

# Finance Updates

APNIC Member Meeting  
7 Sep 2007  
APNIC 24, New Delhi, India

## Financial status first half 2007

- Surplus for first half 2007: USD 247k
  - Expenditure: USD 3.3m
  - Revenue: USD 3.5m
- Continuous membership growth
  - 110 first half 2007
- Membership status
  - 1,472 as at 30 June 2007
- Conservative on financial activities
  - Expenditure below budget (in AUD)

## Projected financial status for 2007

- Projected loss for 2007: USD 930,000
  - Projected expenditure: USD 7.7m
    - 8% over budget
    - 1% below budget in AUD
  - Projected revenue: USD 6.8m
    - 2% over budget
- Very unfavourable exchange rate
  - Projected FX: 0.8613
    - 9% over budget (0.7889)
  - Could be higher by end of 2007

# Profit and Loss statement – Semi annual

| Expenses (USD)              | Actual YTD       | Projected Actual 2007 | Budget 2007      | Projected Budget Δ | Projected Budget Δ% |
|-----------------------------|------------------|-----------------------|------------------|--------------------|---------------------|
| <i>Exchange Rate (*)</i>    | 0.8131           | <b>0.8613</b>         | <b>0.7889</b>    | 0.0724             | 9.2%                |
| Communication expenses      | 66,323           | 125,149               | <b>124,093</b>   | 1,057              | 0.9%                |
| Depreciation expense        | 228,141          | 463,430               | <b>437,024</b>   | 26,406             | 6.0%                |
| Donation/ Sponsorship       | 44,087           | 76,700                | <b>74,395</b>    | 2,305              | 3.1%                |
| ICANN contract fee          | 0                | 191,763               | <b>216,038</b>   | (24,274)           | -11.2%              |
| Meeting & training expenses | 37,422           | 148,109               | <b>148,314</b>   | (204)              | -0.1%               |
| Membership fees             | 24,939           | 48,090                | <b>59,350</b>    | (11,260)           | -19.0%              |
| Other operating expenses    | 606,123          | 1,441,061             | <b>1,327,764</b> | 113,297            | 8.5%                |
| Professional fees           | 158,857          | 465,710               | <b>385,095</b>   | 80,616             | 20.9%               |
| Rent                        | 176,847          | 359,644               | <b>325,248</b>   | 34,396             | 10.6%               |
| Salaries                    | 1,521,941        | 3,490,193             | <b>3,219,890</b> | 270,303            | 8.4%                |
| Travel expenses             | 433,226          | 899,596               | <b>818,697</b>   | 80,899             | 9.9%                |
| <b>TOTAL EXPENSES</b>       | <b>3,297,906</b> | <b>7,709,446</b>      | <b>7,135,906</b> | <b>573,540</b>     | <b>8.0%</b>         |

# Profit and Loss statement – Semi annual

| Revenue (USD)                | Actual YTD       | Projected Actual 2007 | Budget 2007      | Projected Budget Δ | Projected Budget Δ% |
|------------------------------|------------------|-----------------------|------------------|--------------------|---------------------|
| <i>Exchange Rate (*)</i>     | 0.8131           | <b>0.8613</b>         | <b>0.7889</b>    | 0.0724             | 9.2%                |
| Interest income              | 137,187          | 470,219               | <b>431,195</b>   | 39,024             | 9.1%                |
| IP resource application fees | 309,050          | 612,459               | <b>566,362</b>   | 46,097             | 8.1%                |
| Membership fees              | 2,468,239        | 4,997,098             | <b>4,692,842</b> | 304,256            | 6.5%                |
| Non-members fees             | 59,990           | 120,798               | <b>77,768</b>    | 43,029             | 55.3%               |
| Per Allocation fees          | 612,407          | 939,322               | <b>723,532</b>   | 215,791            | 29.8%               |
| Sundry income                | 120,994          | 171,265               | <b>152,417</b>   | 18,848             | 12.4%               |
| <b>SUB-TOTAL REVENUE</b>     | <b>3,707,866</b> | <b>7,311,161</b>      | <b>6,644,115</b> | <b>667,046</b>     | <b>10.0%</b>        |
| FX rate gain / (loss)        | (162,608)        | (532,380)             | 0                | (532,380)          | 0.0%                |
| <b>TOTAL REVENUE</b>         | <b>3,545,258</b> | <b>6,778,781</b>      | <b>6,644,115</b> | <b>134,666</b>     | <b>2.0%</b>         |

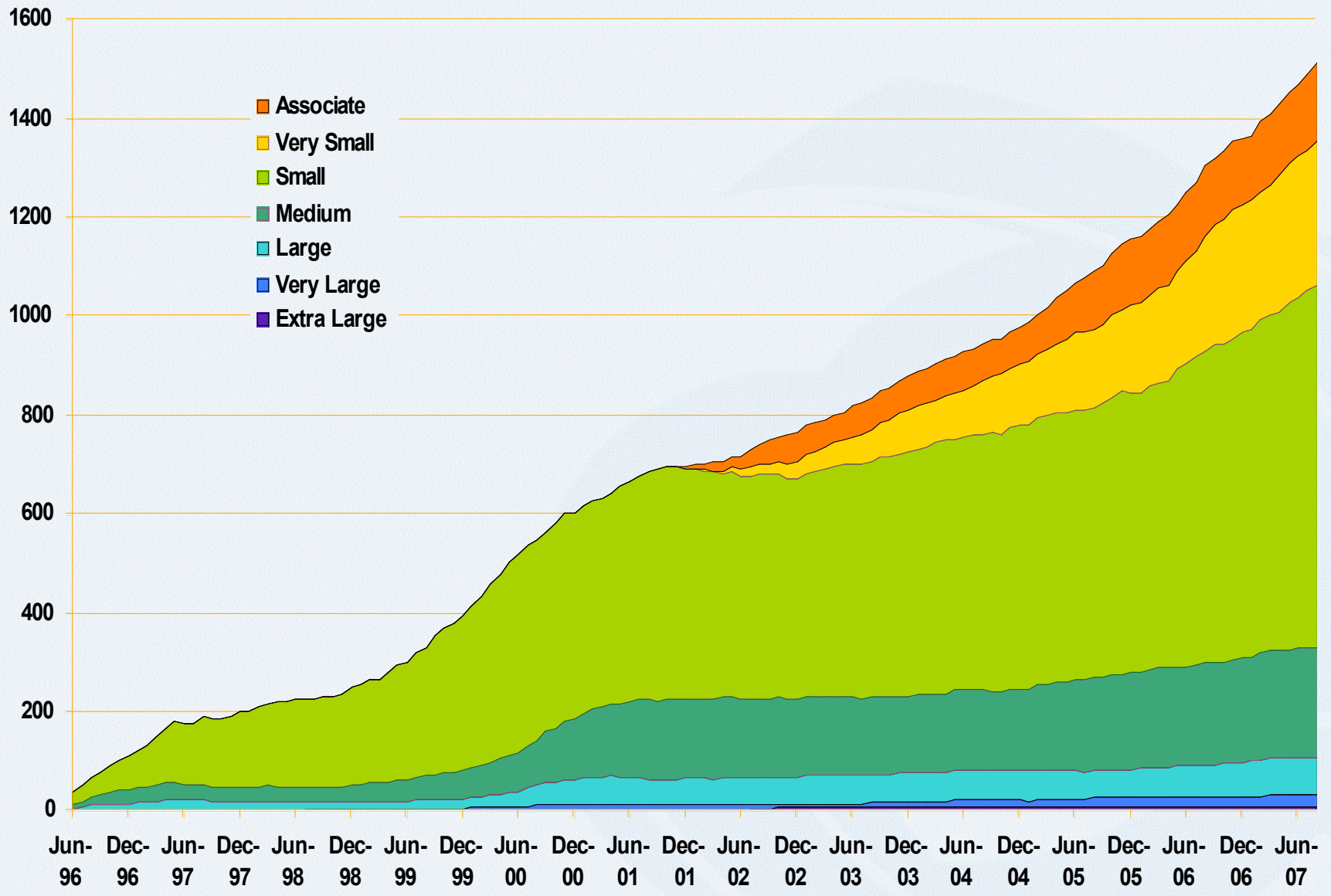
# Operating profit/ (loss)

| Operating Profit / (Loss)<br>(USD)  | Actual<br>YTD  | <i>Projected<br/>Actual<br/>2007</i> | Budget<br>2007   | Projected<br>Budget<br>Δ | Projected<br>Budget<br>Δ% |
|-------------------------------------|----------------|--------------------------------------|------------------|--------------------------|---------------------------|
| <i>Exchange Rate (*)</i>            | <i>0.8131</i>  | <i>0.8613</i>                        | <i>0.7889</i>    | <i>0.0724</i>            | <i>9.2%</i>               |
| Total Revenue                       | 3,545,258      | 6,778,781                            | <b>6,644,115</b> | 134,666                  | 2.0%                      |
| Total Expenses                      | 3,297,906      | 7,709,446                            | <b>7,135,906</b> | 573,540                  | 8.0%                      |
| <b>OPERATING PROFIT/<br/>(LOSS)</b> | <b>247,352</b> | <b>(930,665)</b>                     | <b>(491,791)</b> |                          |                           |

# Balance sheet as at 30 June 2007

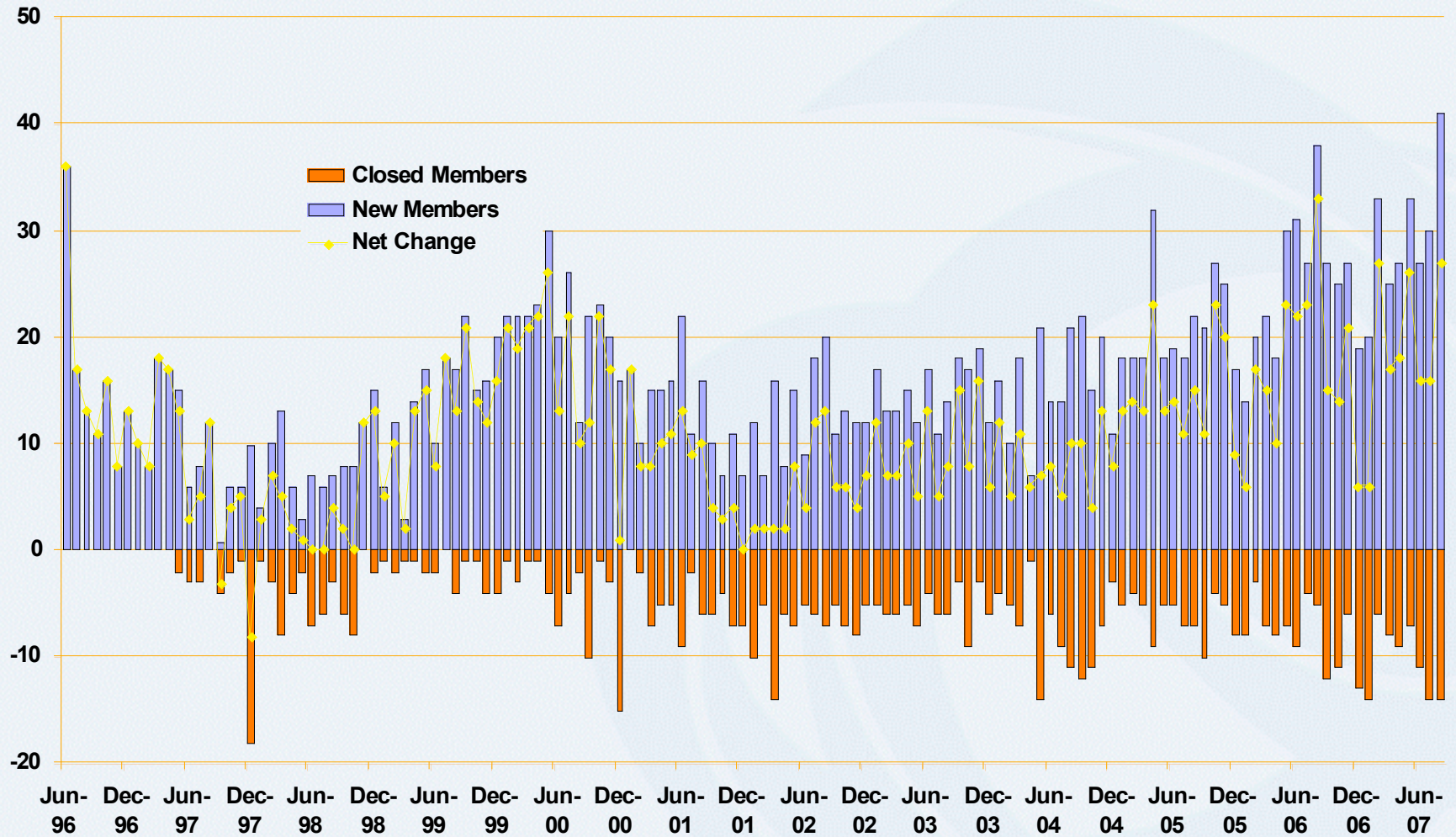
| <b>Financial Position (USD)</b>       | <b>YTD<br/>2007</b> | <b>Year-End<br/>2006</b> | <b>Δ%</b>   |
|---------------------------------------|---------------------|--------------------------|-------------|
| <i>Exchange rate(*)</i>               | <i>0.8457</i>       | <i>0.7938</i>            | <i>6.5%</i> |
| Current Assets                        | <b>9,117,526</b>    | 8,587,349                | <b>6.2%</b> |
| Non-current Assets                    | <b>3,831,677</b>    | 3,685,478                | <b>4.0%</b> |
| <b>TOTAL ASSETS</b>                   | <b>12,949,203</b>   | <b>12,272,827</b>        | <b>5.5%</b> |
| Total Liabilities                     | <b>5,086,712</b>    | 5,110,080                | -0.5%       |
| Total Equity                          | <b>7,862,491</b>    | 7,162,748                | 9.8%        |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b>12,949,203</b>   | <b>12,272,827</b>        | <b>5.5%</b> |

# Membership status





# Membership net change



# Priorities

- Continuous improvement
  - Improve fees collection procedure to reduce overdue accounts
  - Enhance payment facility
  - Enhance integration between accounts and members data
- Review fees structure

*Questions?*