

**Source:** FFG Chairman

**Title:** Year 2002 Financial Status and calculation of Year End Surplus

**Agenda item:** 6.2

**Document for:**

Decision	X
Discussion	
Information	

## 1 Introduction

Document OP#9(03)06 provides a detailed description of the income and expenditure for MCC in year 2002. This present document uses that detailed description to calculate an income and expenditure summary relevant to 3GPP to determine the resources to be carried forward to 2003 and the surplus to be returned to the Organizational Partners.

## 2 Year 2002 income and expenditure by budget heading

### 2.1 Income

The payments received from the Partners during 2002, and the purpose for which the payments were made, are tabulated below. In order to calculate the surplus to be returned to each Partner it is necessary to find the proportional value of the payments made and these too are shown in the table. It should be noted that the proportional value of the contribution received from CWTS and other additional sources is not calculated since surplus is not expected to be returned to them.

Source	A		B		C(=A+B)		D		E(=C+D)	
	Support(SA etc.)		Support(GERAN)		Support		Specific Tasks		Total	
ARIB	673,01	13,46%			673,01	11,38%	94,25	12,50%	767,26	11,51%
ETSI	2568,74	51,36%	606,79	66,67%	3175,53	53,72%	188,50	25,00%	3364,03	50,47%
T1	621,15	12,42%	303,33	33,33%	924,48	15,64%	188,50	25,00%	1112,98	16,70%
TTA	563,53	11,27%			563,53	9,53%	188,50	25,00%	752,03	11,28%
TTC	575,06	11,50%			575,06	9,73%	94,25	12,50%	669,31	10,04%
<b>Subtotal</b>	<b>5001,49</b>	<b>100,00%</b>	<b>910,12</b>	<b>100,00%</b>	<b>5911,61</b>	<b>100,00%</b>	<b>754,00</b>	<b>100,00%</b>	<b>6665,61</b>	<b>100,00%</b>
CWTS	260,00				260,00				260,00	
GSMA (S18)							5,47			
GSMA (160)							143,00			
GSMA/GCF (160)							30,98			
<b>Total</b>	<b>5261,49</b>		<b>910,12</b>		<b>6171,61</b>		<b>933,45</b>		<b>7105,06</b>	

(all figures in kEUR)

## 2.1 MCC Staff

The following table shows the 3GPP income and expenditure relating to the budget line MCC Staff.

It can be seen that there is a difference of -15 kEUR to be accommodated by the Partners. (It should be noted that 35 kEUR was allocated from the original budget for non-3GPP related tasks and that the actual income and expenditure for 3GPP related activities is therefore 955 (990–35) and 970 (1005–35) kEUR respectively).

Resource description	MCC income	MCC expenditure	Year end situation
MCC Staff (3GPP activity only)	955	970	-15
<b>Totals (kEUR)</b>	<b>955</b>	<b>970</b>	<b>-15</b>

The proportions of the payments received for this budget line are as indicated below (according to column C of the main table).

C(=A+B)		
Support		
ARIB	673,01	11,38%
ETSI	3175,53	53,72%
T1	924,48	15,64%
TTA	563,53	9,53%
TTC	575,06	9,73%
	5911,61	100,00%

The difference from the Staff budget should be allocated to the Partners in the same proportion as derived from the income source as shown below:

ARIB	-1,71
ETSI	-8,06
T1	-2,35
TTA	-1,43
TTC	-1,46
<b>Subtotal</b>	<b>-15,00</b>

(all figures in kEUR)

### 2.1.1 Additional MCC Staff

The following table shows the 3GPP income and expenditure relating to the budget line "Additional MCC Staff" (exclusively Shicheng Hu supporting TTCN development).

It can be seen that there is a difference of -1 kEUR to be accommodated by the Partners.

Resource description	MCC Income	MCC expenditure	Year end situation
MCC Additional Staff	144	145	-1
<b>Totals (kEUR)</b>	<b>144</b>	<b>145</b>	<b>-1</b>

The proportions of the payments received for this budget line are as indicated below (according to column C of the main table).

C(=A+B)		
Support		
ARIB	673,01	11,38%
ETSI	3175,53	53,72%
T1	924,48	15,64%
TTA	563,53	9,53%
TTC	575,06	9,73%
	5911,61	100,00%

The difference from the Staff budget should be allocated to the Partners in the same proportion as derived from the income source as shown below:

ARIB	-0,11
ETSI	-0,54
T1	-0,16
TTA	-0,10
TTC	-0,10
<b>Subtotal</b>	<b>-1,00</b>

(all figures in kEUR)

## 2.2 MCC Contractor support to TSGs SA, RAN, CN and T (inc non-remunerated experts)

The following table shows the income and expenditure relating to the budget line for Contractor support to TSGs SA, CN, RAN and T. It can be seen that there is a difference of –141,35 kEUR to be allocated to the Partners.

It should be noted that the manpower provided voluntarily by ARIB and TTA has been shown as an income of 136,2 kEUR each (227 days \* 600 EUR) although the total of the actual days worked may differ.

Resource description	MCC Income	MCC expenditure	Year end situation
MCC Contractor support to TSGs SA, RAN, CN and T	1668,55	1809,90	-141,35
<b>Totals (kEUR)</b>	<b>1668,55</b>	<b>1809,90</b>	<b>-141,35</b>

The proportions of the payments received for this budget line are as indicated below (according to column A of the main table).

A		
Support (SA, CN, RAN & T)		
ARIB	673,01	13,46%
ETSI	2568,74	51,36%
T1	621,15	12,42%
TTA	563,53	11,27%
TTC	575,06	11,50%
	5001,49	100,00%
CWTS	260,00	
	5261,49	

The difference from the SA, RAN, CN and T contractor support budget line should be allocated to the Partners in the same proportion as derived from the income source as shown below:

ARIB	-19,03
ETSI	-72,60
T1	-17,56
TTA	-15,93
TTC	-16,26
<b>Subtotal</b>	<b>-141,38</b>

(all figures in kEUR)

### 2.3 MCC Contractor support to TSG GERAN

The following table shows the income and expenditure relating to the budget line for Contractor support to TSG GERAN. It should be noted that the budget for this activity was originally 294,50 kEUR, but the actual income was 276,1095 kEUR due to underpayment by one Partner (-18,3905 kEUR).

It can be seen that there is a difference of -2,5905 kEUR to be accommodated by the Partners.

Resource description	MCC resource	MCC expenditure	Year end situation
MCC Contractor support to TSG GERAN	276,1095	278,70	-2,5905
<b>Totals (kEUR)</b>	<b>276,1095</b>	<b>278,70</b>	<b>-2,5905</b>

The proportions of the payments received for this budget line are as indicated below (according to column B of the main table).

B		
Support (GERAN)		
ARIB		
ETSI	606,79	66,67%
T1	303,33	33,33%
TTA		
TTC		
	910,12	100,00%
CWTS		
	<b>910,12</b>	

The difference from the TSG GERAN contractor support budget line should be allocated to the Partners in the same proportion as derived from the income source as shown below:

ARIB	
ETSI	-1,7271
T1	-0,8634
TTA	
TTC	
<b>Subtotal</b>	<b>-2,5905</b>

(all figures in kEUR)

## 2.4 MCC Travel and subsistence

The following table shows the income and expenditure relating to the budget line for Travel and Subsistence. It can be seen that there is a difference of 23,13 kEUR to be accommodated by the Partners. (It should be noted that 19 kEUR was allocated from the original budget for non-3GPP related travel and that the actual income and expenditure for 3GPP related travel was 781 and 757,87 kEUR respectively).

Resource description	MCC resource	MCC expenditure	Year end situation
MCC Travel and Subsistence (3GPP activity only)	781	757,87	+23,13
<b>Totals (kEUR)</b>	<b>781</b>	<b>757,87</b>	<b>+23,13</b>

The proportions of the payments received for this budget line are as indicated below (according to column C of the main table).

C(=A+B)		
Support		
ARIB	673,01	11,38%
ETSI	3175,53	53,72%
T1	924,48	15,64%
TTA	563,53	9,53%
TTC	575,06	9,73%
	5911,61	100,00%

The difference from the Travel and Subsistence budget should be allocated to the Partners in the same proportion as derived from the income source as shown below:

ARIB	+2,63
ETSI	+12,43
T1	+3,62
TTA	+2,20
TTC	+2,25
<b>Subtotal</b>	<b>+23,13</b>

(all figures in kEUR)

## 2.5 Specific Task 160 (TTCN)

The following table shows the income and expenditure relating to the budget line for Task 160 (TTCN). It can be seen that there is a difference of 308,78448 kEUR to be accommodated by the Partners.

Resource description	MCC resource	MCC expenditure	Year end situation
MCC Contractor services	(Partners) 754 (GSMA) 143 (GSMA/GCF) 30,98448	619,20	+308,78448
<b>Totals (kEUR)</b>	<b>927,98448</b>	<b>619,20</b>	<b>+308,78448</b>

The Partners have already decided that the difference from this budget line should be carried forward to 2003 so that the work may be continued in 2003. (It should be noted that the large underspend is due to the Task Force diverting from its main role and delivering updated TTCN to the March 2002 specification level.)

Resource description	Resource carried forward to 2003
MCC Contractor services (Task 160)	+308,78448
<b>Totals (kEUR)</b>	<b>+308,78448</b>

## 2.6 Specific Task S18 GSM A5/3 Algorithm

Resource description	Resource allocated (2001)	Expenditure (2002)	Year end situation
Subcontract to SAGE Group	127	143,4	-16,4
<b>Totals (kEUR)</b>	<b>127</b>	<b>143,4</b>	<b>-16,4</b>

This task was already included in the 2001 year end accounts to the value of 127 kEUR. The work was completed in 2002 with an expenditure of 143,4 kEUR. The difference is to be accommodated by ETSI, T1 and the GSM Association.

ETSI	-5,466
T1	-5,466
GSMA	-5,466
<b>Subtotal</b>	<b>-16,4</b>

(all figures in kEUR)

(Note: the additional funding required from the GSMA has already been invoiced and paid)

## 2.7 Allocations from the Contingency

The following table shows the income and expenditure relating to the Contingency. It can be seen that there is a difference of 403 kEUR to be accommodated by the Partners. (Note: the Contingency is an allocation included in the budget planning at the beginning of the year to cope with unforeseen expenditure during the year.)

Resource description	MCC resource	MCC expenditure	Year end situation
Contingency	563	(New Codec) 160	+403
<b>Totals (kEUR)</b>	<b>563</b>	<b>160</b>	<b>+403</b>

The proportions of the payments received for this budget line are as indicated below (according to column C of the main table).

C(=A+B)		
Support		
ARIB	673,01	11,38%
ETSI	3175,53	53,72%
T1	924,48	15,64%
TTA	563,53	9,53%
TTC	575,06	9,73%
	5911,61	100,00%

3GPP Partner	Payment to the Contingency	Allocation to New Codec Task	Return to Partner
ARIB	64,07	-20	+44,07
ETSI	302,44	-40	+262,44
T1	88,05	-40	+48,05
TTA	53,65	-40	+13,65
TTC	54,78	-20	+34,78
<b>Totals (kEUR)</b>	<b>563</b>	<b>-160</b>	<b>+402,99</b>

### 3 Year 2002 surplus to be returned to 3GPP Partners

The following table summarises the year 2002 surplus to be returned to 3GPP Partners:

	Staff	Add Staff	RAN	GERAN	Travel	Task S18	Contingency	Total
ARIB	-1,71	-0,11	-19,0257	0,0000	2,63	0	44,07	25,86
ETSI	-8,06	-0,54	-72,5974	-1,7271	12,43	-5,466	262,44	186,48
T1	-2,35	-0,16	-17,5557	-0,8634	3,62	-5,466	48,05	25,28
TTA	-1,43	-0,10	-15,9301	0,0000	2,20	0	13,65	-1,60
TTC	-1,46	-0,10	-16,2553	0,0000	2,25	0	34,78	19,22
Subtotals	-15,00	-1,00	-141,3641	-2,5905	23,13	-10,932	402,99	255,23

All figures in kEUR

Summary of surplus to be returned to each Partner:

Partner	Surplus to be returned
ARIB	+25,8
ETSI	+186,5
T1	+25,3
TTA	-1,6
TTC	+19,2
<b>(kEUR)</b>	<b>+255,2</b>

All figures in kEUR

#### 4 3GPP Income and Expenditure Summary for year 2002

All figures in kEUR

INCOME		EXPENDITURE	
Monetary payments received from 3GPP Partners for project support (including contingency). <i>Note 1</i>	<b>5899,21</b>	MCC costs relating to 3GPP support. <i>Note 6</i>	<b>5745,47</b>
Expert resources provided by 3GPP Partners in lieu of monetary payment. <i>Note 2</i>	<b>272,40</b>	MCC costs relating to 3GPP specific tasks <i>Note 7</i>	<b>635,60</b>
Monetary payments received from 3GPP Partners for specific tasks. <i>Note 3</i>	<b>754,00</b>		
Monetary payments received from GSMA for specific tasks <i>Note 4</i>	<b>148,67</b>		
Monetary payments received from GSMA (via GCF) for specific tasks <i>Note 5</i>	<b>30,98</b>		
<b>TOTAL INCOME</b>	<b>7105</b>	<b>TOTAL EXPENDITURE</b>	<b>6381</b>

**2002 year end situation = 724 kEUR**

**Resources to be carried forward to 2003 = 469 kEUR**

*Note 8*

**Surplus to be returned to Partners = 255 kEUR**

Note 1 See main table in section 2, Column C, minus two non-remunerated experts.

Note 2 Mr Ikeda/Mr Kim and Mr Sasaki/Mr Yoon, provided by ARIB and TTA in lieu of monetary payment

Note 3 TTCN Task (from Partners (754kEUR),

Note 4 GSMA TTCN (143 kEUR) and A5/3 additional payment (48-42,33 = 5,67 kEUR) = 148,67kEUR

Note 5 GCF TTCN (30,98kEUR).

Note 6 3GPP expenditure for Staff, add Staff, RAN and GERAN contractors, travel and overheads.

Note 7 3GPP expenditure on Task 160 (619,2kEUR) and Task S18 (16,4kEUR) = 635,6 kEUR

Note 8 Continuation of TTCN task in 2003 (308,78kEUR) and new Codec task (160kEUR) = 468,78kEUR