Technology Innovation International

The Global Gateway to Innovation

THE NETWORK THAT TAKES YOU FURTHER

http://www.

TII 2010 ANNUAL REPORT

CONTENTS

1. SUMMARY HIGHLIGHTS

2011 will be remembered as a year of mild turbulence as the effects of the economic crisis began to be felt by a number of innovation support players in several countries. Its effect on TII's activity manifested itself through a small decline in membership (-5) and also through a modest drop in attendance at most of the association's events during the year. At the same time, with the advent of new web technologies and the use of social media, the secretariat began to experiment with new ways of communicating with the membership to deliver its messages, in particular with the creation of a LinkedIn discussion group and a blog for delivering its monthly newsletter. The TII website was re-designed and launched at the end of June, while the innovation tool wiki was opened up to the public in November.

Throughout the year the secretariat offered a balanced programme of information services and good practice and training events for the benefit of the members. A total of six public meetings were organized, which included the annual conference, the summer school, the Innovation Tour, an Innovation Tool Fair, one training workshop and one meeting of the Brussels Group. In addition, the secretariat continued to provide management support to ProTon Europe, and provided substantial input to the organization of its annual conference.

The TII Board of Management met on two occasions, in April and in October, while the Annual General Meeting took place in conjunction with the annual conference on 28 April, in Düsseldorf.

Despite the deteriorating economic situation experienced by many innovation support organizations, membership recruitment in 2010 was still buoyant with a total of 31 new members joining the association. At 31 December, membership stood at 230 corporate and individual members from 39 countries.

The programme of events was maintained as originally published and attracted some 200 participants from over 30 countries. They featured a mixture of networking and good practice exchange opportunities, training workshops and information meetings, which were held in different locations around Europe and in Quebec, Canada. They were in chronological order:

➤ one Knowledge Transfer workshop held in in Teddington (UK) on 18 and 19 March
➤ the 2010 Annual Conference entitled "Innovation 3.0: Challenges, Needs and Skills of the New Innovation Era", held from 28 to 30 April in Düsseldorf (D)
➤ the Summer School held from 6 to 10 September in Vilnius (LT)
➤ the Innovation Tour held from 27 September to 1 October in Quebec (CA)
➤ one meeting of the Brussels Group on 22 October in Brussels
➤ the Innovation Tool Fair on 18-19 November in Brussels

2. MANAGEMENT ISSUES

The daily business of the association was managed by its full-time secretariat of three staff members from its Luxembourg office. Their main responsibilities consisted of membership administration and communication with the members, including developing content for the website and the monthly electronic newsletter, the preparation of the management meetings, the organization and implementation of the annual programme of events, as well as the execution of the association's European contracts.

2.1 Membership development

31 members from 18 countries, including for the first time Armenia and Bulgaria, joined the association in 2010. Germany led the country listings with 5 new recruits, while Lithuania and Turkey shared 3 new members each. At the end of the year membership stood at 230 from a total of 39 countries. In total, 36 members left the association, either through voluntary departure or termination as a result of the non-payment of their membership fee.

Origin of new members joining in 2010
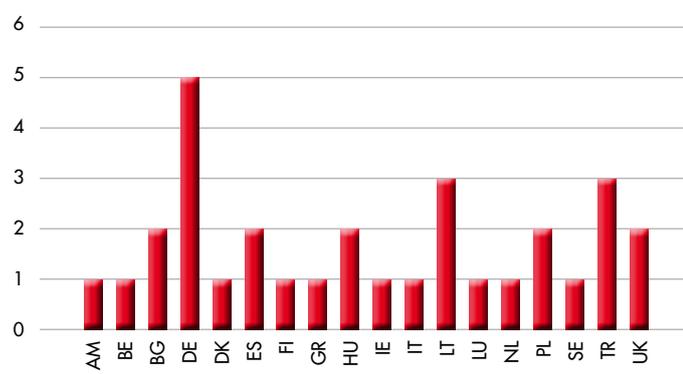
TII Members @ 31 December 2010
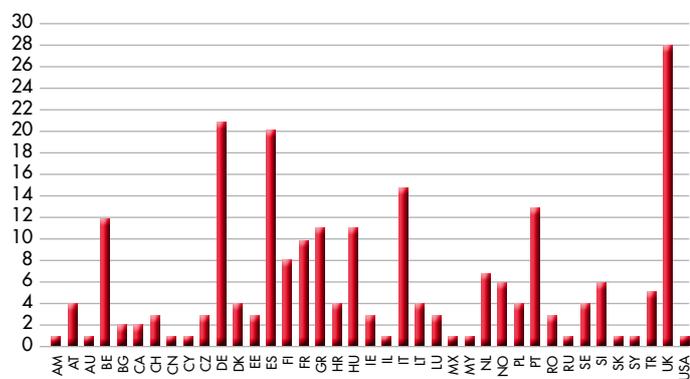
2.2 Management meetings

The 2010 Annual General Meeting of the members was held on 28 April in Mülheim an der Ruhr at the invitation of TII member, ZENIT, and in conjunction with the annual conference. At the AGM the following Board members were elected or re-elected to represent their country:

Belgium: Guido Giebens (Antrim/Viisiteam)
Denmark: Morten Dahlgaard Andersen (Aalborg University)
France: Jean-Marie Pruvot (Nord France Innovation Développement)
Greece: Theologos Prokopiou (Incubation for Growth)
Luxembourg: Gaston Trauffler (Luxinnovation)
Netherlands: Arjan De Bruin (Van der Meer & van Tilburg Innovation Consultants)
Portugal: Carlos Cerqueira (Instituto Pedro Nunes)
United Kingdom: Gordon Ollivere (RTC North)

2.3 Staffing and organization of the secretariat

The day-to-day management of the Association was carried out by the permanent staff of three: Christine Robinson, Secretary General (coordination and management issues), José Syne (ProTon Europe and European contracts) and Isabelle Tardioli (events, membership administration and bookkeeping). From January to October José Syne was seconded on a part-time basis to run the activities of ProTon Europe. The secretariat relied on a number of members to assist and advise on issues such as the development of the TII blog and the LinkedIn discussion group as well as the conference programme. Speakers and trainers were also engaged from among the membership to contribute to the workshops and seminars held during the year.

3. INFORMATION SERVICES

3.1 **Website**

The TII website – www.tii.org – was completely re-designed in 2010 as it moved from a First Class platform to a commercial provider in Luxembourg. The web designers proposed a new layout for the home page which now offers an attractive and concise presentation of the association's activities, comprising four quarter-page sections entitled "About us", "Events", "Partners' activities" and "Innovation News". Further information on the members, services, partnerships and events are to be found by clicking on the top menu bar. As with the First Class system, the website offers useful options for archiving documents and photos relating to TII's past events, all of which are easily accessible to the visitor. In the password protected area of the website members are able to consult the full profiles of the other members in the Members' Directory. The new website was finally launched to the public at the end of June.

3.2 **LinkedIn Discussion Group**

In November, the decision was taken at Board level to explore more actively the networking opportunities offered by LinkedIn. Two discussion groups were set up - one general TII group and a second group reserved for discussions among the Board of Management. The aim of the public group was to diffuse information and stimulate discussion on potential international project opportunities. Led by Spanish member, Salvador Pastor, the ideas originally generated by the group let to the submission of a collaborative project with 9 partners under FP7-SSH-2011-2.

3.3 **Electronic newsletter and creation of the TII blog**

The secretariat produced 9 monthly newsletters in 2010 (January, February March, May, June, July, September, October, November) which were sent exclusively to the members and a small handful of subscribers. The content focused on short articles with relevant web links on latest developments and initiatives in European innovation policy and practice, pertinent legislation, new books on innovation-related themes, information on new members joining the association and announcements of members' own events. From time to time, there were special offers for subscriptions to technology transfer publications or market research databases, as well as discounts for attendance at conferences on TT or innovation themes organized by third parties.

Following the discussion at the autumn Board meeting on making use of web 2.0 technologies for the delivery of TII's services and after some experimentation, the TII blog was launched as a delivery mechanism for the November issue of the TII newsletter. The blog format offers a number of interesting advantages, including the possibility for members to subscribe to the blog and receive the articles in real time, the option to post a comment and last but not least an attractive layout which caters for the upload of logos and illustrations.
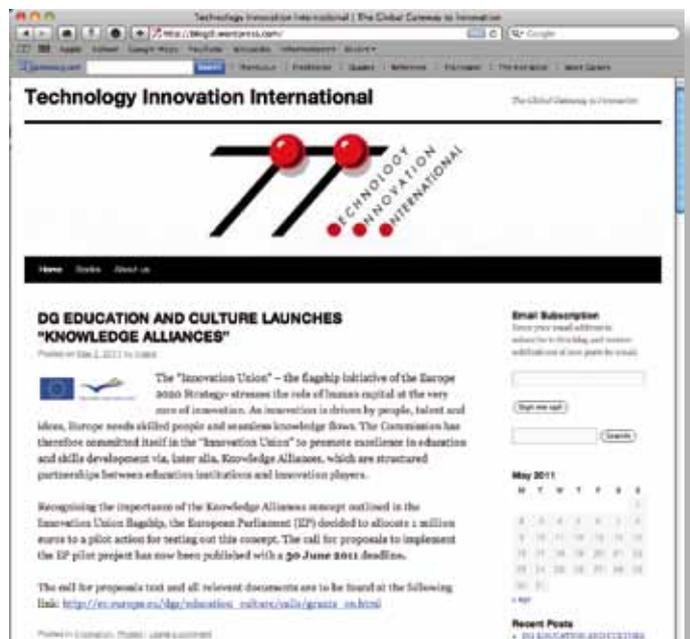
3.4 Tenders Alert Service and TAS Supplement

Some 14 Tenders Alert messages were sent by e-mail during the year providing summary information relating to calls for proposals and invitations to tender published by the European Commission in the field of innovation, R&TD and SMEs, regional development and other areas of potential interest to members (mainly FP7 and CIP). In total, 52 messages of all kinds were sent by e-mail to the membership in 2010.

In addition, a Tenders Alert Supplement, produced in collaboration with TII member, Helix Advisory Services (UK), was provided by e-mail to interested members, upon request. The service included the provision of briefing notes, advance work programmes and other timely specialized information of use to members preparing and advising on European projects. In total 27 TAS Supplement messages were sent during the year.

3.5 TII Knowledge Vine Group

The Knowledge Vine web platform, available via a link on the TII website, groups together several Knowledge Vine communities, which operate with a geographical or technological focus. 161 users are registered for the TII Knowledge Vine group. The system, which uses a simple one-question e-mail to invite users' comments/responses, is effective for (a) identifying industrial and research partners at European level for projects in the making, (b) tracking down new technologies and technical expertise across frontiers, (c) seeking technical or market research information for technology commercialization and innovation projects.

4. ANNUAL CONFERENCE

Düsseldorf by night

"Innovation 3.0: Challenges, needs and skills of the new innovation era" was the title of TII's 2010 annual conference, which took place on 28-30 April in Düsseldorf (D). It was attended by over 110 innovation support practitioners from 31 countries, including Armenia, India, Indonesia and Malaysia. Innovation and technology transfer are especially hot topics in today's changing world, all the more so as innovation is regarded as one of the major levers for overcoming the global financial and economic crisis. New paradigms of innovation appear which reflect the challenges of bringing together and exploiting globally distributed knowledge for new technology, products and services.

This intriguing conference title was intended to spark discussion on whether there was a third way (after the recent era of "open innovation" and its "closed innovation" predecessor), especially for SMEs, to master the challenges of balancing closed and open innovation. The conference sessions and debates therefore looked at the needs and skills which are required by innovation players on a corporate, intermediary and policy level and how the profession is currently meeting these challenges.

Nils Mueller

The conference got off to an energizing start with a visionary keynote address from Nils Mueller, founder and CEO of TrendONE in Hamburg on "The World in 2021". He led the audience on a thrilling and sometimes scary journey presenting radical new technologies and scenarios of life in the next decade, with a special focus on the media, the human/technology convergence, the smart and semantic web (Web 3.0), the Web of Things (Web 4.0) and the Web of Thoughts (Web 5.0).

Special guest speaker at this year's conference was Jaci Barnett, Director of Innovation Support and Technology Transfer at Nelson Metropolitan University in Port Elizabeth, who gave some fascinating insights into the solutions which South African innovation managers have found to deliver more results with fewer resources, to overcome skills shortages and to make an impact in a country where enormous poverty exists alongside a highly developed economy.

The other speakers in the opening plenary session included Alain Liberos of the European Commission / DG Enterprise on how Europe can better support innovation; Han van der Meer, recently appointed Chair of Innovative Entrepreneurship at Saxion University in the Netherlands, on an SME perspective on Open Innovation; Hartmut Scholl, Managing Director of reflact AG (D), who gave an entrepreneur's view of balancing closed and open innovation; and last but not least, Dirk Krause, Technical Director at Pixelpark AG (D), on scouting trends for future technologies.

This year's conference featured a new format of parallel sessions, which offered a selection of different tracks, including traditional conference papers, panel discussions with short input papers from speakers, as well as innovation cafés run as open space meetings. Continuing on the forward-looking theme, the World Café on the final morning of the conference looked at new approaches to technology transfer – particularly in response to the new digital age – which could be packaged into new products and services to be delivered by Innovation Service Providers (ISP).

Led by the Quality Net subgroup of TII, the participants attending the World Café on the final day of the conference reflected on issues such as changes in the market place for innovation services and how these affect the business; future trends, such as eco issues, sustainability and environmental changes; how networks, such as TII and Quality Net, can improve the services offered by their members; and what will make members world class in what they do, either collectively or individually. The assembled input from the participants resulted in the drafting of a manifesto of four key actions for developing novel tools and services.

World Café

Closing session of annual conference

1. Attract a critical mass of competent people eager to learn skills and who demonstrate ambition and trust;
2. Become masters of ICT-electronic-virtual technologies (our future will depend on the speed with which we do things);
3. Have a clear focus, set objectives and measure impact;
4. Act as "community engineers", driving the critical mass of competences and people (power of the network).

The association would like to thank the staff of the local partner organization, innowise, for their enthusiastic and efficient assistance with the organization of the 2010 TII conference, as well as the AGM host, ZENIT, for their warm welcome and hospitality.

5. GOOD PRACTICE EXCHANGE

The exchange of good practice and professional experience is one of the main pillars of the Association's programme of activities. In addition to the exchanges which are an essential part of the annual conference, other initiatives in 2010 included the Innovation Tour to Quebec, a workshop on the future of Knowledge Transfer and the development of the Innovation Wiki.

5.1 Innovation Tour to Quebec

In line with the implementation of its global gateway strategy, the association chose, as destination of its 2010 Innovation Tour, the Quebec province of Canada, and in particular the cities of Montreal and Saint-Hyacinthe. Organized by Richard Beaudoin, on behalf of TII member Technopôle de Saint-Hyacinthe, the Tour programme succeeded in providing first-hand insights into the innovation support system in Quebec and giving personal introductions to some of the leading innovation support and research commercialization players in the province.

Over 5 days from 27 September to 1 October, a group of seven visiting specialists/programme leaders from five European countries active in the field of university-industry collaboration, knowledge-intensive entrepreneurship and research commercialization was received by staff from the technology transfer offices of an impressive line-up of universities and research centres. They included the University of Montreal (Univalor), McGill University, the University of Quebec in Montreal (Valéo), the Industrial Research Centre of Quebec, the Textile Technology Transfer Centre, the National Research Centre of Canada, the Food Research and Development Centre, the Technopôle de Saint-Hyacinthe and last but not least the Canadian Space Agency.

In addition, the group was introduced to a number of programmes and initiatives put in place to promote industrial innovation, in particular in SMEs, as well as one of Quebec's leading biotech spin-off companies, Prevtec microbial, which is located on the technology park in Saint-Hyacinthe. Once again the Innovation Tour formula proved its effectiveness in giving a first-hand impression of the innovation system in a chosen region as well as creating privileged contacts with the principle innovation players. Finally - and, not to be under-estimated – it allowed the visitors to sample some of the local scenic and culinary delights which help to create a lasting impression.

5.2 Future of Knowledge Transfer workshop

22 participants from Knowledge Transfer Organizations (KTOs) based in 12 countries registered to attend the first TII event of the year, which was held on 18-19 March at the National Physical Laboratory in Teddington, on the outskirts of London. The purpose of the workshop, which was entitled "Developing Sustainable Knowledge Transfer: Models for the Future" and co-organised with ProTon Europe and NPL, was to give some thought to and reflection on how university-industry knowledge transfer could best perform in future in view of current restrictions on budgets and resources.

The workshop's principle presenters were Eugene Sweeney, Managing Director of Iambic Innovation in the UK and Alistair Brett, Senior Consultant with the World Bank in Washington DC. Each provided inputs on how the profession had developed and where the future challenges lay, with Mr Brett giving some special insights into how developing and middle income countries organized the process with limited budgets and resources compared with developed countries. These scene-setting presentations helped to structure the group discussions which followed on tackling the current challenges of making KT activities sustainable and identifying solutions.

The presentations on the second day focused on two case studies of successful but very different KT operations, the first being Ascenion in Munich and the second Oxford Brookes University in the UK. In addition to giving insights into two quite distinct KT models, the presentations served to stimulate the group discussions on critical development issues such as funding, sources of opportunities, resources, critical mass and collaboration with other KTOs.

5.3 **Innovation wiki**
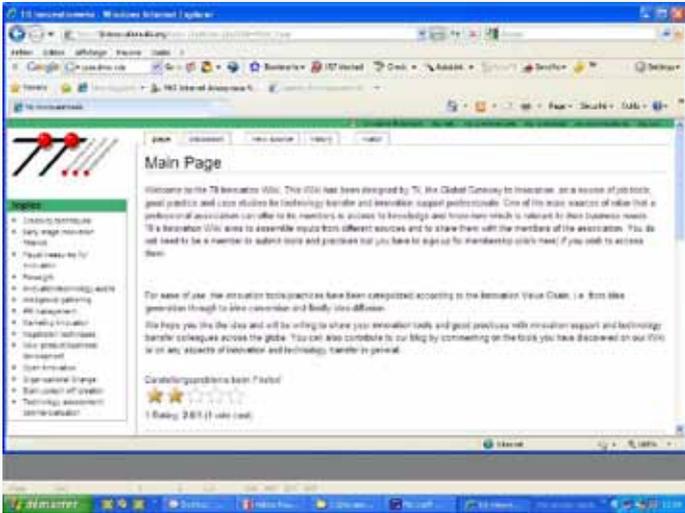
The purpose of TII's innovation wiki is to build a quality, state-of-the-art, on-line resource of innovation tools which can help

1) users to identify effective tools which they can apply in their everyday work

2) contribute to raising professional standards among ISP with tangible benefits for their clients

3) create a stronger community of ISP across borders with common interests

After building on the work which was started in 2009, the wiki went public in November 2010 featuring descriptions of over 20 innovation support tools, which had been supplied essentially by TII members.

5.4 **Third edition of "The Business Platform"**

The first and second editions of "The Business Platform", a study of entrepreneurship and management in the early stages of a firm's development were published by TII in 1998 and 2002 respectively. The author, Prof. Magnus Klofsten of Linköping University in Sweden, who continues to extend his research and practical experience in this area, completed a new, third version of his book in Swedish at the end of 2009, which also included a new chapter on what constitutes an "Idea Platform". The English version was prepared and published by TII in April 2010. It is sold by the association to interested individuals and is used in courses on the business platform model both in Sweden and internationally.

THE BUSINESS PLATFORM

Entrepreneurship & management in the early stages of a firm's development

Magnus Klofsten

NOW INCORPORATING THE IDEA PLATFORM

Technology Innovation International
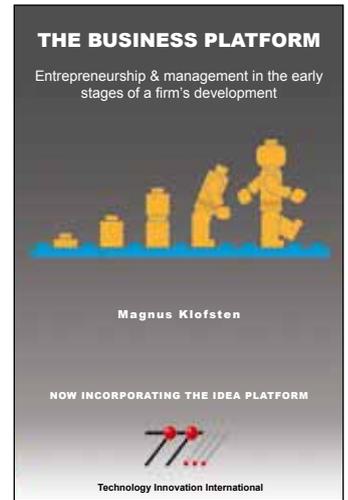
6. SUMMER SCHOOL

Vilnius

The capital of Lithuania, Vilnius, played host for the first time to a TII event, and more particularly the 2010 edition of its summer school, a 5-day skills development course for the technology transfer and innovation support professions. Altogether 22 participants from 9 countries attended the course, which was hosted by long-standing TII member, Lithuanian Innovation Centre (LIC). The strongest representation came from the home country – which also helped to recruit three new members to the association – as well as Turkey (five participants).

This year's programme contained a mixture of new themes and some of the favourite workshop subjects from previous summer schools. In that category and serving as a great ice-breaker was the opening session on "Negotiation skills and the art of reaching agreement", led by Henning Sejer Jakobsen of the Danish Technological Institute in Aarhus, Denmark. His workshop focused on negotiation as a creative process and the skills and subtleties which need to to be developed in order to reach a win-win agreement. A substantial part of the day involved the participants in role playing and team work, including the negotiation of a license agreement.

After featuring last at the 2005 summer school, Magnus Klofsten (Linköping University, Sweden) made a comeback in 2010 with his popularly acclaimed "Business Platform model and success factors in growing new technology-based firms". On this occasion, Prof. Klofsten chose not to use the case studies in his Business Platform book (a third edition of which was published by TII in 2010) but to invite the summer school participants to apply the model to four newly created local firms. For this purpose, LIC executives recruited four entrepreneurs to test whether their company had succeeded in building the eight cornerstones that underlie the business platform. This 'live' format turned out to be an enriching experience for both the course participants and the invited entrepreneurs.

Day 3 of the summer school on the theme of "Building success in international project management" was led by Guido Giebens (Viisiteam, Belgium), who took the participants through their paces in presenting the many different aspects and facets of good practice in managing international projects. In particular, his "Meubles para todos" group exercise kept them attentive to the need for clarifying goals and responsibilities and working in teams.

Summer School class of 2010

Day 4 on "Making the business case for technology opportunities" was a very practical workshop delivered by Ernst Max Nielsen (Maxinno, Denmark). He used real cases to coach the participants in developing 'value chains' and 'value innovation charts' in order to plot a business case for technology opportunities. In doing so, he taught them how to ask the right questions and to use the JBEngine and other on-line search tools to find the answers. This workshop was especially useful for those participants, e.g. EEN executives, who are called upon to evaluate new technology opportunities on a regular basis.

Andreas Wolf (A&P solutions, Germany), making a first-time appearance in the summer school programme, brought the 2010 course to a close with a half-day workshop on "Coaching SMEs for collaborative business innovation projects". The methodology he presented was based on an EU-funded project called smE-MPOWER which offers a framework to guide SMEs through a structured process, starting from the business innovation idea to strategic collaboration and finally to commercialization. Participants were introduced to the core smE-MPOWER tools through case-based exercises and also received a USB stick assembling the discussed support tools.

TII is grateful to Kastytis Gecas and his team at LIC for hosting the summer school and for allowing the summer school group to discover the delightful city of Vilnius and the excitement of world cup basketball.

7. EU CONTRACT WORK

The secretariat worked on two European-funded projects in 2010: the first as a partner in a project management unit responsible for the implementation of science and technology networks in the African, Caribbean and Pacific countries; and the second as a partner in a horizontal support measure within the Europe INNOVA initiative.

7.1 ACP Science & Technology Programme

The ACP Science & Technology Programme is a technical assistance project to support the African, Caribbean and Pacific Group of States (ACP Secretariat) with managing 36 funded networks of ACP research, business and policy-making organizations with a view to them formulating and implementing S&T policies/actions which lead to sustainable development and poverty reduction.

This 3-year project is coordinated by GOPA-Cartermill in Brussels with the GOPA mother company and TII as partners. In 2010, the secretariat provided project management support with the assessment of the reports submitted by the 36 ACP S&T project teams after the first year of activities.

7.2 Take It Up

2010 marked the first full year of activities for the Take It Up project which is coordinated by Meta Group (I) with TII and EURADA as partners. This 3-year project is designed as the promotion pillar of the Europe INNOVA suite of projects which is funded under the CIP. The purpose of Take It Up is to provide assistance with positioning and disseminating the novel tools and services which have been developed within the Europe INNOVA projects with a view to their uptake by the wider innovation support community in Europe.

This is achieved within the project in the following ways:

- Compilation of a Warehouse of innovation tools;
- Publication of methodology papers related to marketing and exploiting project results in the Learning Corner on the Take It Up website (www.takeitup.eu);

- Meetings of an Expert Validation Platform consisting of selected European innovation service providers who give advice and support to the Europe INNOVA projects on possible exploitation routes;
- Animation of a users/testing community via a LinkedIn discussion group;
- Surveys of potential user groups to identify current/future trends in service innovation and their attitude to the adoption of Europe INNOVA tools;
- Mini-studies providing dedicated evaluation and support on critical aspects of a Europe INNOVA project's dissemination/market uptake.

2010 Innovation Tool Fair, Brussels

As part of the work programme in 2010, the TII secretariat was responsible for organizing an Innovation Tool Fair on 18-19 November in Brussels, which in parallel featured a Take It Up "Best Pitching Award". This new initiative consisted of a 1.5 hour webinar, face-to-face coaching on the afternoon prior to the Tool Fair, and, for the top three finalists, the opportunity of

Thorsten Klieve, pitching award winner

make a one-minute "video pitch" to promote their innovation tool or service. As a follow-up action, the videos were uploaded to the Take It Up Warehouse of innovation tools and services.

Following the successful format which was tried out at the first Innovation Tool Fair in 2009, the nine presenters were given the opportunity to make a short sales pitch on the main features and advantages of their innovation tool, while the audience was invited to sign up for one-to-one discussions (in the afternoon) on the tools of their choice. The audience was likewise invited to vote on the best pitch; as a prize, the top three finalists were offered the opportunity to make a one-minute video pitch which was filmed the same day in Brussels.

8. COOPERATION WITH OTHER NETWORKS AND ASSOCIATIONS

The Secretary General and Board members kept an open dialogue with the office bearers of other associations, such as AER, the Assembly of European Regions, AUTM, the Association of University Technology Managers, EBN, the European Association of Business and Innovation Centres, EURADA, the European Association of Regional Development Agencies, ISPIM, the International Society for Professional Innovation Management and ProTon Europe, the European Public Research Organizations Technology Office Network.

TII President, Joachim Hafkesbrink, was invited for the second year running as a member of the jury which chose the winner of the 2010 AER Innovation Award. He also travelled in February to New Orleans to take part in the annual meeting of AUTM and discussed possible avenues of closer collaboration with the incoming AUTM President. The secretariat continued to provide bookkeeping and financial management services to ProTon Europe and offered assistance with its events programme through the organization of a co-branded workshop (see item 5.2 above) and the delivery of their annual conference in January, in Athens. The secretary general's function was fulfilled by José Syne on a part-time basis.

From 6-8 December a skills development course in technology transfer and innovation support was delivered under contract to the Enterprise Europe Network in Croatia (two days in Zagreb, with the Business Innovation Center of Croatia - BICRO Ltd, and 1 day in Split, with the Technology Transfer Office of the University of Split).

9. CONTRIBUTIONS TO THE EUROPEAN INNOVATION POLICY AGENDA

TII Board members and the Secretary General were active in maintaining contact with EU officials in different DGs of the European Commission responsible for various aspects of the EU's innovation policy. Following the publication of the European Commission's "Innovation Union" plan, the Board prepared a response on TII's position and possible support that the association could provide to assist with its implementation.

11. ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2010

11.1 TII asbl Luxembourg - BALANCE @ 31.XII.2010   *All Figures in EUR*

ASSETS	31/12/10	31/12/09
Current Assets		
1. Cash (1)	19,430.23	30,465.80
2. Members subscriptions due (2)	13,520.00	16,290.00
3. Due from CEC (3)	65,553.86	10,496.43
4. Due from other contractors/customers (4)	3,512.19	28,430.00
5. Charges brought forward (5)	8,777.03	0.00
Fixed Assets (6)	**2,516.13**	**2,499.15**
TOTAL ASSETS	**113,309.44**	**88,181.38**

LIABILITIES	31/12/10	31/12/09
Current Liabilities		
1. Preferred creditors	1,638.76	2,304.11
2. Ordinary creditors (7)	11,996.25	12,088.05
3. Advances received (8)	25,884.84	0.00
4. Overpayment for EU contract (9)	0.00	2,000.00
5. Financial charges	95.60	0.00
Provisions and Reserves		
1. Provision for subscriptions and other receivables (10)	7,247.19	5,570.00
2. Subscriptions received in advance	0.00	820.00
3. Contingency reserves: brought forward	45,000.00	45,000.00
Income and Expenditure Account		
1. Surplus/deficit brought forward	20,399.22	18,396.27
2. Surplus/deficit for the period	1,047.58	2,002.95
TOTAL LIABILITIES	**113,309.44**	**88,181.38**

(1) Cash in hand and with banks (current and short-term interest accounts) @ 31.XII.10.

(2) Subscriptions for 2009/2010 due from Members @ 31.XII. of which 7 085 EUR paid or promised by 27.IV.11.

(3) Amounts remaining due to the Association from the European Commission at 31.XII. for work performed under current EC contracts.

(4) Of which 3 150 EUR paid or promised by 27.IV.11.

(5) Partial investment costs for new website and Business Platform book to be accounted for over next 2 years; 2011 invoice booked in 2010.

(6) Bank guarantee for Luxembourg office (interest-earning).

(7) 2010 invoices remaining due @ 31.XII.10, 2010 invoices received in 2011 and provision for 2010 invoices yet to be received in 2011.

(8) Advances received from the European Commission for project work.

(9) Provision for reimbursement to European Commission of overpayment received for project work - Innovation Coach.

(10) Relating to all subscriptions and other receivables outstanding @ 31.XII. and whose payment is doubtful.

11.2 **TII asbl Luxembourg - 2010 INCOME AND EXPENDITURE**   *All Figures in EUR*

INCOME	31/12/10	31/12/09
1a. EC contracts (11)	55,057.43	10,496.43
1b. Provision for overpayment (12)	2,000.00	-2,000.00
2a. Members subscriptions (13)	99,860.14	103,632.49
2b. Discounts on subscriptions for early payment	-3,385.35	-3,795.25
3a. Provision for 2010 subscriptions (14)	-6,885.00	-5,570.00
3b. Net profit/loss on 2009 subscriptions (15)	-3,155.00	-953.33
4. Conference and seminar fees (16)	61,462.54	95,026.00
5 Service fees (17)	48,065.45	42,818.44
6a. Provision for 2010 invoices (other) (18)	-362.19	0.00
6b. 2008/2009 invoices recovered/written off (19)	-500.00	-250.00
7. Bank interest	320.36	266.35
8. Foreign exchange gain	212.27	33.32
9. Miscellaneous income	1,400.00	5,166.68
TOTAL	**254,090.65**	**244,871.13**

EXPENDITURE	31/12/10	31/12/09
1. Personnel	120,644.84	102,156.34
2. Travel	23,875.67	31,672.00
3. Subcontracting fees (20)	72,160.50	75,001.75
4. Printing	3,815.07	3,535.10
5. Postage and telecommunications	2,912.60	3,589.19
6. Office rental	11,135.38	10,824.99
7. Office equipment, rental and maintenance	12,549.64	11,479.39
8. Office supplies	1,114.27	1,635.21
9. Bank charges	1,266.25	1,843.14
11. Publications	390.50	267.75
12. Foreign exchange loss	119.78	12.67
13. Miscellaneous expenditure	442.83	850.65
14. Repayment to EC (overpayment on contracts)	2,615.74	0.00
TOTAL	**253,043,07**	**242,868.18**
EXCESS OF INCOME OVER EXPENDITURE	**1,047,58**	**2,002.95**

(11) Income earned by the Association under the EC contracts "ACP S&T" and "TAKE IT UP".

(12) Provision for reimbursement of overpayment received for Innovation Coach project.

(13) Total subscription income invoiced at 31.XII.

(14) Provision for 2010 subscriptions unpaid at 27.IV.11.

(15) Difference between subscription income provisioned in 2009 and written off in 2010.

(16) Income earned from annual conference, training workshops, innovation tour, innovation tools fair, summer school and TII Brussels Group.

(17) Income from publications and provision of management services to ProTon Europe and Gopa Cartermill for ACP S&T.

(18) Provision for other 2010 invoices unpaid at 27.IV.11.

(19) Difference between unpaid invoices (other) provisioned in 2008/2009 and written off in 2010.

(20) Payments relating principally to speakers' fees and suppliers to TII events/secretariat.

11. STATEMENT OF ACCOUNTING PRINCIPLES

ACCRUAL BASIS

Income and expenditure are recognised as they are earned and incurred, not as money is received and paid. They are matched against each other as far as is reasonably possible, and they are dealt with in the income and expenditure account for the period to which they relate.

CONSISTENCY

Like items are treated in the same way within and between accounting periods

PRUDENCE

Income is not anticipated, but recognised when realised in the form of cash-in-hand or of a realistically realisable debt to the Association (e.g. outstanding but contractually secured EC payments for services already rendered).

Provision is made for all known and anticipated expenditures due by the Association to other parties and for all known and anticipated income due to the Association (e.g. unpaid members' subscriptions). When provision is made for income due to the Association, account is taken of the probability of that income actually being recovered.

Development expenditure (e.g. to develop a new TII service) is written off fully in the year in which it is incurred.
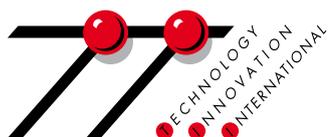
DEPRECIATION

TII does not own, and is unlikely to own in the foreseeable future, substantial long-life assets (e.g. offices). Computers and software are written off fully in the year of acquisition.

Other assets up to a purchase price of EUR 1,000 are written off fully in the year of acquisition, but assets of higher value are written off over their anticipated working life, in equal annual instalments, and by at least EUR 1,000 per annum.

FOREIGN CURRENCY TRANSACTION

TII keeps its accounts in EURO. Payments and receipts in other currencies are converted into EURO at the official exchange rate for those currencies in the EURO zone or, for other currencies, at the prevailing market rate of exchange on the first day of the month of payment/receipt. Any consequent exchange losses/gains are recorded in the income and expenditure account of the year.