



FIRST MEETING - WASHINGTON, D. C. - APRIL 2, 1951

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April 5, 1951

## FINANCIAL REGULATIONS

### FOR THE COMMISSION

(Adopted in Third Executive Session, April 5, 1951)

#### Section I - APPLICABILITY

- 1.1 These regulations shall govern the financial administration of the International Commission for the Northwest Atlantic Fisheries.

#### Section II - THE FINANCIAL YEAR

- 2.1 The financial year shall be the period July 1 to June 30.

#### Section III - THE BUDGET

- 3.1 The annual budget estimates for the administrative budget and the special projects budget shall be prepared by the Executive Secretary.
- 3.2 The estimates shall cover income and expenditures for the financial year to which they relate, and shall be presented in the currency of the country in which the seat of the Commission is located.
- 3.3 The annual budget estimates shall be divided into Parts, Sections, Chapters, and Articles corresponding to the organization and program and shall be accompanied by such information annexes and explanatory statements as may be requested on behalf of the Commission, and such further annexes or statements as the Executive Secretary may deem necessary and useful.
- 3.4 The Executive Secretary shall submit at the regular annual meeting of the Commission budget estimates for the following financial year. The estimates shall be transmitted to all Member States at least sixty days prior to the opening of the regular annual meeting of the Commission.
- 3.5 Upon submission of the estimates at the regular annual meeting of the Commission, they shall be referred to the Standing Committee on Finance and Administration for examination.
- 3.6 The Standing Committee on Finance and Administration shall prepare a report to the Commission.
- 3.7 The budget for the following financial year shall be adopted by the Commission after consideration of the report on the estimates by the Standing Committee on Finance and Administration.

- 3.8 Supplementary estimates may be submitted by the executive Secretary when and as he may deem necessary.
- 3.9 The Executive Secretary shall prepare supplementary estimates in a form consistent with the annual estimates and shall submit such estimates at the regular annual meeting of the Commission the necessary 60 days notice having been given. The Standing Committee on Finance and Administration shall review such estimates and report thereon.

#### Section IV - APPROPRIATIONS

- 4.1. The appropriations voted by the Commission shall constitute an authorization to the Executive Secretary to incur obligations and make payments for the purposes for which the appropriations were voted and up to the amounts so voted.
- 4.2. Appropriations shall be available for obligation during the financial year to which they relate.
- 4.3. Appropriations shall remain available for twelve months following the end of the financial year to which they relate to the extent that they are required to discharge obligations in respect of goods supplied and services rendered in the financial year and to liquidate any other outstanding legal obligation of the year. The balance of the appropriations shall be surrendered in accordance with Regulation 5.2 (d).
- 4.4. At the end of the twelve-month period provided in Regulation 4.3 above, the then remaining balance of any appropriations retained will be surrendered in accordance with Regulation 5.2(d). Any unliquidated prior year obligations shall at the time be cancelled, or, where the obligation remains a valid charge, transferred as an obligation against current appropriations.
- 4.5. No transfer between appropriation sections may be made without authorization by the Commission.

#### Section V - PROVISION OF FUNDS

- 5.1. The appropriations, subject to the adjustments effected in accordance with the provisions of Regulation 5.2, shall be financed by contributions from Member States, in accordance with the provisions of Article XI, paragraphs 3 and 5 of the International Convention for the Northwest Atlantic Fisheries. Pending the receipt of such contributions, the appropriations may be financed from the Working Capital Fund.
- 5.2. In the assessment of the contributions of Member States, adjustments shall be made to the amounts of the appropriations approved by the Commission for the following financial year in respect of:
  - a. Supplementary appropriations for which contributions have not previously been assessed on the Member States;

- b. Miscellaneous income for which credits have not previously been taken into account, and any adjustments in estimated miscellaneous income previously taken into account;
  - c. Contributions resulting from the assessments of new Member States under the provisions of Regulation 5.8;
  - d. Any balance of the appropriations surrendered under Regulations 4.3 and 4.4.
- 5.3 After the Commission has adopted the budget and determined the amount of the Working Capital Fund, the Executive Secretary shall:
- a. Transmit the relevant documents to Member States;
  - b. Inform Member States of their commitments in respect of annual contributions and advances to the Working Capital Fund;
  - c. Request them to remit their contributions and advances.
- 5.4 Contributions and advances shall be considered as due and payable in full within thirty days of the receipt of the communication of the Executive Secretary referred to in Regulation 5.3 above, or as of the first day of the financial year to which they relate, whichever is the later. As of the first day of the following financial year, the unpaid balance of such contributions and advances shall be considered to be one year in arrears.
- 5.5 Annual contributions and advances to the Working Capital Fund shall be assessed and paid in the currency of the country in which the seat of the Commission is located, or as provided for in Article XI.6 of the International Convention for the Northwest Atlantic Fisheries.
- 5.6 Payments made by a Member State shall be credited first to the Working Capital Fund and then to the contributions due in the order in which the Member State was assessed.
- 5.7 The Executive Secretary shall submit to the regular annual meeting of the Commission a report on the collection of contributions and advances to the Working Capital Fund.
- 5.8 New Member States shall be required to make a contribution for the year in which they become members, and provide their proportion of the total advances to the Working Capital Fund consistent with the provisions of Article XI, paragraphs 3 and 5, of the Convention. New Member States whose ratifications become effective during the first six months of a financial year shall be required to pay a full year's assessment. New Member States whose ratifications become effective during the

last six months of a financial year shall be required to pay one-half year's assessment.

#### Section VI - FUNDS

- 6.1. There shall be established a General Fund for the purpose of accounting for the expenditures of the Commission. The contributions paid by Member States under Regulation 5.1, miscellaneous income, and any advances made from the Working Capital Fund to finance general expenditures shall be credited to the General Fund.
- 6.2. There shall be established a Working Capital Fund in an amount and for purposes to be determined from time to time by the Commission. The source of monies of the Working Capital Fund shall be advances from Member States determined in the same manner as the contribution to the annual administrative budget.
- 6.3. Advances made by Member States to the Working Capital Fund shall be carried to the credit of the Member States which have made such advances.
- 6.4. Advances made from the Working Capital Fund to finance budgetary appropriations during a financial year shall be reimbursed to the Fund as soon as and to the extent that income is available for that purpose.
- 6.5. Except when such advances are recoverable from some other source, advances made from the Working Capital Fund for unforeseen and extraordinary expenses or other authorized purposes shall be reimbursed through the submission of supplementary estimates.

#### Section VII - OTHER INCOME

- 7.1. All other income except:
  - a. Contributions to the administrative budget and to the special projects budget;
  - b. Refunds of direct expenditures made during the financial year;
  - c. Advances or deposits to Funds shall be classed as miscellaneous income, for credit to the General Fund.

#### Section VIII - CUSTODY OF FUNDS

- 8.1. The Executive Secretary shall designate the bank or banks in which the funds of the Commission shall be kept.

#### Section IX - INTERNAL CONTROL

- 9.1. The Executive Secretary shall:
  - a. Establish detailed financial procedures in order to ensure effective financial administration and the exercise of economy;

- b. Cause all payments to be made on the basis of supporting vouchers and other documents which ensure that the services or goods have been received, and that payment has not previously been made;
  - c. Designate the officers of the secretariat who may receive monies, incur obligations and make payments on behalf of the Commission;
  - d. Maintain an internal financial control which shall provide for an effective current examination and/or review of financial transactions in order to ensure:
    - (i) The regularity of the receipt, custody and disposal of all funds and other financial resources of the Commission;
    - (ii) The conformity of obligations and expenditures with the appropriations or other financial provision voted by the Commission.
    - (iii) The economic use of the resources of the Commission.
- 9.2. No obligations shall be incurred until allotments or other appropriate authorizations have been made in writing under the authority of the Executive Secretary.
- 9.3. The Executive Secretary may, after full investigation, authorize the writing off of losses of cash, stores and other assets, provided that a statement of all such amounts written off shall be submitted to the Auditors with the annual accounts.
- 9.4. Tenders for equipment, supplies and other requirements shall be invited by advertisement, except where the Executive Secretary deems that, in the interests of the Commission, a departure from the rule is desirable.

#### Section X - THE ACCOUNTS

- 10.1 The Executive Secretary shall maintain such accounting records as are necessary and shall submit annual accounts showing for the financial year to which they relate:
- a. The income and expenditures,
  - b. The status of appropriations, including:
    - (i) The original budget appropriations;
    - (ii) The appropriations as modified by any transfers;
    - (iii) Credits, if any, other than the appropriations voted by the Commission;

- (iv) The amounts charged against those appropriations and/or other credits;
  - c. The assets and liabilities of the Commission. He shall also give such other information as may be appropriate to indicate the current financial position of the Commission.
- 10.2 The annual accounts and accounting records of the Commission shall be presented in the currency of the country in which the seat of the Commission is located.
- 10.3 The annual accounts shall be submitted by the Executive Secretary to the Auditors not later than ninety days following the end of the financial year.

Section XI - EXTERNAL AUDIT

- 11.1 The Commission shall employ external auditors who may be removed only by the Commission.
- 11.2 Having regard to the budgetary provisions for the audit, and after consultation with the Standing Committee on Finance and Administration relative to the scope of the audit, the Auditors shall perform such an audit as they deem necessary to certify:
- a. That the financial statements are in accord with the books and records of the Commission;
  - b. That the financial transactions reflected in the statements have been in accordance with the rules and regulations, the budgetary provisions, and other applicable directives;
  - c. That the monies on deposit and on hand have been verified by certificate received direct from the Commission's depositories or by actual count.
- 11.3 Subject to the directions of the Commission, the Auditors shall be the sole judge as to the acceptance in whole or in part of the certifications by the Executive Secretary and may proceed to such detailed examination and verifications as they choose of all financial records, including those relating to supplies and equipment.
- 11.4 The Auditors may affirm by test the reliability of the internal audit and may make such reports with respect thereto as they may deem necessary to the Commission, to the Standing Committee on Finance and Administration or to the Executive Secretary.
- 11.5 The Auditors and their staff shall have free access at all convenient times to all books of account and records which are, in the opinion of the Auditors, necessary for the performance of the audit. Information classified in the records of the Executive Secretary as confidential, and which is required for the purposes of the audit, shall be made available on application to the Executive Secretary.

- 11.6. The Auditors, in addition to certifying the accounts, may make such observations as they deem necessary with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the financial consequences of administrative practices. In no case, however, shall the Auditors include criticism in their audit report without first affording the Executive Secretary an opportunity of explanation to the Auditors of the matter under observation. Audit objections to any item in the accounts shall be immediately communicated to the Executive Secretary.
- 11.7. The Auditors shall have no power to disallow items in the accounts, but shall draw to the attention of the Executive Secretary for appropriate action any transaction concerning which they entertain doubt as to legality or propriety.
- 11.8. The Auditors shall prepare a report on the accounts certified, and on any matters on which the Commission by resolution thereon may from time to time give specific instructions.
- 11.9. The Auditors shall submit their report to the Commission not later than six months following the end of the financial year to which the accounts relate. The Standing Committee on Finance and Administration shall forward to the Commission its comments, if any, on the audit report.

#### Section XII - BONDING

- 12.1. The Executive Secretary shall be bonded in Canadian currency by any reputable Bonding Company in such amount as may be determined by the Commission from time to time. The cost of the premium therefor shall be assumed by the Commission.

#### Section XIII - DELEGATION OF AUTHORITY

- 13.1. The Executive Secretary may delegate to other officers of the Secretariat such of his powers as he considers necessary for the effective implementation of these regulations.

#### Section XIV - GENERAL PROVISIONS

- 14.1. These regulations shall be effective as of the date of their approval by the Commission, and may be amended only by the Commission.
- 14.2. In case of doubt as to the interpretation and application of any of the foregoing regulations, the Executive Secretary is authorized to rule thereon after consultation with the Chairman.







CORRIGENDUM A  
DOC/10 (Rev.1)  
April 9, 1951

CORRIGENDUM A  
FINANCIAL REGULATIONS  
FOR THE COMMISSION

(Adopted in Third Executive Session, April 5, 1951)

The set-up of the following item should be changed on DOC/10 (Rev.1).

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