



15TH ANNUAL MEETING - SEPTEMBER 1993

Administrative Report and Financial Statements

for the fiscal year ending 31 December 1993

(as of 31 July 1993)

by

NAFO Executive Secretary

1. Membership

The Contracting Parties of NAFO are:

General Council

Bulgaria
Canada
Cuba
Denmark (in respect of the Faroe
Islands and Greenland)
Estonia
European Economic Community (EEC)
Iceland
Japan
Latvia
Lithuania
Norway
Poland
Romania
Russia

Scientific Council

Bulgaria
Canada
Cuba
Denmark (in respect of the Faroe
Islands and Greenland)
Estonia
European Economic Community (EEC)
Iceland
Japan
Latvia
Lithuania
Norway
Poland
Romania
Russia

Fisheries Commission

Bulgaria
Canada
Cuba
Denmark (in respect of the Faroe
Islands and Greenland)
Estonia
European Economic Community (EEC)
Japan
Latvia
Lithuania
Norway
Poland
Russia

2. NAFO Officers

2.1 Elected

President of NAFO and Chairman of the General Council (elected Sept. 1991; term expires Sept. 1993)	- K. Yonezawa (Japan)
Vice-Chairman of the General Council (elected Sept. 1991; term expires Sept. 1993)	- P. Gullestad (Norway)
Chairman of the Standing Committee on Fishing Activities of non-Contracting Parties in the Regulatory Area (STACFAC) (elected Sept. 1992; term expires Sept. 1994)	- C. C. Southgate (EEC)
Vice-Chairman of the Standing Committee on Fishing Activities of non-Contracting Parties in the Regulatory Area (STACFAC) (elected Sept. 1992; term expires Sept. 1994)	- B. Garcia Moreno (Cuba)
Chairman of the Standing Committee on Finance and Administration (STACFAD) (elected Sept. 1991; term expires Sept. 1993)	- D. Gill (Canada)
Vice-Chairman of the Standing Committee on Finance and Administration (STACFAD) (elected Sept. 1991; term expires Sept. 1993)	- H. Koster (EEC)
Chairman of the Scientific Council (elected Sept. 1991; term expires Sept. 1993)	- V. P. Serebryakov (Russia)
Vice Chairman of the Scientific Council (elected Sept. 1991; term expires Sept. 1993)	- H. Lassen (EEC)
Chairman of the Standing Committee on Fisheries Science (STACFIS) (elected Sept. 1992; term expires Sept. 1994)	- H. P. Cornus (EEC)
Chairman of the Standing Committee on Research Coordination (STACREC) (elected Sept. 1991; term expires Sept. 1993)	- A. deMelo (EEC)
Chairman of the Standing Committee on Publications (STACPUB) (elected Sept. 1991; term expires Sept. 1993)	- H. Lassen (EEC)
Chairman of the Fisheries Commission (elected Sept. 1991; term expires Sept. 1993)	- E. Wiseman (Canada)
Vice-Chairman of the Fisheries Commission (elected Sept. 1991; term expires Sept. 1993)	- P. Hillenkamp (EEC)
Chairman of the Standing Committee on International Control (STACTIC) (elected Sept. 1991; term expires Sept. 1993)	- E. Lemche (Denmark in respect of the Faroe Islands and Greenland)

2.2 Secretariat

Executive Secretary	- Leonard I. Chepel
Assistant Executive Secretary	- Tissa Amaratunga
Administrative Assistant	- William H. Champion
Senior Clerk-Secretary	- Beverly J. Cruikshank
Statistical Officer	- Gordon M. Moulton
Clerk-Duplicator Operator	- Ronald A. Myers
Clerk-Duplicator Operator	- Barry T. Crawford
Accounting Officer	- Forbes D. Keating
Documents and Mailing Clerk	- Ferne E. Perry
Clerk-Typist	- Dorothy C. Auby
Statistical Clerk (Fishery Statistics)	- Barbara L. Marshall
Statistical Clerk (Surveys and Sampling)	- Cynthia L. Kerr

3. Other Meetings and Staff Activities

The Standing Committee on Fishing Activities of Non-Contracting Parties in the Regulatory Area (STACFAC) met at NAFO headquarters from 28-30 April 1993.

The International Fisheries Commission Pension Society held in its Annual Meeting in Ottawa, Canada during 18-20 May 1993. The NAFO Secretariat was represented by Mr H. Champion and Mr F. Keating.

The Scientific Council and its Standing Committees met at NAFO headquarters from 2 to 16 June 1993.

The Executive Secretary, Dr L. I. Chepel travelled to Ottawa and discussed visa arrangements with Russian Embassy 7 June 1993.

4. Publications

The publications listed below are prepared and printed in the NAFO Secretariat. It is estimated that 1.2 million pages of printed material will be distributed in publications and an additional 650,000 pages of printed material distributed in documents/circular letters before the end of 1993.

- a) NAFO Annual Report for the year 1992 (181 pages) was distributed in March 1993.
- b) NAFO Meeting Proceedings for the year 1992 (358 pages) will be distributed in October 1993.
- c) Meetings and Decisions 1979-1992 (376 pages) was distributed in July 1993.
- d) NAFO Scientific Council Reports for 1992 (211 pages) was distributed in January 1993.
- e) NAFO Journal of Northwest Atlantic Fishery Science Volume 13 containing 7 papers (114 pages) was distributed in February 1993.
- f) NAFO Journal of Northwest Atlantic Fishery Science Volume 14 containing 13 papers (160 pages) was distributed in March 1993.
- g) NAFO Scientific Council Studies Number 17 (98 pages) was distributed in March 1993.
- h) NAFO Scientific Council Studies Number 18 containing 19 papers (110 pages) was distributed in August 1993.
- i) NAFO Scientific Council Studies Number 19 is being prepared for printing.
- j) NAFO Scientific Council Studies Number 20 is being prepared for printing.
- k) NAFO Statistical Bulletin Volume 39 (300 pages) was distributed in February 1993.
- l) NAFO Inventory of Sampling Data 1985-1989 (266 pages) was distributed in March 1993.
- m) NAFO Executive Summary of the Report of the Scientific Council Meeting (36 pages) will be distributed in September 1993.

5. Research and Statistical Activitiesa) Fishery Statistics

The statistical database at the Secretariat which is in an IBM compatible PC system, was updated back to 1960. Many Contracting Party requests for data were conveniently fulfilled and supplied in the form of diskettes.

i) STATLANT 21B Reports for 1989

Data were finally received from all countries or components (except France) and *NAFO Statistical Bulletin* Vol. 39 was published in February 1993 (without the French data).

ii) STATLANT 21B Reports for 1990

Deadline for submission of STATLANT 21B reports for 1990 was 30 June 1991. As of August 1993, data were still outstanding from France (SP), France (M) and USA. The delay in the acquisition of final data has again had a significant impact on the timely publication of *NAFO Statistical Bulletin* Vol. 40.

iii) STATLANT 21B Reports for 1991

Deadline for submission of STATLANT 21B reports for 1991 was 30 June 1992. As of August 1993, data from 5 countries were still outstanding and the publication of *NAFO Statistical Bulletin* Vol. 41 has been seriously delayed.

iv) STATLANT 21A Reports for 1992

The deadline for the submission of provisional statistics in the STATLANT 21A reports for 1992 was 15 April 1993. This is in order to provide sufficient time for the Secretariat to tabulate the data for the June Meeting of the Scientific Council. Timely submission of these provisional data are necessary for stock assessments carried out by the Scientific Council at the June Meeting. As of June 1993, data were outstanding from 5 countries, and necessary data were not submitted for the June 1993 Meeting, nor for the September Meeting.

v) STATLANT 21B Reports for 1992

The deadline for the submission of provisional statistics in the STATLANT 21B reports for 1992 was 30 June 1993. To-date only 10 countries have submitted data.

vi) Monthly Reporting of Provisional Catch Statistics

In accordance with the provisions of the NAFO Conservation and Enforcement Measures (Part I.C.3), the Secretariat prepared and distributed the monthly reportings of the provisional catches of Contracting Parties by the NAFO Circular Letter series. The most recent report was issued in NAFO Circular Letter 93/70 for June 1993.

vii) Historical catches for 1981-91

The Secretariat continued the practice of preparing a Summary Document (SCS Doc. 93/5, Serial No. N2171). The document contains an 11-year time series from 1981 to 1991 with a focus on updates for 1981-89 and provisional data for 1990 and 1991. More than 70 stocks are currently included in this list (others may be added upon request).

viii) Biological Sampling Data

The *Inventory of Sampling Data for 1985-89* was published in March 1993. The Secretariat continued the practice of preparing a Summary Document on Biological Sampling Data: SCS Doc. 93/9, Serial No. N2175 containing data for 1991.

ix) List of Fishing Vessels, 1992

This volume is due to be published later this year but data are still outstanding from 10 countries or components.

b) Research and Editorial

i) Journal, Vol. 13, containing 7 papers, 1 obituary and 4 notices (114 pages) was published as planned with the publication date of December 1992.

ii) Journal, Vol. 14, containing 13 papers presented at the Special Session on "Changes in Biomass, Production and Species Composition of the Fish Populations in the Northwest Atlantic over the Last 30 Years and Their Possible Causes" held in Brussels, September 6-8, 1989 was published as planned with the publication date of December 1992.

iii) Journal, Vol. 15, is an invitational paper by H. J. Squires titled "Decapod Crustacean Larvae from Ungava Bay" and is expected to be published in early-1994.

iv) Studies, No. 17, titled "Introduction to Sequential Population Analysis" was published in February 1993 and consists of the workbook that was used at the 9-11 September 1992 Special Session.

v) Studies, No. 18, containing 8 papers and 10 abstracts of the 24 papers presented at the Cod Symposium titled "Changes in Abundance and Biology of Cod and Their Possible Causes" held 4-6 September 1991 was published in July 1993.

vi) Studies, No. 19, containing 8 papers is expected to be published in 1993.

vii) Studies, No. 20, has to-date 6 papers in various stages of preparation. Publication of this issue is expected to be completed in late-1993.

viii) Scientific Council Reports

Editing and preparation of the reports of the March, June and September 1992 meetings of the Scientific Council were completed and published (211 pages) in *NAFO Scientific Council Reports, 1992* in December 1992.

Editing and preparation of the *Executive Summary* of the June 1993 Meeting of the Scientific Council was completed and published in preparation for the September 1993 Meeting.

ix) Index and List of Titles

The subject and author indexes and lists of titles of 84 research documents and 25 summary documents which were presented at the Scientific Council meetings during 1992, were compiled and presented to the Scientific Council in June 1993 in SCS Doc. 93/01, Serial No. N2167.

ix) Provisional Index of Journal of Northwest Atlantic Fishery Science and NAFO Scientific Council Studies 1987-93

The subject and author indexes and lists of titles of papers presented in the Journal and Studies series for the period 1987-93 were compiled and presented to the Scientific Council in June 1993 in SCS Doc. 93/2, Serial No. N2168. This is due to be published in 1993.

c) Documentations and Biostatistical Compilations

The following additional materials were compiled and presented to Scientific Council Meetings in 1993:

- Tagging activities reported for 1992 (SCS Doc. 93/7).
- Notes on statistical activities and publications since June 1992 (SCS Doc. 93/11).
- Compilation of research vessel surveys on a stock-by-stock basis (SCS Doc. 93/18).
- Report of Scientific Council, June 1993 Meeting (SCS Doc. 93/17).
- Report of the ICES/NAFO Working Group on Harp and Hooded Seals, SevPINRO, Archangelsk, Russia, October 1992 (SCS Doc. 93/8).

STATEMENT I

Budget Appropriations. Obligations Incurred and Unliquidated Balances of Appropriations
For the Year Ending 31 December 1993
(Estimated from 31 July 1993)

	Appropriated by Organization at Annual Meeting 1992	Obligations Incurred and Liquidated to 31 July 1993	Expenses Estimated for Remainder of Fiscal Year	Total Obligations for Fiscal Year	Unliquidated Balance of Appropriations (Estimated)
Personal Services:					
A. Salaries	596,000	339,243	245,102	584,345	11,655
B. Superannuation and Annuities	74,000	42,828	30,591	73,419	581
C. Additional Help	1,000	-	-	-	1,000
D. Group Medical and Insurance Plan	32,000	20,000	12,113	32,113	(113)
E. Termination Benefits	20,000	-	22,663	22,663	(2,663)
F. Accrued Vacation Pay	8,000	-	2,000	2,000	6,000
Travel	8,000	3,332	3,500	6,832	1,168
Transportation	1,000	563	402	965	35
Communications	51,000	36,452	13,778	50,230	770
Publications	22,000	6,429	13,102	19,531	2,469
Other Contractual Services	45,000	36,722	3,148	39,870	5,130
Materials and Supplies	30,000	18,118	11,800	29,918	82
Equipment	5,000	5,060	-	5,060	(60)
Annual and Mid-Term Meetings	30,000	2,306	24,400	26,706	3,294
Computer Services	15,000	3,876	11,124	15,000	-
External Expertise	5,000	-	5,000	5,000	-
Total Ordinary Budget	<u>943,000</u>	<u>514,929</u>	<u>398,723</u>	<u>913,652</u>	<u>29,348</u>

STATEMENT II

Statement of Assessed Contributions and Expenditures
for the Year Ending 31 December 1993
(Estimated from 31 July 1993)

Contracting Parties Assessed:

Bulgaria	18,109.12	
Canada	435,090.49	
Cuba	26,475.24	
Denmark (in respect of Faroe Islands and Greenland)	70,699.62	
Estonia	17,473.10	
European Economic Community	48,129.04	
Iceland	16,034.47	
Japan	19,899.52	
Latvia	17,473.10	
Lithuania	17,473.10	
Norway	20,144.14	
Poland	16,181.25	
Romania	17,473.10	
Russia	<u>64,685.40</u>	805,341
Add: Advance payments		10,070
Add: Transfer from Accumulated Surplus Account		<u>127,589</u>
Budget Total		943,000
Total Obligations to be Incurred - Statement I		<u>913,652</u>
Amount to be transferred to Accumulated Surplus Account		<u>29,348</u>

STATEMENT III

Balance Sheet for the Year Ending 31 December 1993
(Estimated from 31 July 1993)

ASSETSCurrent

Cash	189,762
Certificates of Deposit	20,000
Treasury Note	194,980
Contributions receivable from Contracting Parties (Note 1)	122,332
Accounts Receivable - Publications	839
Accrued Interest Receivable	217

LIABILITIESCurrent

Accounts Payable and Accrued Liabilities	5,468
Overpayment by Contracting Parties (Latvia, Russia)	10,468

Long-term

Provision for Employee Termination Benefits (Note 2)	188,961	
Provision for Accrued Employee Vacation Pay	<u>24,697</u>	213,658

EQUITY

Accumulated Surplus	<u>298,536</u>
	<u>528,130</u>

528,130

Note 1: This amount represents amounts due from Bulgaria (\$18,109.12); Canada (\$23,222.91); Cuba (\$26,475.24); Denmark (in respect Faroe Islands & Greenland) (\$920.70); European Economic Community (\$2,378.24); Japan (\$97.85); Lithuania (\$17,473.10); Poland (\$16,181.25) Romania (\$17,473.10).

Note 2: This amount includes termination benefits based on the old scheme except for the 1993 fiscal year where the benefits are consistent with Staff Rule 10.4(a).

STATEMENT IV

Statement of Accumulated Surplus
for the Year Ending 31 December 1993
(Estimated from 31 July 1993)

Accumulated Surplus - Beginning of 1993		202,589
Add: Province of Nova Scotia - ex gratia grant for 1991 & 1992	87,394 ^a	
Sales of Publications	8,705	
Interest	14,229	
Staff Assessments	101,333	
Balance of Appropriations not expended in 1993	<u>29,348</u>	<u>241,009</u>
		443,598
Less: Amount appropriated 1 January 1993	127,589	
Contribution deemed uncollectible 1993 (from Romania)	<u>17,473</u>	<u>145,062</u>
		<u>298,536</u>
Appropriated to maintain minimum balance	75,000	
Unappropriated balance available	<u>223,536</u>	
Total Accumulated Surplus		<u>298,536^b</u>

^a This amount represents the Provincial portion of income tax paid by NAFO employees. Although the Province of Nova Scotia has refunded the Provincial portion of income tax each year there is no guarantee that this practice will be followed every year.

^b See Statement 3 - Contributions receivable from Contracting Parties.

STATEMENT V

Preliminary calculation of billing for Contracting Parties
against the proposed estimate of \$948,000.00 for the 1994
financial year (based on 14 Contracting Parties to NAFO).

Budget Estimate.....	\$948,000.00
Deduct: Amount from Accumulated Surplus Account.....	223,536.00
Funds required to meet 1994 Budget.....	<u>\$724,464.00</u>

60% of funds required =	\$434,678.40
10% of funds required =	72,446.40
30% of funds required =	217,339.20

	Nominal Catches for 1991	% of Total Catch in the Convention Area	10%	30%	60%	Amount Billed
Bulgaria	-	-	-	15,524.23	-	\$ 15,524.23
Canada	856,565	66.55	64,071.60	15,524.23	289,278.48	368,874.31
Cuba	31,922	2.48	-	15,524.23	10,780.02	26,304.25
Denmark (Faroes and Greenland) ¹	111,916	8.70	8,374.80	15,524.23	37,817.02	61,716.05
Estonia	-	-	-	15,524.23	-	15,524.23
European Economic Community ²	97,041	7.54	-	15,524.23	32,774.75	48,298.98
Iceland	-	-	-	15,524.23	-	15,524.23
Japan ²	8,218	0.64	-	15,524.23	2,781.94	18,306.17
Latvia ³	-	-	-	15,524.23	-	15,524.23
Lithuania	-	-	-	15,524.23	-	15,524.23
Norway ²	7,458	0.58	-	15,524.23	2,521.14	18,045.37
Poland	-	-	-	15,524.23	-	15,524.23
Romania	-	-	-	15,524.23	-	15,524.23
Russia ^{2,3}	173,877	13.51	-	15,524.23	58,725.05	74,249.28
	1,286,997	100.00	72,446.40	217,339.20	434,678.40	<u>\$724,464.00</u>
Funds required to meet 1 January - 31 December 1994 Administrative Budget						<u>\$724,464.00</u>

¹ Faroes = 12,012; Greenland = 99,904

² Provisional Statistics used when calculating 1991 nominal catches.

³ Deduct overpayment: Latvia (\$109.20), Russia (\$10,358.65)

STATEMENT VI (STACFAD Agenda, item 9)

Preliminary calculation of billing for Contracting Parties against the proposed estimate of \$948,000.00 for the 1994 financial year (based on 14 Contracting Parties to NAFO).

Budget Estimate.....	\$948,000.00
Deduct: Amount from Accumulated Surplus Account.....	103,536.00
Funds required to meet 1994 Budget.....	<u>\$844,464.00</u>

60% of funds required =	\$506,678.40
10% of funds required =	84,446.40
30% of funds required =	253,339.20

Contracting Parties	Nominal Catches for 1991	% of Total Catch in the Convention Area	10%	30%	60%	Amount Billed
Bulgaria	-	-	-	18,095.66	-	\$ 18,095.66
Canada	856,565	66.55	74,684.40	18,095.66	337,194.48	429,974.54
Cuba	31,922	2.48	-	18,095.66	12,565.62	30,661.28
Denmark (Faroes and Greenland) ¹	111,916	8.70	9,762.00	18,095.66	44,081.02	71,938.68
Estonia	-	-	-	18,095.66	-	18,095.66
European Economic Community ²	97,041	7.54	-	18,095.66	38,203.55	56,299.21
Iceland	-	-	-	18,095.66	-	18,095.66
Japan ²	8,218	0.64	-	18,095.66	3,242.74	21,338.40
Latvia ³	-	-	-	18,095.66	-	18,095.66
Lithuania	-	-	-	18,095.66	-	18,095.66
Norway ²	7,458	0.58	-	18,095.66	2,938.74	21,034.40
Poland	-	-	-	18,095.66	-	18,095.66
Romania	-	-	-	18,095.66	-	18,095.66
Russia ^{2,3}	173,877	13.51	-	18,095.66	68,452.25	86,547.91
	1,286,997	100.00	84,446.40	253,339.20	506,678.40	<u>\$844,464.00</u>
Funds required to meet 1 January - 31 December 1994 Administrative Budget						<u>\$844,464.00</u>

¹ Faroes = 12,012; Greenland = 99,904

² Provisional Statistics used when calculating 1991 nominal catches.

³ Deduct overpayment: Latvia (\$109.20), Russia (\$10,358.65)

Note: (item 9. Termination Benefits)

This item was discussed at the 14th Annual Meeting in September 1992 and it was decided to consider the subject of upgraded termination benefits (to conform with Rule 10.4 of the Staff Rules) at the 15th Annual Meeting.

The Auditors reviewing NAFO accounts for the fiscal year 1992 have noted (Note 4 to the financial statements) that NAFO: -

"...has not recorded a liability for enhanced employee termination benefits, as approved as part of the Staff Rules by General Council at its annual meeting in September, 1991. At 31 December 1992, these enhance benefits amounted to approximately \$ 120,000. Failure to record this amount as a liability in 1992 is not in accordance with the Organization's stated accounting principles. Had the liability been recorded, excess of revenue over expenditures for the year and accumulated surplus at the end of the year would have been reduced by \$120,000."