

## IALA COUNCIL 64<sup>th</sup> session



13-16 June 2017  
Incheon  
Republic of Korea

### 9 – FINANCIAL MATTERS

#### *9.1 – 2016 Audited financial statements*

Note by the Secretariat

#### 1. DISCUSSION

The IALA Auditor, GVA, has provided the financial statements and report for the year 2016 (annex 9.1.1). **The consolidated balance sheets for the period show a loss of €62,781** and consists of two elements:

- -€15,430 from World Wide Academy's activities

The WWA budget in 2016 was overspent due to a heavy work program. This deficit has reduced the Academy Fund which remains positive by the end of the year with a total available amount of €5,912. This amount is held in a separate dedicated fund.

Another dedicated fund from the Ministry of Oceans and Fisheries (MOF) of the Republic of Korea remains positive (+€54,865) at the end of the year 2016, after the execution of the specific work programme.

In total, €60,778 will be carried forward to 2017 to achieve other activities related to the World Wide Academy.

- -€47,351 from IALA's activities

Major investments as well as exceptional elements were among reasons for the decline in the yearly result:

- As regard to investments made in 2016, the refurbishment of the Headquarters facilities had an impact on the accounts due to the purchase of furniture; the payment of fees to the branding company and to the architect in charge of the project. Investments were made at the same time to improve the IALA Website to match the new corporate style.
- Concerning the exceptional elements, the Secretariat pursued its efforts to optimize its internal staff structure. The audit conducted on the 2016 accounts demonstrated the need to recalculate provisions made to cover staff indemnities which proved to be insufficient. This recalculation of provisions had no impact on the cash on hand and was due to temporary circumstances.

Despite the deficit of the year 2016, the Organisation is maintaining a satisfactory cash reserve equivalent to 12 months of operations.

#### 2. SUPPORTING DOCUMENTS

Detailed notes and financial statements will be displayed on the IALA Website.

#### 3. THE COUNCIL IS REQUESTED TO

**Note the 2016 Financial Statements.**