

RIPE NCC Draft Budget 2008

The budgeted costs for 2008 are 9% higher than the budgeted costs for 2007. This is a result of the increased staff levels necessary to support RIPE NCC operations generally and Internet Number Resource Certification, RIPE Meetings and External Relations specifically.

Statement of Income & Expenditure RIPE NCC

In kEUR	Budget		Actual	Difference	
Income	2008	2007	2006	2008/07	2008/06
Service Fees	11,923	10,764	11,615	1,159	308
RIPE Meeting	218	227	194	(9)	24
Other Income	206	115	234	91	(28)
Total Income	12,347	11,106	12,043	1,241	304
Expenditure					
Personnel Expenses	7,776	6,967	5,848	809	1,928
General Operating Expenses	3,153	2,828	2,281	325	872
RIPE Meeting	503	356	416	147	87
Training Courses	293	283	277	10	16
Regional Meetings	99	90	139	9	(40)
Financial Expenses	72	72	54	-	18
Subtotal Operational Expenses	11,896	10,596	9,015	1,300	2,881
Miscellaneous Expenses	250	330	344	(80)	(94)
Depreciation	568	769	621	(201)	(53)
Total Expenses	12,714	11,695	9,980	1,019	2,734
Surplus/Deficit before interest inc	(367)	(589)	2,063	222	(2,430)
Interest income	517	476	420	41	97
Surplus / Deficit	150	(113)	2,483	263	(2,333)

Development of RIPE NCC Reserves

The table below summarises the capital development of the RIPE NCC. The capital consists of the RIPE NCC reserves including the surplus / deficit for the year at issue.

Year	Surplus / Deficit	Capital at 31 December*	Total expenses per year**	% Capital of Total Expenses
2001	1,382	6,579	7,721	85 %
2002	(2,369)	4,210	10,442	40 %
2003	3,077	7,287	9,996	73 %
2004	2,698	9,986	9,739	103 %
2005	2,684	12,670	9,420	135 %
2006	2,483	15,153	9,980	152 %
Estimated 2007	739	13,392	11,277	119 %
Budget 2008	150	13,542	12,714	107 %

Note: * The reason that the figure for the RIPE NCC capital decreases between 2006 - 2007 is because the figure for 2007 includes the one-time member rebate of EUR 2.5 million that was given to members in 2007.

**The total expenses up to the year 2005 include the interest income.

Expenses per Activity

For the year 2008 the RIPE NCC has used a different methodology to estimate its expenses per activity. While in previous years this division was based on the FTEs per department, for the budget of 2008 the RIPE NCC has used an Activity Based Costing model. This revised model gives a better reflection of the division of the RIPE NCC activities.

Aside from the changes due to the new budgeting model, the following items had an impact on the expenses for the Co-ordination Activities category: Implementation of a new Content Management System to improve the usability and accessibility of the RIPE NCC's websites, redesign of the RIPE Database, additional RIPE meeting costs and External Relations activities.

Amounts in kEUR	Budget 2008		Budget 2007		Difference	
	Amount	%	Amount	%	Amount	%
Membership Services	6,072	48%	7,386	63%	(1,314)	-18 %
Co-ordination Activities	5,289	41%	2,953	25%	2,336	79 %
Information Services	1,353	11%	1,356	12%	(3)	<1 %
Total Expenses	12,714		11,695		1,019	9 %

The table below shows the new or significantly developed activity for 2008. The figure presented for this activity is the direct allocated costs and does not include an overhead or management fee.

Support for Internet Number Resource Certification	
312 kEUR in 2008	150 kEUR Capital expense in 2008

Income and Fees per Billing Category (Based on the Proposed Charging Scheme)

Income	No. of registries	Fee	Amount in kEUR
New members			
Sign-up Fee	546	EUR 2,000	1,092
Service fee, Extra Small	546	EUR 1,300	394
Existing members			
Extra Small	1,129	EUR 1,300	1,468
Small	2,862	EUR 1,800	5,152
Medium	1,041	EUR 2,550	2,653
Large	208	EUR 4,100	853
Extra Large	52	EUR 5,500	286
Administration Fee	25	EUR 1,000	25
Total Membership fees			11,923

Note: Income received from new members is estimated on the basis of a budgeted number of new LIRs per month multiplied by the pro rata annual service fee.