

FINANCIAL STATEMENT

Prepared by the IOTC Secretariat

Status of contributions

1. Table 1 below gives the status of contributions as of 7th May 2007 in USD.

Table 1. Status of contributions as of 7th May 2007 (in USD).

Member Governments	Outstanding 31/12/2005	Contribution Due for 2006	Received up to 7/5/2007	Outstanding 7/5/2007
AUSTRALIA	0	90,673	90,663	10
CHINA	41,385	59,977	101,362	0
COMOROS	25,941	15,059	40,962	38
ERITREA	51,542	5,788	(3,993)	61,322
EUROPEAN COMMUNITY	0	406,079	406,079	0
FRANCE	0	83,016	83,016	0
GUINEA	7	12,834	12,829	13
INDIA	34,068	38,454	72,512	10
IRAN	139,512	59,211	91,123	107,600
JAPAN	0	126,628	126,628	0
KENYA	11,441	13,165	24,606	0
KOREA, Republic of	70,772	81,904	137,822	14,854
MADAGASCAR	15,502	15,744	27,689	3,557
MALAYSIA	22	33,209	33,204	27
MAURITIUS	5	29,443	29,438	10
OMAN	30	33,815	33,815	30
PAKISTAN	35,217	18,924	54,116	25
PHILIPPINES	25,257	29,629	25,257	29,629
SEYCHELLES	31,320	44,284	75,604	0
SRI LANKA	80,761	59,327	79,525	60,563
SUDAN	58,320	5,788	0	64,108
THAILAND	0	32,825	32,812	13
UNITED KINGDOM	60,064	71,155	131,219	0
VANUATU	75,574	22,130	48,813	48,891
Total	756,740	1,389,061	1,755,100	390,701

- The cumulative total of outstanding contribution payments has decreased from 756,740 USD at the end of 2005 to 390,701 USD to date, with several Parties meeting their outstanding payments partially or completely. For accounting purposes, minor outstanding payments are included, although it is clear that these are the result of bank charges when funds are transferred.
- As of the reporting date, two Members, Eritrea and Sudan, have contributions that are in arrears by two years or more. The negative contribution to Eritrea in 2006 represents a correction of a contribution made to another FAO project that was incorrectly allocated to IOTC in earlier years.

Expenditure

4. A summary of actual expenditures is given in Table 2, for salary-related costs, and Table 3, for operating costs. The cost variance line for the General Service Staff reflects adjustments relative to the contributions of the project to the FAO entitlements fund in the previous year.

Table 2. Salary-related expenditures in 2006 (in USD).

Professionals	
Base Salary At Actual - Professional	409,248
Post Adjustment	216,902
Pension Plan - Professional	128,788
Benefits At Standard - Professional	185,634
Basic Medical Insurance Plan - Professional	19,225
Assignment/Mobility/Transitional Allowances	14,697
General Service Staff	
Base Salary At Actual - General Service	57,741
Pension Plan - General Service	10,655
Benefits At Standard - General Service	21,043
Basic Medical Insurance Plan - General Service	31,494
General Service Staff cost variance	6,075
Other salary costs	
Consultants fees	20,162
Overtime	504
Casual Labor /Temporary Assistance	595
Translation work	32,121
Total Expenditures	1,154,883

5. Table 4 provides a comparison between budgeted and actual expenditures for 2006. Overall, the actual expenditures for 2006 were below the budgeted figures by 9%. This positive outcome is due mainly to unrealized expenditures in the contingencies line (listed as miscellaneous in the budget) and the contribution by Australia and the EC for the expenditures related to the Third Special Session.
6. The discrepancy between budgeted and actual salary costs was reduced from 9% in 2005 to 1% in 2006. This discrepancy is, once again, the results of unanticipated increases in the contribution to the FAO fund for entitlements in the second half of the 2006, as illustrated in Figure 1. These contributions are assessed by FAO to every project (including IOTC) by prorating entitlements costs across FAO. Unlike previous years, in 2006, the full financial costs of the increase in contributions to the FAO fund were offset significantly by savings arising by obtaining translation services by contract instead of a dedicated position within the Secretariat.

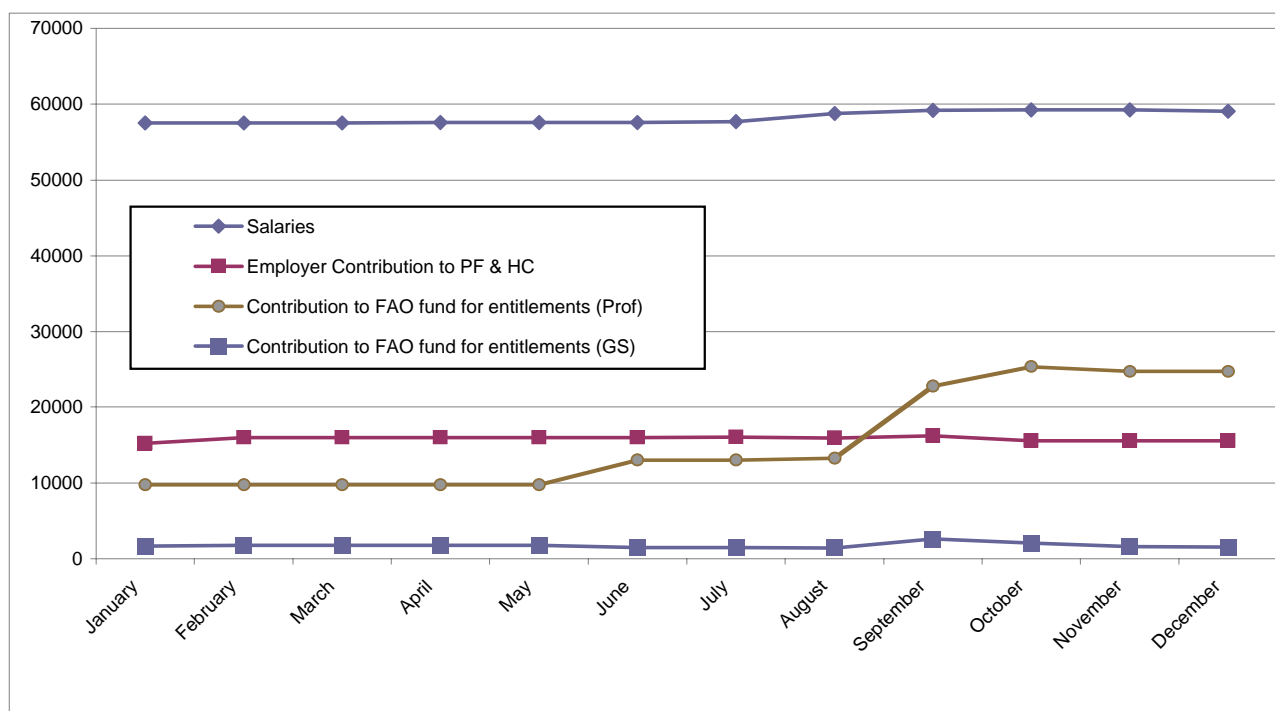
Table 3. Operating costs in 2006 in USD.

Travel	
Staff	31,284
Interpreters	34,200
Translation	10,700
Consultants	7,910
Adjustments	3,627
Support to research	
Support participation to WPs	2,624
Liaison with COI-MCS	431
Support participation in MCS training	2,304
Refund software support from COI	(5,590)
Meetings	
Room Rental	5,377
Supplies and support costs	5,224
Interpretation SC	21,450
Interpretation Goa	34,650
Equipment rental and operation in Goa	47,000
Room Rental in Goa	4,723
Operating Costs	
Printing	640
Office supplies	644
Other office supplies	4,062
Equipment & furniture	2,743
Software	4,598
Hospitality	541
Vehicles operation	5,760
Equipment maintenance	2,011
General Operating	431
Insurance	50
Miscellaneous	3,254
Communications	
Post	1,622
Fax	882
Internet	8,615
Telephone	8,082
Total	249,847

Table 4. Comparison between actual and budgeted expenditures in 2006.

	Budget	Actual	Difference	
Salaries	1,138,000	1,154,883	16,883	1%
Operational expenses	310,000	249,847	(60,153)	-19%
FAO Servicing Costs	65,160	63,449	(1,711)	-3%
Seychelles additional contribution	(24,000)	(26,079)	(2,079)	9%
Special Session contributions:				
Australia		(11,563)		
EC		(81,063)		
Total	1,489,160	1,349,474	(139,686)	-9%

Figure 1. Movements of the major components of the salary expenditures during 2006.



Balance of funds

7. A summary of budgets, funds received and expenditures is given in Table 5. As no budget for 2007 has been approved, no requests for the payment of contributions have been sent to the Members, and the only income comes from interest.

Table 5. Balance of funds as of May 7th 2007(in USD).

	Prior to 2007	2007	Balance
Total Contributions received	(11,179,224)	(30)	(11,179,254)
Interest earned	(240,179)	(15,100)	(255,279)
Total income	(11,419,403)	(15,130)	(11,434,533)
Total expenditures	9,787,508	432,649	10,220,157
Balance	(1,631,895)	417,518	(1,214,376)
Committed funds:			
Tagging (Japan contribution)			549,576
Miscellaneous (Australia contribution)			92,502
Balance	(435,470)		(572,298)

8. Taking into account extra-budgetary contributions by Members already committed for special purposes, but not yet spent, the actual balance shows accumulated funds of 572,298 USD.

Suggested action by the Commission

9. The Commission is invited to note the information contained in this document.