

Northwest Atlantic



Fisheries Organization

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(Revised)

27th ANNUAL MEETING – SEPTEMBER 2005

Administrative Report for the period September 2004 to August 2005
and Financial Statements for the fiscal year ending 31 December 2005

by

NAFO Secretariat

1. The Contracting Parties of NAFO (13) constitute the following membership to the NAFO three main bodies:

General Council (13)

Bulgaria
Canada
Cuba
Denmark (in respect of the Faroe
Islands and Greenland)
European Union (EU)
France (in respect of St. Pierre et Miquelon)
Iceland
Japan
Republic of Korea (Korea)
Norway
Russian Federation (Russia)
Ukraine
United States of America (USA)

Scientific Council (13)

Bulgaria
Canada
Cuba
Denmark (in respect of the Faroe
Islands and Greenland)
European Union (EU)
France (in respect of St. Pierre et Miquelon)
Iceland
Japan
Republic of Korea (Korea)
Norway
Russian Federation (Russia)
Ukraine
United States of America (USA)

Fisheries Commission (12)

Canada
Cuba
Denmark (in respect of the Faroe
Islands and Greenland)
European Union (EU)
France (in respect of St. Pierre et Miquelon)
Iceland
Japan
Republic of Korea (Korea)
Norway
Russian Federation (Russia)
Ukraine
United States of America (USA)

2. NAFO Officers

President of NAFO and Chairman of the General Council
(elected for the term Sept. 2003-Sept. 2005)

- D. Bevan (Canada)

Vice-Chair of the General Council
(elected for the term Sept. 2003-Sept. 2005)

- T. Lobach (Norway)

Chair of the Standing Committee on Fishing Activities of non-Contracting
Parties in the Regulatory Area (STACFAC)
(elected for the term Sept. 2004-Sept. 2006)

- N. Bouffard (Canada)

Vice-Chair of the Standing Committee on Fishing Activities of non-Contracting
Parties in the Regulatory Area (STACFAC)
(elected for the term Sept. 2004-Sept. 2006)

- G. Martin (USA)

Chair of the Standing Committee on Finance and Administration (STACFAD)
(elected for the term Sept. 2003-Sept. 2005)

- G. F. Kingston (EU)

Vice-Chair of the Standing Committee on Finance and Administration (STACFAD)
(elected for the term Sept. 2003-Sept. 2005)

- D. Warner-Kramer (USA)

Chair of the Scientific Council (elected for the term Sept. 2003-Sept. 2005)	- M. J. Morgan (Canada)
Vice-Chair of the Scientific Council (elected for the term Sept. 2003-Sept. 2005)	- A. Vazques (EU-Spain)
Chair of the Standing Committee on Fisheries Science (STACFIS) (elected for the term Sept. 2003-Sept. 2005)	- H. Murua (EU-Spain)
Chair of the Standing Committee on Research Coordination (STACREC) (elected for the term Sept. 2003-Sept. 2005)	- A. Vazques (EU-Spain)
Chair of the Standing Committee on Publications (STACPUB) (elected for the term Sept. 2003-Sept. 2005)	- M. Stein (EU-Germany)
Chair of the Standing Committee on Fisheries Environment (STACFEN) (elected for the term Sept. 2003-Sept. 2005)	- E. Colbourne (Canada)
Chair of the Fisheries Commission (elected for the term Sept. 2003-Sept. 2005)	- D. Swanson (USA)
Vice-Chair of the Fisheries Commission (elected for the term Sept. 2003-Sept. 2005)	- B. F. Prischepa (Russia)
Chair of the Standing Committee on International Control (STACTIC) (elected for the term Apr 2005 -Sept. 2007)	- H. Steinarsson (Iceland)
Vice-Chair of the Standing Committee on International Control (STACTIC) (elected for the term Sept. 2003-Sept. 2005)	- M. Nedergaard (Denmark in respect of Faroe Islands and Greenland)

3. Secretariat

Executive Secretary	- Johanne Fischer
Deputy Executive Secretary	- Tissa Amaratunga (to 31 July 2005)
Fisheries Commission Coordinator	- Ricardo Federizon
Administration Officer & Meeting Coordinator	- Forbes Keating
Finance Officer	- Stan Goodick
Personal Assistant to the Executive Secretary	- Beverly McLoon
Publications and Archives Officer	- Ferne Perry
Graphic Arts/Printing Technician	- Ron Myers
Graphic Arts/Printing Technician	- Barry Crawford
Office Secretary	- Dorothy Auby
Information Manager	- Barb Marshall
Fisheries Information Officer	- Cindy Kerr

4. NAFO Meetings

Sept. 2004-Aug. 2005:

Scientific Council Symposium, Dartmouth, N.S., Canada, 8-10 September 2004.
 NAFO 26th Annual Meeting, Dartmouth, N.S., Canada, 13-17 September 2004.
 Scientific Council Meeting on Shrimp Assessment, Copenhagen, Denmark, 27 October – 4 November 2004.
 International Fisheries Commissions Pension Society Annual Meeting, Victoria, B.C., Canada, 13-15 April 2005.
 STACTIC Meeting, Reykjavik, Iceland, 13-15 April 2005
 Scientific Council and its Standing Committees, Dartmouth, N.S., Canada, 2-16 June 2004.

Future Meetings:

Scientific Council Meeting on Shrimp Assessment, NAFO Headquarters, Dartmouth, NS, Canada, 26 Oct – 03 Nov 2005.
 International Fisheries Commissions Pension Society Annual Meeting, La Jolla, California, USA, 5-7 April 2006.
 Scientific Council and its Standing Committees, Dartmouth, N.S., Canada, 1-15 June 2006.
 Scientific Council Special Session, Dartmouth, N.S., Canada, 13-15 September 2006.
 NAFO 28th Annual Meeting, Dartmouth, N.S., Canada, 18-22 September 2006.

5. Publications

During the period of September 2004 – August 2005, the NAFO Secretariat prepared, posted to the web and/or printed the publications listed below:

NAFO Conservation and Enforcement Measures (replacement pages) (56 pages)
NAFO Report of Inspection Forms (150 books)

Annual Report for 2004 (booklet – 25 pages)
NAFO Scientific Council Studies 38 (54 pages)
NAFO Scientific Council Studies 39 (51 pages)
NAFO Meeting Proceedings for 2004/2005 (189 pages)
Scientific Council Reports for 2004 (298 pages)
NAFO Journal of Northwest Atlantic Fishery Science Volume 35 (570 pages)

6. Fishery Statistics

The NAFO statistical database is at the NAFO Secretariat and available in computer diskette form or hard copies to the Contracting Parties, and from 1999, the statistical data of catches have been posted on the NAFO website www.nafo.int.

The data reports for the preceding year of fishing, STATLANT 21A reports (preliminary annual catches in the NAFO Convention Area by species and divisions), due 15 May have not been received from: for 1994 – USA (partial); for 1995 – USA (partial); for 1996 – USA (partial); for 1997 – USA (partial); for 1998 – USA (partial); for 1999 – USA (partial); for 2000 – USA (partial); for 2001 – Cuba and USA (partial); for 2002 – Cuba and USA; for 2003 – Cuba and USA; for 2004 – Cuba and USA.

The data reports for the preceding year of fishing, STATLANT 21B reports (final annual catches in the NAFO Convention Area by species, month, effort), due 30 June have not been received from: for 1994 - USA; for 1995 - USA; for 1996 - USA; for 1997 – USA; for 1998 - USA; for 1999 – USA; for 2000 – Greenland and USA; for 2001 – Cuba, Greenland, Lithuania and USA; for 2002 – Cuba, Lithuania and USA; for 2003 – Cuba, Lithuania and USA. For 2004, STATLANT 21B reports were received from EU-Denmark, EU-Germany, Faroe Islands, Greenland, Iceland (needs clarification), Japan, Norway, Poland, EU-Portugal, EU-Spain, Latvia, Russia and Ukraine.

7. Financial Statements**STATEMENT I**

Budget Appropriations. Obligations Incurred and Unliquidated Balances of Appropriations
For the Year Ending 31 December 2005
(Estimated from 31 July 2005)
(Canadian Dollars)

	Approved Budget for 2005	Obligations Incurred and Liquidated to 31 July 2005	Obligations Estimated for Remainder of Fiscal Year	Total Obligations for Fiscal Year	Estimated Unliquidated Balance of Appropriations
Personal Services					
a) Salaries	\$884,000	\$520,852	\$370,148	\$891,000	(\$7,000)
b) Superannuation and Annuities	95,000	47,771	43,229	91,000	4,000
c) Group Medical and Insurance Plans	88,000	54,197	28,303	82,500	5,500
d) Termination Benefits	31,000	-	44,000	44,000	(13,000) ^a
e) Accrued Vacation Pay	5,000	-	1,000	1,000	4,000
f) Termination Benefits Liability	10,300	-	10,300	10,300	-
g) Clerical (CR) Retroactive Salary Liability	27,700	27,622	78	27,700	-
Travel	45,000	26,129	18,871	45,000	-
Transportation	1,000	348	652	1,000	-
Communications	30,000	16,087	12,913	29,000	1,000
Publications	25,000	16,151	849	17,000	8,000 ^b
Other Contractual Service	47,000	27,855	19,145	47,000	-
Additional Help	3,000	3,000	-	3,000	-
Materials and Supplies	30,000	11,839	18,161	30,000	-
Equipment	15,000	8,399	11,601	20,000	(5,000) ^c
Meetings					
Annual General Meeting and Scientific Council Meetings	72,000	38,478	32,522	71,000	1,000
Inter-sessional Meetings	36,000	15,147	853	16,000	20,000 ^d
Hospitality Allowance	3,000	1,992	1,008	3,000	-
Computer and Web Services					
Computer and Web Services	31,000	14,544	11,456	26,000	5,000
Vessel Monitoring System	45,000	44,500	8,500	53,000	(8,000) ^e
Recruitment and Relocation	-	-	7,500	7,500	(7,500) ^f
Total Ordinary Budget	<u>\$1,524,000</u>	<u>\$874,911</u>	<u>\$641,089</u>	<u>\$1,516,000</u>	<u>\$8,000</u>

a This figure is for 2004 credits and conforms with NAFO Staff Rule 10.4(a).

b Report of Inspection books budgeted for 2005 were printed in 2004.

c Office renovations forecasted for 2006 to be incurred during 2005.

d See page 2, item 4 (NAFO Meetings) for listing of meetings.

e Additional costs incurred connecting Contracting Parties to new HTTPS Gateway Server.

f Recruitment costs (travel to NAFO Secretariat for short listed candidates for the position of Scientific Council Coordinator) were originally forecasted for 2006.

STATEMENT II

Statement of Assessed Contributions and Expenditures for the Year Ending 31 December 2005 (Estimated from 31 July 2005) (Canadian Dollars)

Contracting Parties Assessed:

Bulgaria	\$31,175.31
Canada	553,569.85
Cuba	31,337.41
Denmark (in respect of Faroe Islands and Greenland)	177,881.39
European Union	90,508.16
France (in respect of St. Pierre et Miquelon)	34,459.58
Iceland	37,092.38
Japan	34,012.26
Republic of Korea	31,175.31
Norway	43,576.85
Russian Federation	55,735.22
Ukraine	31,175.31
United States of America	<u>199,230.97</u>
Assessed Contributions for the year ending 31 December 2005	\$1,350,930.00
Transferred from Accumulated Surplus Account	<u>173,070.00</u> ^a
Approved Budget for 2005	1,524,000.00
Total Obligations to be Incurred - Statement I	<u>1,516,000.00</u>
Amount to be transferred to Accumulated Surplus Account	<u><u>\$8,000.00</u></u>

^a Excess of revenue over expenditures during the 2004 fiscal year (includes ex gratia grant; staff assessments; sales of publications; bank interest and balance of appropriations not expended).

STATEMENT III

Balance Sheet for the Year Ending 31 December 2005
(Estimated from 31 July 2005)
(Canadian Dollars)

ASSETS		LIABILITIES	
Current		Current	
Cash	\$49,918	Accounts Payable and Accrued Liabilities	\$10,000
Contributions receivable from Contracting Parties (Note 1)	319,315	Provision for Accrued Employee Vacation Pay	31,023
Prepaid Expenses	<u>1,615</u>		
	370,848		<u>41,023</u>
Long-Term Investment		Long-Term	
Employee Termination Benefit Investments (Note 2)	<u>368,744</u>	Provision for Employee Termination Benefits	<u>368,744</u>
			409,767
		MEMBERS' NET ASSETS	
		Accumulated Surplus	<u>329,825</u>
	<u>\$739,592</u>		<u>\$739,592</u>

Note 1: This amount represents amounts due from Cuba (2005-\$31,337.41; 2004-\$24,266.74); Korea (\$31,175.31); Russian Federation (\$2,128.55); Ukraine (\$31,175.31) and the United States of America (\$199,230.97).

Bulgaria's outstanding contribution (2005-\$31,175.31) has been recorded as a doubtful account and applied against accounts receivable.

Note 2: Termination Benefit Funds have been invested in a Scotiabank Premium T-Bill account.

STATEMENT IV

**Statement of Accumulated Surplus
for the Year Ending 31 December 2005^a
(Estimated from 31 July 2005)
(Canadian Dollars)**

Accumulated Surplus - Beginning of 2005		\$298,070
Add: Staff Assessments	\$145,000 ^b	
Province of Nova Scotia - <i>ex gratia</i> grant	63,000	
Interest	15,000	
Balance of appropriations not expended in 2005	8,000	
Sales of Publications	5,000	236,000
		<u>534,070</u>
Less: Amount appropriated 1 January 2005	\$173,070	
Contributions deemed uncollectible 2005 (Bulgaria)	31,175	204,245
		<u>204,245</u>
Accumulated Surplus - End of 2005		<u>\$329,825</u>
Appropriated to maintain minimum balance (to be authorized by G.C.)	\$125,000	
Unappropriated balance available	204,825	
		<u>204,825</u>
Total Accumulated Surplus		<u>\$329,825 ^c</u>

^a Provisions for the Accumulated Surplus Account from the NAFO Financial Regulations:

Rule 4.2 Within the books of accounts, there shall be established an accumulated surplus account to which shall be credited:

- i) excess of receipts over expenditures at the end of the financial year;
- ii) unexpended balances at the end of the 12-month period specified in Rule 3.2 for prior year obligations, but not disbursed;
- iii) refunds, from any source, of prior year's expenditures of the Organization.

Rule 4.3 Monies available in the accumulated surplus account may be used temporarily to the extent necessary to finance appropriations pending receipt of annual payments by Contracting Parties.

^b 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.

^c See Statement III - Contributions receivable from Contracting Parties (this amount of \$337,825 would be valid subject to payment of outstanding contributions by Cuba - \$55,604.15, Korea - \$31,175.31, Russian Federation - \$2,128.55, Ukraine - \$31,175.31 and the United States of America \$199,230.97, total - \$319,314.29 during 2005).

STATEMENT V

**Preliminary calculation of billing for Contracting Parties
against the proposed estimate of \$1,519,000 for the 2006
financial year (based on 13 Contracting Parties to NAFO).
(Canadian Dollars)**

Budget Estimate	\$1,519,000.00
Deduct: Amount from Accumulated Surplus Account	<u>204,825.00</u>
Funds required to meet 2006 Administrative Budget	<u>\$1,314,175.00</u>

60% of funds required =	\$788,504.94
30% of funds required =	394,252.56
10% of funds required =	131,417.50

Contracting Parties	Nominal Catches for 2003	% of Total Catch in the Convention Area	10%	30%	60%	Amount Billed
Bulgaria	-	-	-	\$30,327.12	-	\$30,327.12
Canada (1)	488,467	51.94%	\$79,954.05	\$30,327.12	\$409,549.49	519,830.66
Cuba (1)	227	0.02%	-	\$30,327.12	157.69	30,484.81
Denmark (in respect of Faroe Islands and Greenland) (2)	133,199	14.16%	21,802.50	\$30,327.12	111,652.30	163,781.92
European Union (1)	75,879	8.08%	-	\$30,327.12	63,711.19	94,038.31
France (in respect of St. Pierre et Miquelon)	3,652	0.39%	597.77	\$30,327.12	3,075.16	34,000.05
Iceland	7,210	0.77%	-	\$30,327.12	6,071.48	36,398.60
Japan	3,091	0.33%	-	\$30,327.12	2,602.07	32,929.19
Republic of Korea	-	-	-	\$30,327.12	-	30,327.12
Norway	20,308	2.16%	-	\$30,327.12	17,031.71	47,358.83
Russian Federation	30,394	3.23%	-	\$30,327.12	25,468.71	55,795.83
Ukraine	387	0.04%	-	\$30,327.12	315.40	30,642.52
United States of America (1)	177,557	18.88%	29,063.18	\$30,327.12	148,869.74	208,260.04
	940,371	100.00%	\$131,417.50	\$394,252.56	\$788,504.94	<u>\$1,314,175.00</u>
Funds required to meet 1 January - 31 December 2006 Administrative Budget						<u>\$1,314,175.00</u>

(1) Provisional Statistics used when calculating 2003 nominal catches which have not been reported from Contracting Parties.

(2) Faroe Islands = 14,436 metric tons
Greenland = 118,763 metric tons