



**RIPE NCC**  
RIPE NETWORK COORDINATION CENTRE

# Financial Update & Redistribution 2017

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RIPE NCC Executive Board  
Treasurer

# Financial Highlights Q3 2017



- Revenue is higher than budgeted
  - Income from sign-up fees is up by 21% due to higher-than-anticipated LIR growth
- Expenses are below budget
  - Lower number of FTEs than budgeted (144 vs 149)
- Lower Capex
- Redistribution of surplus 2016

# Performance Indicators Q3 2017



Year-to-Date (YTD)	Q3 2017	Q3 B2017	Q3 2016
Income in million EUR	23.1	5%	14%
Expenses in million EUR	18.1	-7%	8%
Surplus in million EUR	4.8	70%	29%
Capital expense in million EUR	0.4	-61%	-15%
Number of LIRs	16,956	4%	17%
Average expense per LIR	€1,460	-11%	-8%

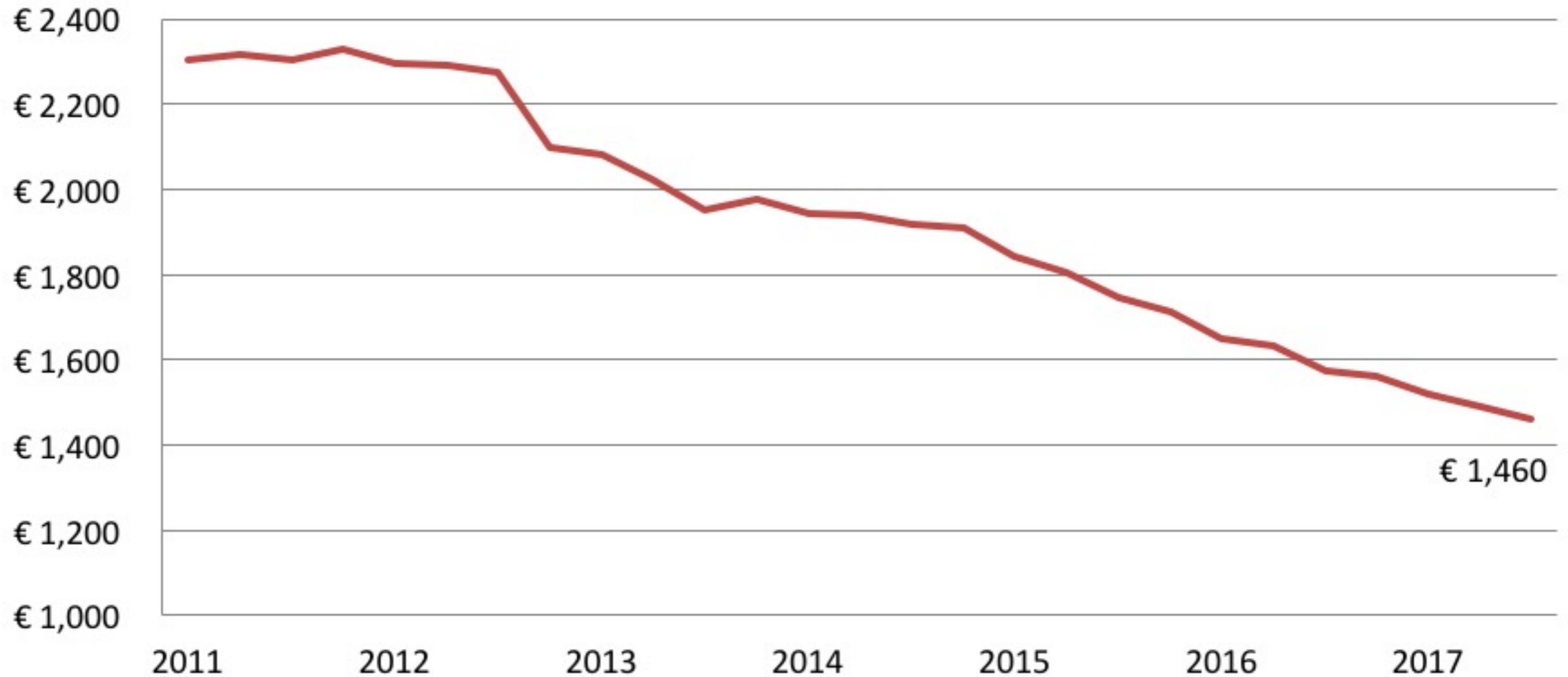
# Revenue YTD 30 September 2017



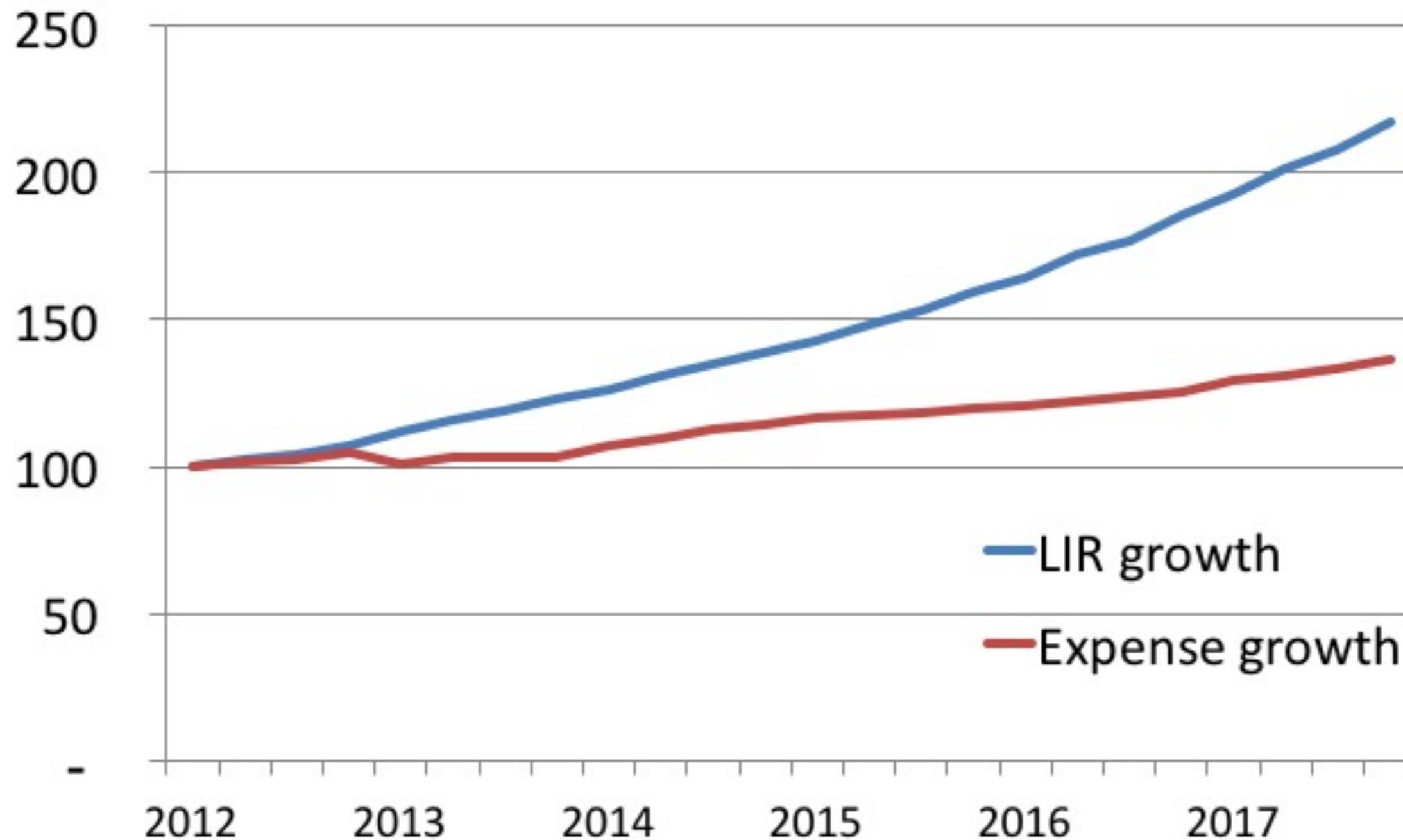
In kEUR	Actual	Budget	Actual	Variance	Variance
<b><u>Income</u></b>	<b>2017</b>	<b>2017</b>	<b>2016</b>	<b>2017 vs B2017</b>	<b>2017 vs 2016</b>
Fees existing members	16,920	16,606	14,406	314 2%	2,514 17%
Fees new members	5,917	4,903	5,425	1,014 21%	492 9%
Other Income	284	430	444	(146) -34%	(160) -36%
<b>Total Income</b>	<b>23,121</b>	<b>21,939</b>	<b>20,275</b>	<b>1,182 5%</b>	<b>2,846 14%</b>

- High LIR growth
- Other Income - Lower sponsorships, negative exchange rate result

# Average Expense per LIR Account



# LIR vs Expense Growth



# Financial Indicators Latest Estimate 2017

Anticipated Year End	2017	B2017	2016
Income in million EUR	31.5	5%	14%
Expenses in million EUR	25.8	-2%	10%
Surplus in million EUR	5.5	42%	29%
Capital expense in million EUR	1.2	-17%	-48%
Number of LIRs	17,250	2%	15%
Average expense per LIR	€1,497	-5%	-5%

# Redistribution of Surplus



Since 2015, the GM decides on what to do with the RIPE NCC fiscal surplus. There are two options:

1. Return the excess paid contributions, i.e. the fiscal surplus, to the RIPE NCC members (without needing to pay any corporate income tax)
2. Accumulate the surplus in the Clearing House reserve. However, we would need to pay corporate income tax of 25%

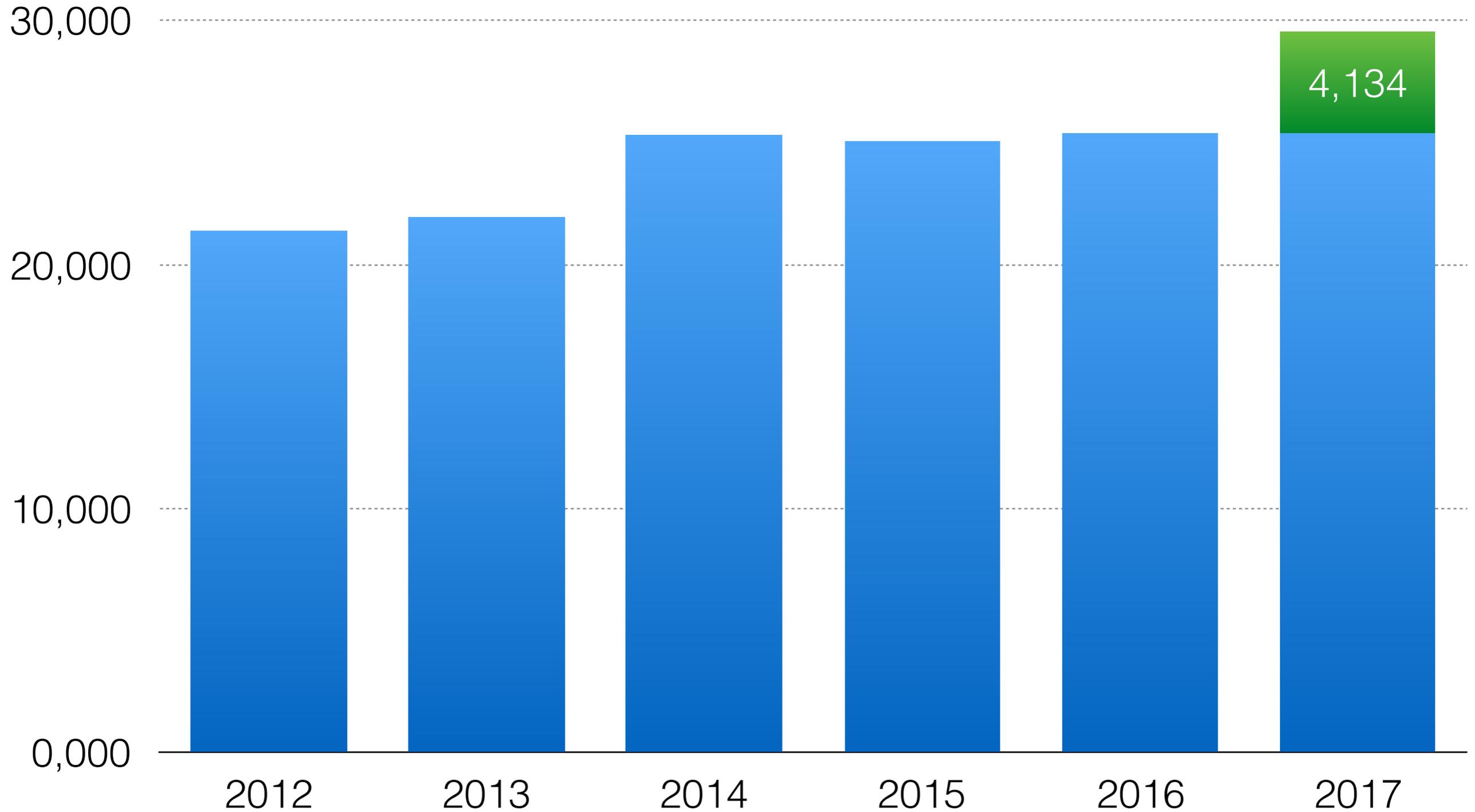
# Forecasted Amount for Redistribution

Forecasted fiscal surplus 2017 in kEUR 5,499

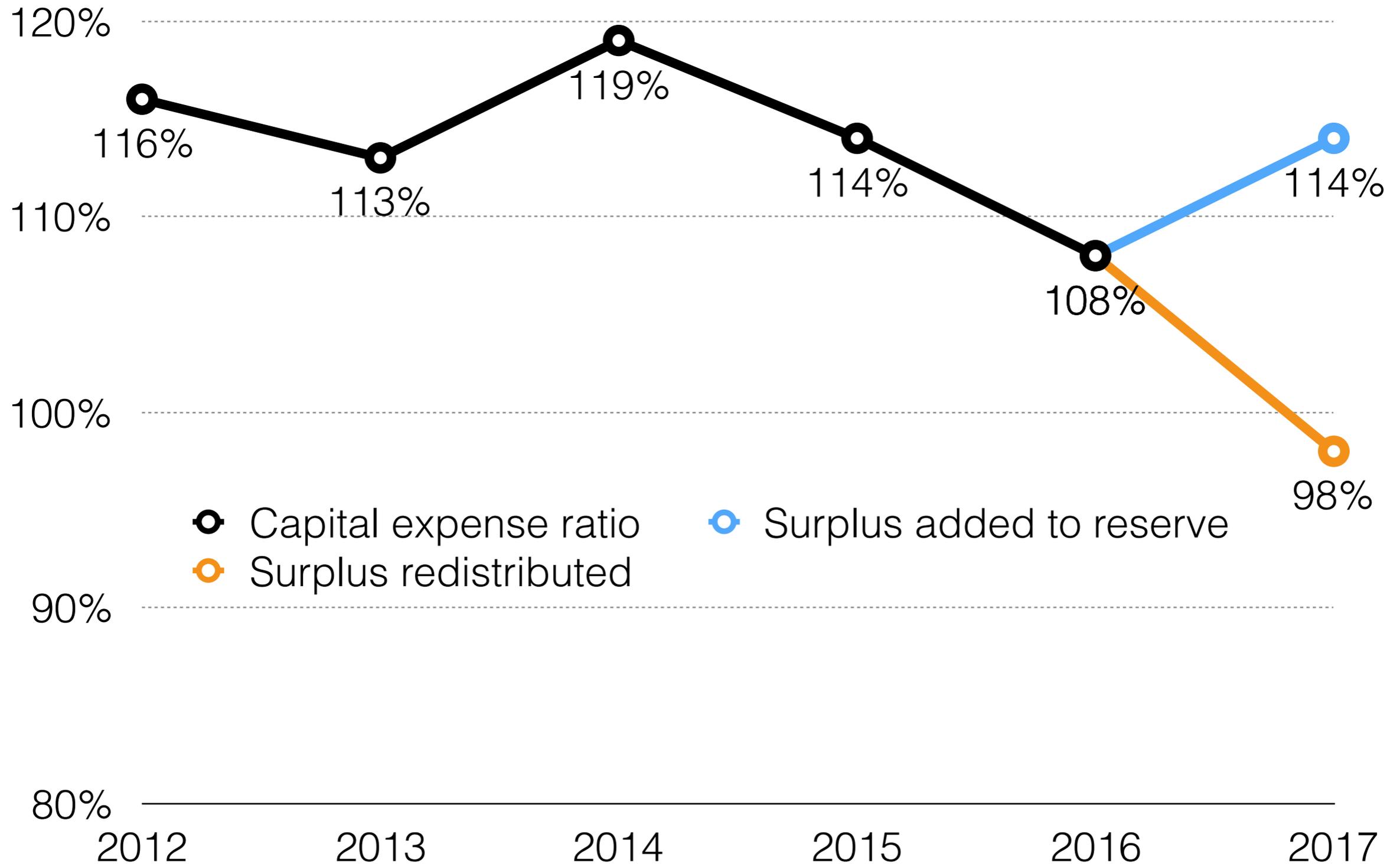
Not re-distributed in 2017 in kEUR 270

Planned re-distribution in 2018 in kEUR 5,769

# Current Level of the Reserve (kEUR)



# Capital/Expense Ratio Development



# Redistribution Procedure



Assuming the GM approves a redistribution of this surplus to the members:

- All active members as of 31 December 2017 will receive a portion of this redistribution
- Redistribution per LIR will be about EUR 325  
(Surplus x Member Contribution) / Total Contribution
- Amount payable per LIR in 2018 will be:  
Service fee minus Redistribution per LIR:  
EUR 1,400 - EUR 325 = EUR 1,075 net (approximately)

# Resolution



“The General Meeting approves the redistribution of the excess contribution paid in 2017 by redistributing the RIPE NCC 2017 surplus to the membership in 2018.”

- Yes → Discount on service fee 2018
- No → Addition of fiscal surplus to reserve (minus corporate income tax of 25%)



# Questions

