

Agenda Item 17.1.2

Budgetary Issues

Report of the Secretariat on Finance and
Administrative Issues

Report on Accounts for 2008

**Document 07
(restricted)**

Report on Budgetary Issues 2008

Action Requested

- Take note of the information submitted
- Comment

Submitted by

Secretariat



NOTE:
**IN THE INTERESTS OF ECONOMY, DELEGATES ARE KINDLY REMINDED TO BRING THEIR OWN
COPIES OF DOCUMENTS TO THE MEETING**

Secretariat's Note

As at production of this document, final certified figures for the 2008 accounts are not yet available. Therefore, all information contained in this document must be understood as tentative and reflects the status of accounts as recorded in our internal bookkeeping system. Some changes, *inter alia* due to exchange rate fluctuations, must be expected.

Report on Budgetary Issues 2008

This report has been prepared by the CMS/ASCOBANS Secretariat, utilising information provided by UNON. It should be noted that final figures for the financial year 2008 are not yet available. Accordingly, this report contains figures as recorded in the bookkeeping system at present and may still be subject to minor changes, mainly in relation to variations in the exchange rate between Euro and USD.

Section I: BA Trust Fund

Table 1: Income to the General Trust Fund

Contributions to the General Trust Fund for the Agreement on the Conservation of Small Cetaceans of the Baltic and North Seas (ASCOBANS) (BA) as at 31 December 2008.

COUNTRIES	MOP 5 approved contribution for 2008	Contributions received for 2008 in previous year	Contributions received 2008	Outstanding Amount
	EUR	EUR	EUR	EUR
Belgium	11,714		11,714	0
Denmark	7,868		7,868	0
Finland	5,840		5,840	0
France	30,095		30,095	0
Germany	30,095		30,095	0
Lithuania	263	263		0
Netherlands	18,518		18,518	0
Poland	5,051	5,051		0
Sweden	10,936	10,936		0
United Kingdom	30,095		30,095	0
Total	150,475	16,250	134,225	0

Table 2: Expenditure and Commitments of the General Trust Fund

The MOP5-approved budget versus the expenditure in 2008 of the General Trust Fund for the Agreement on the Conservation of Small Cetaceans of the Baltic and North Seas (ASCOBANS) (BA).

		Allotment in Euro (A)	Expenditure in Euro (B)*	A - B	Description of the expenditure – transfers between budget lines.	Balance in Euro
1101	Executive Secretary (D1), 3%	5,676	5,100	576	It is estimated that the Executive Secretary actually spent more than the budgeted 3% (approx 6.5 days per year) on ASCOBANS issues. For example, he received over 300, and sent 150, emails on ASCOBANS matters during 2008, as well as attending several meetings. These extra costs have been paid by CMS.	576
1102	CMS Professional Staff (P4), 15% (CMS Senior Advisor)	18,552	20,395	-1,843	Cost sharing: 15% of the CMS/ASCOBANS Senior Advisor time. The 1,843 Euro over-expenditure was recovered from BL 1104.	0
1104	Consultant: ASCOBANS Co- ordinating Officer 75%	52,800	35,882	16,918	Cost sharing: 75% of the Coordinating Officer's time. The 1,843 Euro over-expenditure on BL 1102 is covered in this BL. The 713 Euro over-expenditure on BL 3302 is covered in this BL.	14,362
1121	ASCOBANS one time payment to former Staff	3,966	3,291	675	The ASCOBANS MOP5 approved an annual budget of 3,966 Euro over the triennium to cover the separation indemnity for the Former ASCOBANS Executive Secretary. CMS/ASCOBANS used the surplus in 2007 to cover this expense. The expenditure on this BL represents IT charges from UN Volunteers.	675
1220	Professional consultancies & fractional CMS GS staff time	6,279	2,623	3,656	Cost sharing: Professional Consultancies and fractional CMS GS staff time.	3,656**
1302	Consultant: ASCOBANS Administrative Support, G5, 50%	28,000	26,660	1,340		1,340
1601	Travel - Secretariat Staff	4,120	4,021	99		99
1602	Experts on Mission	831	689	142		142
1999	Subtotal	120,224	98,661	21,563		20,850
2201	Conservation Projects	0	-44,529	44,529	This budget line was created upon request from AC15. The surplus of 2005 (USD 24,666) and 2007 (USD 39,682) was allotted to the BL. The 13% PSC are not included in this figure.	44,529**
	Subtotal	0	-44,529	44,529		44,529

		Allotment in Euro (A)	Expenditure in Euro (B)*	A - B	Description of the expenditure – transfers between budget lines.	Balance in Euro
3302	Meeting of the Advisory Committee	2,460	3,173	-713	The 713 Euro over-expenditure was recovered from BL 1104.	0
3999	Subtotal	2,460	3,173	-713		0
4101	Miscellaneous office supplies	709	818	-109	The 109 Euro over-expenditure was recovered from BL 5101.	0
4999	Subtotal	709	818	-109		0
5101	Maintenance of Equipment	507	54	453	The 109 Euro over-expenditure on BL 4101 is covered in this BL.	344
5102	Operation/maintenance of photocopier/fax	203	159	44	Cost sharing with CMS for jointly used equipment.	44
5201	Information Material	0	-1,377	1,377	4,956 Euro VAT were reimbursed by the Federal Government of Germany. 3,760 Euro were spent.	1,377**
5202	Reference material	101	52	49		49
5301	Telephone and Fax	557	204	353	The 165 Euro over-expenditure on BL 5302 is covered in this BL.	188
5302	Postage and miscellaneous	456	621	-165	The 165 Euro over-expenditure was recovered from BL 5301.	0
5999	Subtotal	1,824	-287	2,111		2,002
	Total	125,217	57,836	67,381		67,381***
6000	UNEP 13% PSC	16,278	7,519	8,760		8,760
	Grand total	141,495	65,355	76,141		76,141

* It should be noted that the UN average exchange rate for the October-December 2007 (1 US\$ = 0,692 Euro) has been applied in the calculation of the equivalent Euro amounts for all expenditure items that had been recorded and reported in US\$. This was the exchange rate at the time the allotments for 2008 were made. Some gains and losses on exchange rate are incurred due to the use of such a conversion method.

** The Secretariat has taken steps to re-phase these amounts to the same budget lines in 2009.

*** In total, after deducting what was already rephased from BLs 1220, 2201 and 5201, the estimated operational amount still available for rephasal to BL 2201 (Conservation Projects) in 2009 is 17,819 Euro.

BA Trust Fund Balance

The total balance of the General Trust Fund at the end of 2007, as certified by the Accounts Section, Budget and Financial Management Service of UNON, amount to 107,104 USD. This includes the fully replenished Operating Reserve of 87,542 USD.

A certified balance of the General Trust Fund at the end of 2008 is not available yet. The tentative status of accounts as indicated in the accounting system is 207,642 USD. This includes the Operating Reserve of 87,542 USD and a total of 120,100 USD available for rephasing into 2009. Steps have been taken for the rephasing of the balance on three budget lines (1220, 2201 and 5201) and commitments of 25,000 Euro have been made already on the budget line for Conservation Projects (2201) in 2009.

Section II: XV Trust Fund

Table 3: Income, Expenditure and Commitments of the Fund for Voluntary Earmarked Contributions

Income to the fund for Voluntary Earmarked Contributions in support of the ASCOBANS Secretariat (XV Fund) in the period 1 January - 31 December 2008, as well as expenditure and commitments by 31 December 2008.

		Allotment in Euro	Total expenditure in Euro	Balance in Euro
2288	German Voluntary Contribution for 2008	22,655	22,705	-50
2999	Subtotal	22,655	22,705	-50
6000	UNEP 13% PSC	2,945	2,952	-7
	Grand total	25,600	25,657	-57