

Financial Review 2010/2011

Overview

In the financial year 2010/2011, the Institution continued to sustain a healthy financial and cash position. The surplus for the year was HK\$544,000 with the income and expenditure increased by HK\$2.7 million and HK\$3.8 million respectively as compared to last year. Total net assets as at 31 March 2011 including the increase in fair value of investment of HK\$1.6 million were HK\$66 million which is about HK\$2 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\$31 million. As compared to the total income of last year of HK\$28.3 million, there was an increase of 9.5% for the year.

Use of Fund

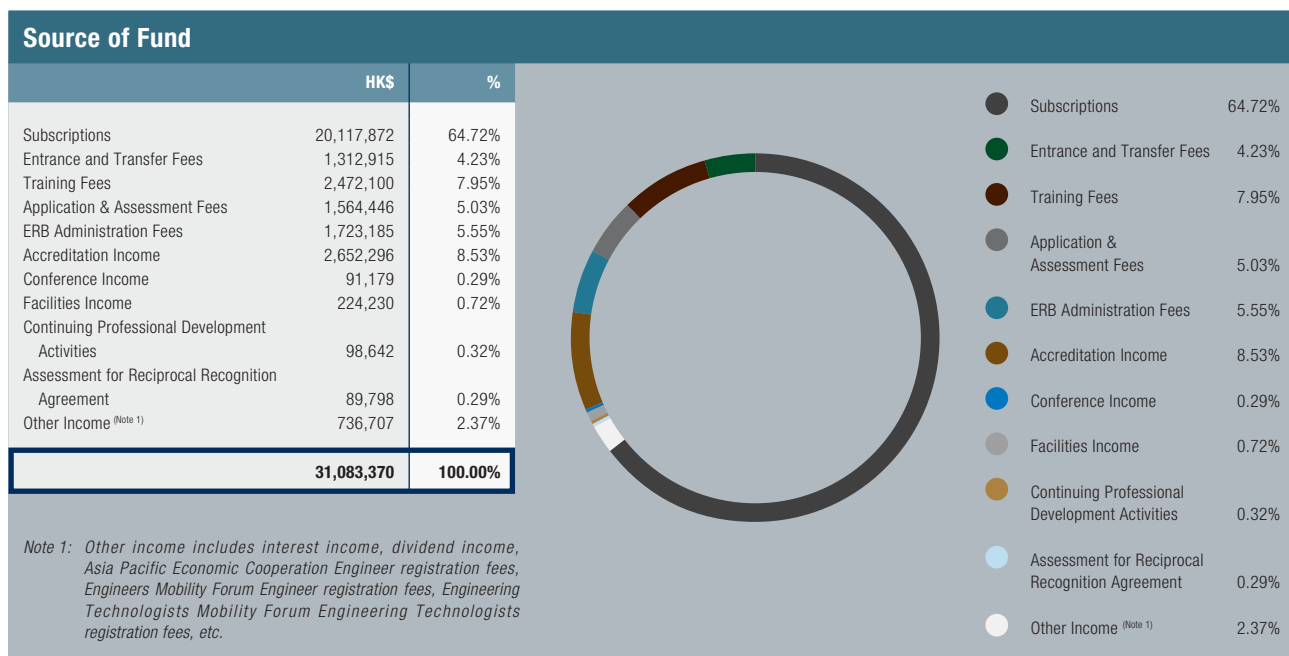
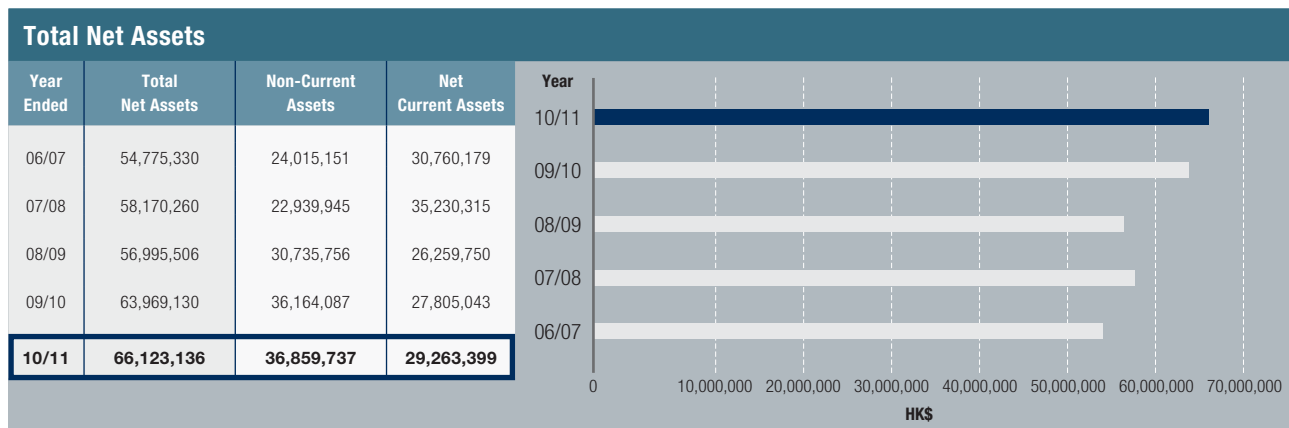
Total expenditure for the year was HK\$30.5 million. There was an increase of 14.2% as compared to HK\$26.7 million last year.

In celebration of the 35th Year of Establishment of the HKIE Ordinance, the Institution hosted a Cocktail Reception on 2 December 2010 and an Induction Ceremony of the HKIE Hall of Fame 2010 was held during the Cocktail Reception. In addition, the HKIE Hall of Fame 2010 publication was published in December 2010. The net cost incurred for the events was HK\$285,000.

To promote the engineering profession to the community, an info-advertisement about engineering was produced and shown on TVB Jade during November to December 2010 and the cost incurred was HK\$820,000.

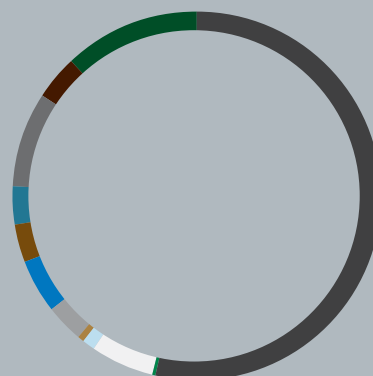
A video and booklet were produced during the year to educate the public on structural safety in buildings and promote the importance of regular and proper maintenance with the cost of HK\$216,000.

The Institution has spent for various other activities by an amount of HK\$314,000 in the year under review. These activities included the HKIE President's Protégés Scheme, New Members Reception and a promotion campaign for Scheme "A" Training and Formal Training Scheme to Associate Membership, etc.



Use of Fund

	HK\$	%
Staff Expenses	16,453,044	53.88%
Office & Administration Expenses	3,619,697	11.85%
Membership Expenses	1,196,256	3.92%
Accreditation Expenses	2,511,836	8.23%
Publication Expenses	1,048,788	3.43%
Conference Expenses	1,023,128	3.35%
Divisional Expenses	1,448,614	4.74%
External Affairs Expenses	975,490	3.19%
Legal & Professional Fees	215,040	0.70%
The HKIE Awards and Student Scholarship & Prizes Expenses	289,067	0.95%
Other Events Expenses ^(Note 1)	1,690,060	5.53%
Other Expenses ^(Note 2)	68,344	0.23%
Total	30,539,364	100.00%



Staff Expenses	53.88%
Office & Administration Expenses	11.85%
Membership Expenses	3.92%
Accreditation Expenses	8.23%
Publication Expenses	3.43%
Conference Expenses	3.35%
Divisional Expenses	4.74%
External Affairs Expenses	3.19%
Legal & Professional Fees	0.70%
The HKIE Awards and Student Scholarship & Prizes Expenses	0.95%
Other Events Expenses ^(Note 1)	5.53%
Other Expenses ^(Note 2)	0.23%

Note 1: Other events include the HKIE President's Protégés Scheme, the 35th Year of Establishment of the HKIE Ordinance Cocktail Reception, the Hall of Fame 2010 publication, info-advertisement about engineering, video and booklet on structural safety in buildings, New Members Reception, promotion campaign for Scheme "A" Training and Formal Training Scheme to Associate Membership, etc.

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

Performance by Divisions

	(1) Allocation 2010/11 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 2011 HK\$ (Note 3)
Associate Members Committee	55,000	44,201	-	8,470	107,671	71,735	35,936
Biomedical Division	36,000	60,223	-	518	96,741	32,313	64,428
Building Division	66,000	535,821	-	12,903	614,724	112,268	502,456
Building Services Division	109,000	1,015,575	-	32,026	1,156,601	244,711	911,890
Control, Automation & Instrumentation Division	53,000	23,834	-	8,706	85,540	83,205	2,335
Civil Division	150,000	866,074	-	239,381	1,255,455	186,390	1,069,065
Electrical Division	82,000	477,660	-	9,487	569,147	(67,774)*	636,921
Electronics Division	54,000	168,348	-	8,371	230,719	65,951	164,768
Environmental Division	99,000	398,163	-	11,117	508,280	148,021	360,259
Fire Division	40,000	541,597	-	11	581,608	27,920	553,688
Gas & Energy Division	49,000	25,750	-	4,133	78,883	27,539	51,344
Geotechnical Division	97,000	402,784	-	27,273	527,057	310,464	216,593
Information Technology Division	75,000	299,937	(1,923)	10,416	383,430	72,052	311,378
Materials Division	40,000	61,100	-	1,653	102,753	3,729	99,024
Manufacturing & Industrial Division	45,000	180,505	-	5,817	231,322	54,554	176,768
Mechanical, Marine, Naval Architecture & Chemical Division	74,000	321,218	-	10,804	406,022	68,795	337,227
Nuclear Division	28,000	34,548	-	207	62,755	30,125	32,630
Safety Specialist Committee	89,000	25,783	-	-	114,783	16,545	98,238
Structural Division	113,000	752,694	-	4,219	869,913	(24,838)*	894,751
Student Chapter – City U	31,550	23,120	-	1	54,671	25,064	29,607
Student Chapter – CUHK	16,950	10,141	-	1	27,092	20,793	6,299
Student Chapter – IVE(TY)	26,290	9,298	-	-	35,588	29,399	6,189
Student Chapter – IVE(CW)	12,937	-	-	-	12,937	8,971	3,966
Student Chapter – IVE(ST)	10,984	-	-	-	10,984	6,277	4,707
Student Chapter – HKU	14,659	24,820	-	-	39,479	15,703	23,776
Student Chapter – HKUST	19,592	30,011	-	-	49,603	14,876	34,727
Student Chapter – Poly U	27,038	39,991	-	1	67,030	7,916	59,114
Young Members Committee	87,000	412,006	-	8,003	507,009	60,031	446,978
Total	1,601,000	6,785,202	(1,923)	403,518	8,787,797	1,652,735	7,135,062

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.