

## **Commentary on the 2018, 2019 and 2020 Commission Accounts**

*Prepared by: The Secretariat*

### **1. Introduction**

- 1.1. Financial Regulation C.5. requires that the Commission's accounts are independently audited on an annual basis and presented to the Commission accordingly.
- 1.2. The signed, audited 2018 accounts are published and available for the Commission's scrutiny.
- 1.3. This paper seeks to provide a commentary on these documents, explaining the key issues outlined in the technical statements, including:
  - 1.3.1. Compliance with International Financial Reporting Standards (IFRS) and financial best practices
  - 1.3.2. Significant transactions executed in this period
  - 1.3.3. Analysis of the financial situation across this period
- 1.4. Commissioners are encouraged to contact the Secretariat if they have any comments or suggestions relating to improved financial management and reporting.

### **2. Compliance**

- 2.1. In 2016, the Commission became compliant with IFRS. Applying these standards brings IWC's accounting practices in line with those of similar IGOs and many Governments.

### **3. Significant Transactions during the Intersessional Period & Issues to Note**

- 3.1. Unused meeting fund budget, due to COVID-19, was moved to the Meeting Fund Reserve.

### **4. Financial Position**

#### **4.1. 2018**

- 4.1.1. A balanced budget was set for the 2018 financial year, which means income and expenditure were expected to be equal.
- 4.1.2. At 31 December 2018 the actual results were breakeven.
- 4.1.3. There was £5,327 in fixed asset IT equipment purchased (laptops).
- 4.1.4. The Voluntary Contribution Funds received a total of £195,154 in the year.

#### **4.2. 2019**

- 4.2.1. A balanced budget was set for the 2019 financial year, which means income and expenditure were expected to be equal.
- 4.2.2. At 31 December 2019 the actual results were breakeven.
- 4.2.3. There was £12,277 in fixed asset IT equipment purchased (laptops).
- 4.2.4. The Voluntary Contribution Funds received a total of £176,578 in the year.

#### **4.3. 2020**

- 4.3.1. A £68,222 surplus budget was set for the 2020 financial year.
- 4.3.2. At 31 December 2020 the actual result was a deficit of £11,867.

4.3.3. There was £4,867 in fixed asset IT equipment purchased (laptops).

4.3.4. The Voluntary Contribution Funds received a total of £356,423 in the year.

## **5. Voluntary Contribution Funds**

5.1. A summary of activities, including the voluntary contributions received in each fund, is given in **Annex 1**. Detailed information regarding income and expenditure on each fund has been provided to the relevant Sub-Committees.

## **6. Recommendations**

6.1. **Note** the audited accounts for 2018, 2019, and 2020 as well as the associated commentary in this report.

6.2. **Recommend** the adoption of the 2018, 2019, and 2020 accounts to the Finance & Administration Committee.

Annex 1 - Summary Position on Commission Funds 2018, 2019 & 2020

	Voluntary Funds								Core Funds				Total
	Aboriginal Subsistence Whaling Fund	Conservation Fund	Gray Whale Tagging Fund	Other Work Fund	Small Cetaceans Fund	Southern Ocean Research Partnership	Sponsored Publications Fund	Voluntary Assistance Fund	Meeting Fund	Red House Refurbishment Fund	Research Fund	General Fund	
<b>Opening Balance 01/01/2018</b>	<b>82,826</b>	<b>316,859</b>	<b>7,229</b>	<b>285,113</b>	<b>115,351</b>	<b>705,633</b>	<b>42,062</b>	<b>33,592</b>	<b>238,491</b>	<b>48,241</b>	<b>233,764</b>	<b>1,954,542</b>	<b>4,063,703</b>
Voluntary Contributions Received	12,383	103,959	-	17,732	30,868	-	-	16,843	-	-	13,370	-	195,154
Net Surplus/(Deficit) Against Core Budget	-	-	-	-	-	-	-	-	(26,353)	-	(1,692)	-	(28,045)
Expenditure on Voluntary-Funded Projects	(77,127)	(85,976)	-	(123,258)	(54,547)	(42,243)	-	(18,108)	-	-	-	-	(401,258)
Currency, Bank Charges & Interest Income	201	955	23	559	188	2,214	133	106	751	152	12	-	5,294
Transfers Between Funds	-	(10,000)	-	10,000	11,865	-	-	-	-	(1,566)	(11,865)	-	(1,566)
Other Transfers	-	-	-	-	-	-	-	-	(118,125)	-	-	-	(118,125)
<b>Closing Balance 31/12/2018</b>	<b>18,284</b>	<b>325,797</b>	<b>7,252</b>	<b>190,146</b>	<b>103,726</b>	<b>665,604</b>	<b>42,194</b>	<b>32,433</b>	<b>94,764</b>	<b>46,827</b>	<b>233,589</b>	<b>1,954,542</b>	<b>3,715,156</b>
Voluntary Contributions Received	7,852	104,788	-	27,173	-	17,355	-	8,209	-	-	11,201	-	176,578
Net Surplus/(Deficit) Against Core Budget	-	-	-	-	-	-	-	-	7,791	-	11,330	(14,971)	4,150
Expenditure on Voluntary-Funded Projects	-	(91,127)	-	(57,681)	(44,494)	(359,051)	-	(14,815)	-	-	-	-	(567,167)
Currency, Bank Charges & Interest Income	74	1,227	29	619	266	2,599	170	105	-	188	667	-	5,945
Transfers Between Funds	-	18,068	-	-	-	-	-	-	-	(14,971)	(17,040)	14,971	1,028
Other Transfers	-	-	-	-	-	-	-	-	129,950	-	-	(52)	129,898
<b>Closing Balance 31/12/2019</b>	<b>26,210</b>	<b>358,753</b>	<b>7,281</b>	<b>160,256</b>	<b>59,498</b>	<b>326,507</b>	<b>42,364</b>	<b>25,932</b>	<b>232,505</b>	<b>32,044</b>	<b>239,748</b>	<b>1,954,491</b>	<b>3,465,589</b>
Voluntary Contributions Received	173,424	111,887	-	11,909	25,664	-	-	27,272	-	-	6,268	-	356,423
Net Surplus/(Deficit) Against Core Budget	-	-	-	-	-	-	-	-	-	-	139,788	(11,867)	127,921
Expenditure on Voluntary-Funded Projects	(141,015)	(72,943)	(7,281)	(7,386)	(2,656)	(15,773)	-	(10)	-	-	-	-	(247,063)
Currency, Bank Charges & Interest Income	79	1,117	18	508	182	1,035	136	83	-	103	622	-	3,884
Transfers Between Funds	(3,548)	(5,515)	(18)	2,535	11,914	-	-	-	-	(32,147)	(10,058)	-	(36,836)
Other Transfers	-	-	-	-	-	-	-	-	187,613	-	-	-	187,613
<b>Closing Balance 31/12/2020</b>	<b>55,151</b>	<b>393,299</b>	<b>0</b>	<b>167,823</b>	<b>94,603</b>	<b>311,769</b>	<b>42,500</b>	<b>53,277</b>	<b>420,118</b>	<b>0</b>	<b>376,367</b>	<b>1,942,624</b>	<b>3,857,532</b>