
Report from the NWWRAC Secretariat on Financial Issues

General Assembly
Dublin, 28th October 09



CONSEIL CONSULTATIF
RÉGIONAL POUR
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SEPTENTRIONALES

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Presentation Overview

Updated accounts for Year 4;

Final accounts for Year 3;

Approved budget for Year 5.



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Year 4

Budget Update

1/10/2008- 30/9/2009



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Year 4 - Current Position

Expenditure

	Original Budget 1-10-2008	Revised budget 24-9-2009	Current position as per 16/10/2009
Staff	€47,500	€47,896	€47,578
Reimbursements	€138,160	€115,898	€107,670
Meetings	€33,216	€14,674	€10,296
Operating costs	€13,019	€41,953	€40,549
Interpretation and Translation	€57,900	€68,506	€59,202
Fees	€21,655	€22,523	€22,423
Total	€311,450	€311,450	€287,718

Budget Amendment to operating costs (26/9/2009)

Potential underspend (€15,000 - €25,000)



Year 4 - Current Position

Income

	Original Budget	Actual Budget 12/10/2009	Outstanding
Member States	€ 22,200	€ 22,200	
Commission	€ 250,000	€ 200,000	Balance EU-grant*
Members	€ 39,250	€ 39,593	
Total	€311,450	€258,093	

- Membership greater than predicted
- * Commission income dependant on total audited eligible expenditure



Year 4 - Next steps

- Complete financial Year 4
- Issue tender for audit services
- Audit the accounts
- Request outstanding EU co-financing



Year 3

FINAL ACCOUNTS

(26/9/2007-30/9/2008)



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Year 3 – Completion of accounts

- January 2009 Company audit report sent to the Companies registration office;
- January 2009 Audited report sent to the Commission;
- March 2009 Commission propose a deficit of €36,719 based on an expenditure of €213,280.59;
- April 2009 Commission decision appealed by the NWWRAC;
- May 2009 Following appeal the Commission agree to a deficit of €18,502 based on an expenditure of €231,487
- June 2009 Executive Committee approval received for the revised deficit of €18,502



Year 3 – Final expenditure

	Non-eligible (contribution-in-kind)	Eligible	Total
Staff	€75,149	€32,058	€107,207
Reimbursements	€0	€130,607	€130,607
Meetings	€768	€50,028	€50,796
Operating costs	€0	€17,624	€17,624
Interpretation and Translation	€2,772	€75,514	€78,286
Fees	€0	€19,100	€19,100
Total	€78,689	€324,931	€403,620



Year 3 - Income

	Non-Eligible	Eligible	Total
Members	€0	€40,853	€40,853
Commission	€0	€231,488	€231,488
National Level contribution	€0	€34,088	€34,088
Secondment of Staff	€75,149	€0	€75,149
Joint RAC meetings	€3,540	€0	€3,540
Total	€78,689	€306,429	€385,118



Year 3 - Summary

Final approved accounts

	Eligible Items
Income	€ 306,429
Expenditure	€ 324,931
Deficit	(€ 18,502)



Year 3 – Reasons for the deficit

1) Co-financing rule

- Commission co-financing is a fixed percentage, based on the estimated eligible expenditure provided at the beginning of the financial year
- Even if the final eligible expenditure is lower than the estimated costs, the original co-financing percentage is maintained
- In Year 3 the final eligible expenditure was less than predicted (due to a lower membership and associated income from members)

2) Deficit of receipts rule

- An additional deduction made by the Commission from its final contribution, reflecting a deficit in receipts in estimated eligible income (i.e. members etc.)



Year 3 - Approved solutions

- Approved by the Executive Committee on 8/9/2009 and by fast-track electronic procedure on 24/6/2009
- The deficit will be paid over a period of 2 years:
 - € 10,000 in Year 5
 - € 8,502 in Year 6
- 25% of the membership contribution of Year 5 will be used to fund the first contribution to the deficit.



Year 5

Proposed Budget

1/10/2009-30/9/2010



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Year 5 – Approved expenditure

(Executive Committee 8/9/2009 and Commission final approval 30/9/2009)

	Non-eligible (contribution in kind)	Eligible	Total
Staff	€ 29,250	€95,550	€124,800
Reimbursements	€0	€100,520	€100,520
Meetings	€14,250	€18,620	€32,870
Operating costs	€19,889	€24,872	€44,761
Interpretation and Translation	€13,000	€39,188	€52,188
Fees	€0	€22,000	€22,000
Deficit of previous years	€10,000	€0	€10,000
Total	€86,389	€300,750	€387,139



Year 5 - Estimated income

	Non-Eligible	Eligible	Total
Member States	€56,500	€22,200	€78,700
Commission	€0	€250,000	€250,000
Members	€0	€28,550	€28.550
BIM (logistical support)	€19,889	€0	€19,889
Deficit contribution (Year 3)	€10,000	€0	€10,000
Total	€86,389	€300,750	€387,139



Year 5 – Budget; Current status

- 8th of September: Approved by the Executive Committee
- 30th of September: Approved by the Commission

- Fees collected from 38 members;
- Letters of commitment from 13 members;
- Commitments received from Member States

- **Outstanding membership fees to be paid before the end of October 2009**



Year 5 – Budget Summary

- A difficult exercise;
- The membership contribution is the same amount as previous years and is distributed as follows:
 - 75% for the Year 5 working programme;
 - 25 % for the first contribution to the Year 3 deficit;
- The deficit is carried over a period of 2 years:
 - € 10,000 in Year 5
 - € 8,502 in Year 6;
- Proposals to offset the budget deficit



Year 5 - Decisions

- Budget adopted and ratified by the Executive Committee on the 8th of September, 2009 in Madrid.
- Executive Committee direct the Secretariat to provide alternative proposals for the capping of travel costs at €300 for endorsement by the General Assembly.



Year 5 - Travel Costs

Steps taken by the Secretariat to reduce travel costs

- Meeting venues for Working Groups and Executive Committees have been fixed (Paris and Madrid)
- Paris and Madrid are the most affordable meeting venues for the NWWRAC according to a comparative study of costs carried out in 2008;
- Members will have advance notice of all meeting dates to allow the most economical travel rates to be sought.



Year 5 - Travel cost summary

	Year 4	Average (Years 1-4)	Year 5
Number of claims	188	200	214
Average reimbursement	€579	€607	€470
Total reimbursements	€108,845	€121,785	€100,520
Claims > €800	14	18	
Amount > €800	€4,966	€4,958	



Year 5 - Revised proposal:

- **Maximum of €800 on travel costs.**
- **Maximum of 2 per diems per travel.**
- **New rates will apply from the General Assembly onwards.**



Year 5 - Travel costs

- Reimbursements will be subject to budget availability.
- Members are requested to book flights at most economical travel rates.
- If a surplus remains in the travel budget, at the end of the year, it will be redistributed to provide additional reimbursement of travel claims over 800 Euros.
- Focus Group meetings will be organised to take place in the most economic and affordable locations.



Year 5 – Decisions Required

- To approve the Secretariat's proposals on travel and per diem maxima.
- To approve the modification of the NWWRAC reimbursement rules to reflect these changes.





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