,000. In addition, the HKIE Members' Guide for introducing the Institution was published in the year with the cost of HK\$77,000.

The Institution has spent for various other activities by an amount of HK\$528,000 in the year under review. These activities included the HKIE President's Apprentice Scheme, Protocol of Engineering a Sustainable Hong Kong, New Members Reception, HKIE Members Online Survey, Overseas Observation Visits, etc.

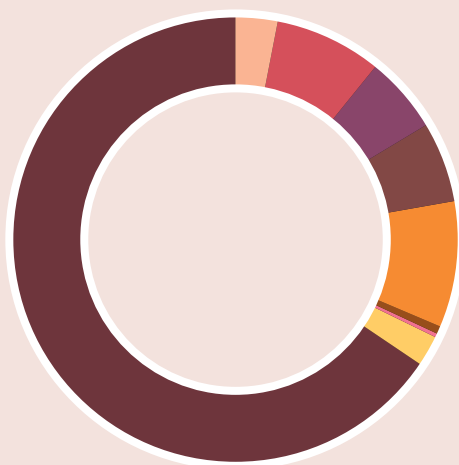
### Total Net Assets

Year Ended	Total Net Assets	Non-Current Assets	Net Current Assets
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
<b>09/10</b>	<b>63,969,130</b>	<b>36,164,087</b>	<b>27,805,043</b>



### Source of Fund

	HK\$	%
Subscriptions	18,549,829	65.37%
Entrance and Transfer Fees	894,055	3.15%
Training Fees	2,244,950	7.91%
Application & Assessment Fees	1,566,476	5.52%
ERB Administration Fees	1,659,487	5.85%
Accreditation Income	2,565,096	9.04%
Facilities Income	205,173	0.72%
Continuing Professional Development Activities	75,084	0.26%
Other Income <sup>(Note 1)</sup>	617,177	2.18%
	<b>28,377,327</b>	<b>100.00%</b>

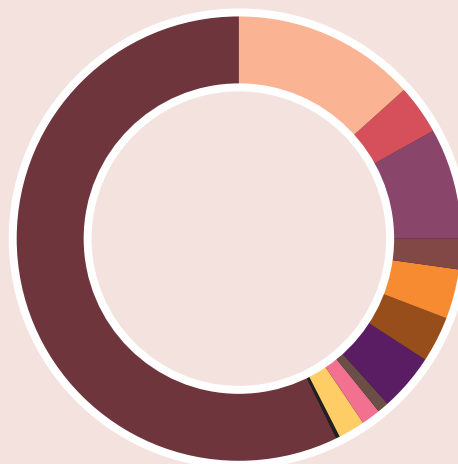


Subscriptions	65.37%
Entrance & Transfer Fees	3.15%
Training Fees	7.91%
Application & Assessment Fees	5.52%
ERB Administration Fees	5.85%
Accreditation Income	9.04%
Facilities Income	0.72%
Continuing Professional Development Activities	0.26%
Other Income <sup>(Note 1)</sup>	2.18%

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

	HK\$	%
Staff Expenses	15,308,768	57.23%
Office & Administration Expenses	3,567,966	13.34%
Membership Expenses	964,310	3.61%
Accreditation Expenses	2,224,748	8.32%
Publication Expenses	587,247	2.20%
Conference Expenses	942,122	3.52%
Divisional Expenses	902,022	3.37%
External Affairs Expenses	1,134,569	4.24%
Legal & Professional Fees	216,508	0.81%
The HKIE Awards and Student Scholarship & Prizes Expenses	307,880	1.15%
Other Events Expenses <sup>(Note 1)</sup>	528,189	1.97%
Other Expenses <sup>(Note 2)</sup>	66,451	0.24%
<b>Total</b>	<b>26,750,780</b>	<b>100.00%</b>



Staff Expenses	57.23%
Office & Administration Expenses	13.34%
Membership Expenses	3.61%
Accreditation Expenses	8.32%
Publication Expenses	2.20%
Conference Expenses	3.52%
Divisional Expenses	3.37%
External Affairs Expenses	4.24%
Legal & Professional Fees	0.81%
The HKIE Awards and Student Scholarship & Prizes Expenses	1.15%
Other Events Expenses <sup>(Note 1)</sup>	1.97%
Other Expenses <sup>(Note 2)</sup>	0.24%

Note 1: Other events include the HKIE President's Apprentice Scheme, Protocol of Engineering a Sustainable Hong Kong, New Members Reception, HKIE Members Online Survey, Overseas Observation Visits, etc.

Note 2: Other expenses include expenses for Asia Pacific Economic Cooperation Engineer, Engineers Mobility Forum Engineer, Engineering Technologists Mobility Forum Engineering Technologists, etc.

## Performance by Divisions

	(1) Allocation 2009/10 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 2010 HK\$ (Note 3)
Associate Members Committee	56,000	52,906	-	2	108,908	64,707	44,201
Biomedical Division	37,000	102,825	-	521	140,346	80,123	60,223
Building Division	68,000	392,974	-	15,796	476,770	(59,051)*	535,821
Building Services Division	112,000	1,067,467	-	38,183	1,217,650	202,075	1,015,575
Control, Automation & Instrumentation Division	56,000	6,836	-	10,309	73,145	49,311	23,834
Civil Division	153,000	913,475	-	78,247	1,144,722	278,648	866,074
Electrical Division	84,000	523,670	-	9,006	616,676	139,016	477,660
Electronics Division	56,000	214,099	-	8,841	278,940	110,592	168,348
Environmental Division	103,000	515,751	-	10,326	629,077	230,914	398,163
Fire Division	38,000	59,624	-	7	97,631	(443,966)*	541,597
Gas & Energy Division	49,000	45,928	-	4,753	99,681	73,931	25,750
Geotechnical Division	98,000	200,226	-	3,766	301,992	(100,792)*	402,784
Information Technology Division	78,000	127,332	-	8,930	214,262	(85,675)*	299,937
Materials Division	41,000	56,787	-	2,222	100,009	38,908	61,101
Manufacturing & Industrial Division	47,000	163,462	-	15,010	225,472	44,966	180,506
Mechanical, Marine, Naval Architecture & Chemical Division	77,000	242,159	-	9,291	328,450	7,232	321,218
Nuclear Division	42,000	27,150	-	3	69,153	34,605	34,548
Safety Specialist Committee	97,000	55,259	-	0	152,259	126,476	25,783
Structural Division	117,000	639,235	-	9,318	765,553	12,859	752,694
Student Chapter – City U	31,550	-	-	0	31,550	8,430	23,120
Student Chapter – CUHK	16,950	-	-	0	16,950	6,809	10,141
Student Chapter – IVE(TY)	26,290	-	-	0	26,290	16,992	9,298
Student Chapter – HKU	14,659	17,856	-	2	32,517	7,697	24,820
Student Chapter – HKUST	19,592	15,965	-	1	35,558	5,547	30,011
Student Chapter – Poly U	27,038	21,498	-	1	48,537	8,546	39,991
Young Members Committee	102,000	374,825	-	9	476,834	64,828	412,006
<b>Total</b>	<b>1,647,079</b>	<b>5,837,309</b>	<b>-</b>	<b>224,544</b>	<b>7,708,932</b>	<b>923,728</b>	<b>6,785,204</b>

Note 1: Income includes receipts for affiliate subscriptions.

Note 2: Expenditure includes 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.