

Finance Committee

*Finance Committee met 27 May. This report was submitted to the June Bureau meeting. Council is invited to comment and **approve** the report from the Finance Committee. This compilation includes:*

- Report of Finance Committee.
- Finance Committee Agenda
- Final accounts 2014 including signed copies:
 - Letter of Representation
 - Statement on the Final Accounts for 2014
 - Final Accounts 2014
 - Audit Book Comments on the Final Accounts 2014
- Status Report 30 April 2015
- Proposed Budget 2016 and Forecast Budget 2017
- National Contributions 2012-2016
- Programme Budgets 2015-2017
- Projects ongoing and in the pipeline
- Development of the Capital Reserve Fund
- Development of the Strategic Investment Fund
- Science Fund and SCICOM Strategic Initiatives

Finance Committee
Draft Report
Chair: Konstantin Drevetnyak

Present: Joost Backxx, Piotr Margonski, Konstantin Drevetnyak, Fritz Köster, Kai Myrberg. Secretariat: Anne Christine Brusendorff, Helle Falck, Kirsten Gudmandsen, and Ellen Johannesen (Rapporteur).

1 Approval of Agenda

(FC_2015-05 Doc 1)

The meeting approved the agenda.

2 Strategic Financial Issues

2.1 ICES Business Model (FC_2015-05 Doc 2)

Chair of the Council Working Group on ICES Business Model (CWGIBM) Fritz Köster reviewed the report of CWGIBM, noting the aim was to describe the business model, and to list and review the decisions made that have led to the current financial status. The report gives an overview of development of the finance over the past 15 years. Possible future scenarios have been considered and finally priorities for spending have been suggested. Further consideration of the necessary strategic investments for implementation of the strategic plan will be considered at the (next) meeting of CWGIBM 28 May, and will be submitted to Bureau and to Council for approval.

Anne Christine Brusendorff, General Secretary updated the meeting regarding other ongoing Bureau and Council sub-group work that are considering changes and the strategic direction of the organization. These groups are the Council-ACOM Working Group on Strengthening the Advisory Leadership (CAWGSAL), Bureau Sub-Group to Strengthen the Science Leadership (BSGSSL), Bureau Sub-Group on the review of ICES Science (BSGRIS), Council Working Group Maritime Transatlantic Cooperation (CWGMTC), Council Steering Group Marine Strategy Framework Directive (CSG MSFD), Bureau Sub-group on ICES Position and Priorities (BSGIPP), SCICOM Review Group for future formats of the ASC (SRGASC). There is also a Needs and Gaps analysis being conducted for competence in the Secretariat, specifically focussing on the Advisory Department.

The report highlights important problems of liquidity with late payment of national contributions that need to be solved (ensure payments are made timely, and not later than 31 January of the budget year).

The process of reviewing the IBM has been an important exercise that has made council members more aware of the issues around ensuring that ICES remains on sound financial footing, including the importance of paying national contributions on time, annual inflation regulated national contributions, hosting ASCs, the interconnected nature of science, data, and advice which does not always reflect the division between national contributions and the principle of 100% cost-

recovery for advisory products, the link to strategic participation in projects that help realize the implementation of the ICES Strategic Plan as well as providing financial contributions to the budget. This exercise should be reviewed over a longer-term. However, there are costs involved with the process– it was very time intensive for the Secretariat. It was suggested to identify some of the figures that are important for continued monitoring and to evaluate them in Finance Committee in a longer term perspective. The CWGIBM report will now be left with Finance Committee.

Costs are increasing but a quantitative overview is lacking of the resources being used for ICES science and advice. The Resource Coordination tool will eventually provide an overview of how much time is being used by the network for developing advice. It will take time to see the development of the data, and be able to identify trends.

CWGIBM will highlight which sections of the report should be updated more regularly in future to keep watch on long term trends helpful for making decisions on spending and income and for monitoring how the business model change/does not change.

The process revealed that the goal of 100% cost recovery is not being realized. Science is needed for advice – but this cost is not paid for by clients. Changing the model would be very difficult, but important to recognize. It was agreed to add a discussion on the importance of the science for quality of the advice to the CWGIBM report, while balancing the text for the realities of non-EU ICES Member Countries.

Action: Finance Committee request that CWGIBM identify sections of their report as candidates for regular update. CWGIBM has been very useful but with these sections identified Finance Committee will now continue to be responsible for monitoring development of the finances and business model. Based on the recommendations by the CWGIBM Bureau should suggest to Finance Committee which sections of the IBM, and which risks need to be considered and updated on a regular basis. New risks should be linked to scenarios about how the risks may impact ICES business. Finance Committee can also highlight to Bureau any risks that they identify. Updates to the Risk Register should consider how they interact with other issues.

2.2 The Role of the Finance Committee

Finance Committee was invited to reflect on its role in the organization and make suggestions on how to contribute with strategic input, and consider longer-term financial issues.

Finance Committee should note that Bureau can refer specific issues to the Committee for consideration, and that the Committee can take up issues on its own, cf. Rule 24, ii) of the Rules of Procedure (*“The Committee shall consider such other matters as may be referred to it by the Bureau or as it may deem desirable and shall report its observations and conclusions to the Bureau.”*)

See further discussion under section 7.

3 Final Accounts 2014, Audit book comments on the Final Accounts 2014, and report

(FC_2015-05 Doc 3)

The Final Accounts 2014 were audited by Deloitte. The General Secretary reviewed the documents and clarified questions on overhead and the development of the Capital Reserve Fund. Section 1.2.1 was noted for its seeming recommendation for a larger administration – though this issue is resolved with internal procedures for segregation of duties.

Action: Finance Committee approved and signed the Final Accounts 2014, Audit book comments on the Final Accounts 2014, and the Chair of the Finance Committee signed the Statement on the Final Accounts 2014.

4 Status Report as of 30 April 2015

(FC_2015-05 Doc 4)

The General Secretary presented the status of accounts report (as of 30 April 2015).

The final Budget for 2015 was approved by Council at the 2014 Statutory Meeting. It is the working budget for the Secretariat in 2015. Important activities that result in income and expenditures such as the Annual Science conference (ASC), Training Programme, Travel and meetings in relation to the Advisory Programme are still to come, and a precise prognosis on total spending for 2015 is not possible at this stage.

In order to reduce costs related to ICES as host for the 2015 Annual Science Conference, sponsors have been sought with varying degrees of success. The training programme has already been subject to some course cancellations and there are efforts underway aimed at resolving the issues to ensure the training programme continues to be a success (and cost neutral). Secretariat expenses have been reduced as far as possible including reduction of printing costs, the Secretariat continues to try to find ways to offer the same level of service to the network with less money.

During the discussion the following points were noted:

- Sponsors are a good development for supporting the Annual Science Conference.
- Special requests have been included to the Budget heading “Project Income – Projects in Pipeline” – DG ENV pays for their special requests outside of the MoU, though they are channelled through the DG MARE focal point under the MoU. DG MARE special requests are part of the MoU overall budget.
- The budget of expenses for the ICES Journal of Marine Science Editor-in-Chief has been cut, it is not clear how he is covering this change.
- If some 2015 expenses are paid in 2016 they are kept in the year to which they belong/ were incurred (accrued expenses) – given it can be done prior to the closing of the books for auditing.
- Transfer from Equity; Change the heading “Training programme/science fund 2014” to “Science Fund 2015” to make it clearer.

Action: The Meeting noted the explanation by the Secretariat that all expenses are within the quarterly range, and when this is the case, there is an explanation to this.

5 Proposed Budget for 2016 and Forecast Budget for 2017

The meeting was invited to discuss and comment on the budgets outlined below.

5.1 Proposed Budget 2016

(FC_2015-05 Doc 5 and 6)

The proposed budget for 2016 was not approved by Council in October 2014. A proposed budget for 2016 with a 1.9% increase was approved electronically by Member Countries in April 2015.

The meeting was invited to discuss various scenarios, as outlined in the draft report from the Council Working Group on the ICES Business Model, in order to balance the proposed 2016 budget.

The General Secretary reviewed the documents noting that projected income (national contributions and income from MoUs) is shown with inflation regulation where it is known, while expenses, apart from salaries, are not inflation regulated.

The EU MoU has not been increased from 2013–2014. The European Maritime and Fisheries Fund (EMFF) is the money used by the EU to pay ICES for the advisory work. International collaboration funding is not being increased. The EU has informed ICES that the current ceiling on the MoU cannot be increased without requiring ICES compete for the work (tender). It would be good to find alternatives to the stable EU MoU and consider potential consequences or reactions from the European Commission/DG MARE.

The 1.9% increase in national contribution was secured for 2016. But there is still a need to continue to communicate the importance of the 2% inflation regulation in the coming years to member countries. The declining MoU and increasing advice demands could be used as a justification.

Following discussion on the various options presented in section 7 of the CWGIBM report, to balance the budget the Finance Committee made the following recommendation.

Action: Increase the amount of money for promotion of young scientists (sponsoring travel to the ASC) to 110,000 DKK and to find the savings by a 40,000 DKK reduction in office expenses.

Forecast Budget 2017

For the 2017 Forecast Budget a 2% inflation increase is recommended and a fall-back option with no (0%) increase is to be prepared for Council, but again stressing the financial implications of a stable budget, and that ICES has already had a substantial decrease in income, due to stable national contributions in 2010 and 2012–2015 (Document 6).

Action: In order to continue to highlight the importance of regulation of national contributions Document 6 comparing the proposed and actual development of

National Contributions from 2012–2016 should be submitted to Council delegates. This should be done in connection with the letter sending out the forecast budget for 2017, stating the importance of a 2% increase in the national contributions. The letter should explain why this 2% increase is necessary and how the work of the organization will be affected in case it is not approved at the October Council meeting. The letter should also specify how much a 2% increase represents in real costs.

5.2 Programme/departmental Budgets for 2015–2017

(FC_2015-05 Doc 7)

The General Secretary presented a review of the programme and departmental budgets pointing to some specific issues, including:

- a need to further specify how the income from the MoUs, especially the EU MoU, are contributing to salaries of not only the Advisory Department;
- the income from projects doubling from 2016 to 2017, and the need to further specify how the work, as well as the income is divided among departments in the Secretariat, not only the Science Department; and
- that the increase in the Administrations' percentage of ICES expenditure is due to coverage of additional project resources, to help fulfil the ICES work under projects (given the uncertainty that there are still projects in the pipeline, that we do not yet know whether they will be approved.)

Action: Finance Committee commended the Programme budget document as it provides a good overview. In discussions about the principle of 100% cost recovery there needs to be clarity about if this refers to total costs or direct costs. Taking into account the points above, regarding a need to further specify the income under the appropriate department in the Secretariat, the Programme Budget should be revised, for further use in the IBM to be submitted to the September Bureau Meeting

5.3 Overview of on-going external projects and external projects in the pipeline.

(FC_2015-05 Doc 8)

The meeting took note of current and planned ICES project participation. The Project table is constantly updated as new information is received. Projects are an important part of strategic development.

During the discussion the following points were raised:

- It was suggested that it might be possible to get a better understanding of the likelihood of securing the project participation through informal communication (project rating) with the coordinators of the project.
- Currently projects are helping some of the core business to be carried out. Projects are not specifically supporting the Advisory Services, and the potential for the use of projects as input to the advisory services should be evaluated.

- Income for projects is important for Data Centre. The strategy to apply for projects depends on the part of the organization.
- It is acceptable to use a risky strategy in relation to science as long as failure does not bring down data or advice, which must be insulated from risk. Project participation allows the secretariat some flexibility. This could be discussed by ACOM and SCICOM where they could highlight issues they would like to have addressed by projects. Advice could help Science by providing input to research priorities.

6 Development of the Capital Reserve Fund (CRF)

(FC_2015-05 Doc 9)

The Finance Committee took note of the development of the CRF as stated in FC_2015-05 Doc 9. The General Secretary noted that the mistake in 2013 meant ICES was not at the agreed 20% level at the close of the account in 2013, but that this was rectified in the ensuing budget year 2014. And at this year's account closure, the CRF was at its required level.

7 Development of the Strategic Investment Fund (SIF)

(FC_2015-05 Doc 10)

The Finance Committee took note of the development of the SIF, and that by the end of 2015 the remaining funds will have been used to finance the second year of the Science Fund.

The SIF has been used to cover some operational costs. Retrospectively, this would have needed some strategic considerations on how to ensure coverage in the budget over the long-term. The idea of the SIF is good, as it avoids more ad hoc decisions, and enables a more strategic and long-term planning. Recently, decisions have been made in very ad hoc nature.

It should be borne in mind that the existence of the SIF may have contributed to some of the problems in securing increases in national contributions.

Finance Committee discussed its role in considering spending that is not coherent and leading towards desired future states, financially as well as in accordance with the ICES Strategic Plan. Finance Committee's role should also include consideration of investments and priorities, as well as considerations of the proposed investments from a strategic point of view.

Action: Finance Committee to review spending, also strategically i.e. by considering if ICES will be able to continue with investments in the long term.

8 Science Fund and SCICOM Strategic Initiatives, beyond 2015

(FC_2015-05 Doc 11)

The Council approved a new Science Fund for the year 2014, which was continued in 2015, with a maximum amount of 500,000 DKK/year. During the first two years the Fund was financed from the Strategic Investment Fund. Furthermore, the Council in 2014 agreed to use necessary funds from equity for SCICOM strategic

activities in 2015 and specifically to support the joint ICES/PICES early Career Scientist Conference in 2017.

The Strategic Investment Fund has now been exhausted, other ways of financing must be sought, taking into account the financial footing of ICES, and the work of the Council Working Group on the ICES Business Model.

The Finance Committee considered these two initiatives, and their financial sustainability having in mind the draft ICES Business Model.

One possibility for the continuation of the Science Fund is to search for external sources of funding and allow SCICOM to distribute the money they secure.

The Science fund does provide a strategic position by making ICES “a funding agent”, making ICES eligible for funding for Coordinated Support Actions (CSA)/ European Research Area Networks (ERA-NET). The issue of what kind of power this is adding to the organization must be considered more strategically. The results of the Science Fund must be reviewed and the vision for the future developed.

Action: Awaiting the evaluation and further argumentation by SCICOM on the impacts of the Science Fund and the SCICOM Strategic Initiatives, it will be important to consider both the possibility of sponsorship for these activities and to consider whether and how especially the Science Fund could open ICES up to some strategic opportunities as funding agent.

9 Any Other Business

9.1 Membership

In accordance with Rule 24 of the Rules of Procedure “The Finance Committee shall consist of one of the Delegates from Denmark and four other Delegates appointed by the Council for a period of three years, after which they shall not be eligible for re-appointment for the immediately succeeding term unless a member of the committee is appointed as Chair of the Finance Committee in which case he/she can serve one additional term,”.

Three members have served their term, Kai Myrberg (Finland), Joost Backx (the Netherlands), Piotr Margonski (Poland) as well as the Chair Konstantin Drevetnyak (Russian Federation).

Therefore, the Council will have to appoint four new members to the Finance Committee, and a new Chair from among all members.

According to Rule 30, ii) “The Chair of the Finance Committee shall be nominated by the Bureau from among the members of the Committee and appointed by the Council”.

9.2 Possible Change of Bank

ICES currently bank with Nordea, however a letter was recently received notifying ICES that negative interest will be applied to ICES accounts. The Secretariat Finance Officers are in discussion with other banks and are scoping the potential for changing to a bank with more favourable conditions.

Finance Committee

Agenda

Chair: Konstantin Drevetnyak

Whole day meeting, on Wednesday 27 May, starting at 09:00 in the office of the General Secretary.

1 Approval of Agenda

(FC_2015-05 Doc 1)

The meeting is invited to approve the agenda.

2 Strategic Financial Issues

2.1 ICES Business Model (FC_2015-05 Doc 2)

The meeting is invited to review and comment on the report from the Council Working Group on ICES Business Model (CWGIBM).

2.2 The Role of the Finance Committee

Finance Committee will be invited to reflect on its role in the organization and make suggestions on how to contribute with strategic input, and consider longer-term financial issues.

Finance Committee should note that Bureau can refer specific issues to the Committee for consideration, cf. Rule 24, ii) of the Rules of Procedure (*"The Committee shall consider such other matters as may be referred to it by the Bureau or as it may deem desirable and shall report its observations and conclusions to the Bureau."*)

3 Final Accounts 2014, Audit book comments on the Final Accounts 2014, and report

(FC_2015-05 Doc 3)

The Final Accounts 2014 have been audited by Deloitte. The members of the Finance Committee are required to approve and sign the Final Accounts 2014 and the Audit book comments on the Final Accounts 2014.

4 Status Report as of 30 April 2015

(FC_2015-05 Doc 4)

The meeting will be invited to discuss and comment on the status report as of 30 April 2015.

5 Proposed Budget for 2016 and Forecast Budget for 2017

The meeting will be invited to discuss and comment on the budgets outlined below:

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5.2 Programme/departmental Budgets for 2015–2017

(FC_2015-05 Doc 7)

The meeting will be invited to review the programme and departmental budgets.

5.3 Overview of on-going external projects and external projects in the pipeline.

(FC_2015-05 Doc 8)

The meeting will be invited to take note of current and planned ICES project participation.

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Deloitte Statsautoriseret Revisionsaktieselskab
Attn.: Peter Z. Skanborg
Weidekampsgade 6
P.O. Box 1600
0900 Copenhagen C
Denmark

Letter of representation on the Final Accounts for 2014

We submit this letter of representation in connection with your audit of the Final Accounts 2014. The Final Accounts shows a loss of DKK 1.816k, total assets of DKK 50.476k, and equity of DKK 24.038k, and we confirm to the best of our knowledge:

1. That we are aware that Management is responsible for preparing the Final Accounts in accordance with Rule 18 of the Rules of Procedures, and for the Final Accounts giving a true and fair view of the organisation's financial position and the results of its activities, and for the General Secretary's review containing a fair review of the affairs and conditions referred to therein.
2. That the Organisation's capital resources, including its financial position, and its future prospects support the application of the principle of going concern.
3. That the management commentary contains all the required information, also for the purpose of evaluating the profit/loss for the year and the financial position.
4. That the General Secretary's review and the Final Accounts comprise the required disclosures about any unusual or uncertain circumstances.
5. That we are aware of Management's responsibility for the design and implementation of internal controls to prevent and detect fraud.
6. That we have disclosed the results of our assessment of the risk that the Final Accounts and the General Secretary's review may be materially misstated as a result of fraud.
7. That we are not aware of information on known, alleged or suspected fraud that may have involved Management, employees who have significant roles in internal control, or others where the fraud could have a material effect on the annual report.
8. That the Final Accounts does not contain material misstatements.
9. That we have made available all accounting records and supporting documentation up to this date.
10. That the disclosures provided to Deloitte on related parties are correct and complete.

Deloitte Statsautoriseret Revisionspartnerselskab
Attn.: Thomas Wikkelsø
Weidekampsgade 6
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0900 Copenhagen C
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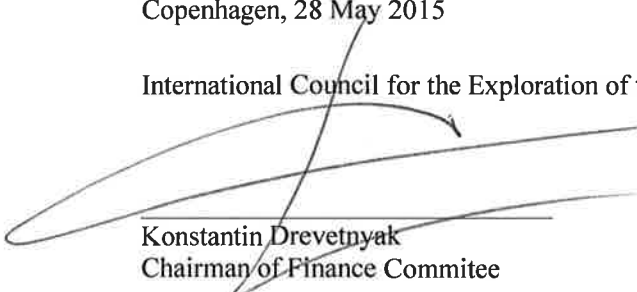
Statement on the Final Accounts for 2014

This statement is given in connection with the audit of the Final Accounts for 2014. On behalf of the Finance Committee, I confirm the following to the best of my knowledge:

1. That the Finance Committee is aware of Management's responsibility for designing and implementing internal controls to mitigate and detect fraud.
2. That the Finance Committee does not consider a specific risk of fraud to exist and that the organisation has an efficient control environment mitigating the risk of material misstatement in the Final Accounts, including misstatements in the Final Accounts as a result of fraudulent financial reporting or misappropriation of the organisations assets.
3. That the Finance Committee has no knowledge of information about actual, presumed or alleged fraud which may have involved Management or staff and which may be material for the Final Accounts.

Copenhagen, 28 May 2015

International Council for the Exploration of the Sea (ICES)



Konstantin Drevetnyak
Chairman of Finance Committee

11. That we have provided information about all existing or possible violations of law or other regulations of relevance to the Final Accounts.
12. That the Organisation has complied with all aspects of contractual agreements that could have a material effect on the Final Accounts in the event of non-compliance.
13. That all assets have been recognised in the balance sheet, that these assets exist and belong to the Organisation, and that they have been measured reliably, and also that any impairment losses, etc are adequate to match the risk associated with the assets.
14. That there are no liens or encumbrances etc on the Organisation's assets other than what is disclosed in the Final Accounts.
15. That all existing liabilities and contingent liabilities incumbent on the Organisation have been recognised or disclosed in the Final Accounts, and that these items have been measured reliably.
16. That there are no pending or threatening claims for damages, lawsuits, tax cases, etc or contingent liabilities such as pension, recourse and non-recourse guarantee commitments or financial obligations, including currency exposure and lease commitments, other than those disclosed in the Final Accounts which could have a material influence on the evaluation of the Organisation's financial position.
17. That we have no plans or intentions that may materially alter the carrying value or classification of the assets and liabilities reflected in the Final Accounts.
18. That such insurance policies have been taken out as are considered sufficient in the Organisation's circumstances to cover any situations of loss which the Organisation might experience.
19. That all transactions carried out in the financial year under review have been carried out on an arm's length basis.
20. That no events have occurred after the balance sheet date to this date which influence the evaluation of the Final Accounts, and which require adjustment of or disclosure in the General Secretary's review or notes to the Final Accounts.

Copenhagen, 27/5-2015

International Council for the Exploration of the Sea



Anne Christine Brusendorff, General Secretary



Kirsten Gudmandsen, Finance Officer

**International Council for the Exploration
of the Sea**

Final Accounts 2014

Contents

	<u>Page</u>
Organisation details	1
General Secretary's and Finance Committee's statement	2
Independent auditor's report	3
General Secretary's review	5
Accounting policies	7
Income statement for 2014	9
Balance sheet at 31 December 2014	10
Notes	12

Organisation details

Organisation

International Council for the Exploration of the Sea

Central Business Registration No: 12063814

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General Secretary

Anne Christine Brusendorff

Finance Committee

Konstantin Drevetnyak (Russian Federation; Chair)

Joost Backx (Netherlands)

Fritz Köster (Denmark)

Piotr Margonski (Poland)

Kai Myrberg (Finland)

Organisation auditors

Deloitte Statsautoriseret Revisionpartnerselskab

General Secretary's and Finance Committee's statement

The General Secretary and the Finance Committee have today considered and approved the Final Accounts of International Council for the Exploration of the Sea (hereafter "the Council" or "ICES") for 2014.

The Final Accounts have been prepared in accordance with Rule 18 of the Rules of Procedures.

We consider the accounting policies applied appropriate and the accounting estimates made reasonable. Therefore, in our opinion, the Final Accounts give a true and fair view of the financial position at 31 December 2014 of the International Council for the Exploration of the Sea and of the result of its operations for the financial year 1 January to 31 December 2014.

We believe that the General Secretary's review contains a fair review of the affairs and conditions referred to therein.

We recommend that the Final Accounts be adopted.

Copenhagen, 28 May 2015

General Secretary

Anne Christine Brusendorff

Having examined the Final Accounts, we recommend that the Bureau submits the document to the Members of the Council for approval.

Finance Committee

Konstantin Drevetnyak
(Russian Federation; Chair)

Piotr Margonski
(Poland)

Joost Backx
(Netherlands)

Kai Myrberg
(Finland)

Fritz Köster
(Denmark)

Independent auditor's report

To the members of International Council for the Exploration of the Sea Report on the Final Accounts

We have audited the Final Accounts of International Council for the Exploration of the Sea for the financial year 1 January to 31 December 2014, which comprise the accounting policies, income statement, balance sheet and notes. The Final Accounts have been prepared in accordance with Rule 18 of the Rules of Procedures.

General Secretary's and Finance Committee's responsibility for the Final Accounts

The General Secretary and Finance Committee are responsible for the preparation and fair presentation of Final Accounts that give a true and fair review in accordance with Rule 18 of the Rules of Procedures and for such internal control as Management determines is necessary to enable the preparation of Final Accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these Final Accounts based on our audit. We conducted our audit in accordance with Rule 20 (VII) of the Rules of Procedures adopted by the Council on 20 October 2005, International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Final Accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Final Accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Final Accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of Final Accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by The General Secretary and Finance Committee, as well as evaluating the overall presentation of the Final Accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Independent auditor's report

Opinion

In our opinion, the Final Accounts give a true and fair view of the International Council for the Exploration of the Sea's financial position at 31 December 2014 and of the results of its operations for the financial year 1 January to 31 December 2014 in accordance with Rule 18 of the Rules of Procedures.

Statement on the General Secretary's review

We have read the General Secretary's review. We have not performed any further procedures in addition to the audit of the Final Accounts. On this basis, it is our opinion that the information provided in the General Secretary's review is consistent with the Final Accounts.

Copenhagen, 28 May 2015

Deloitte

Statsautoriseret Revisionspartnerselskab

Peter Z. Skanborg

State Authorised Public Accountant

General Secretary's review

General Operating Principles

The operations of the International Council for the Explorations of the Sea (hereafter ICES) are governed by the 1964 Convention agreed among the 20 Contracting Parties¹ and entered into force on 22 July 1968.

According to Article 2 of the Convention ICES shall be concerned with the Atlantic Ocean and its adjacent seas and primarily concerned with the North Atlantic, with the main goal:

- (a) to promote and encourage research and investigations for the study of the sea particularly those related to the living resources thereof;
- (b) to draw up programmes required for this purpose and to organize, in agreement with the Contracting Parties, such research and investigations as may appear necessary;
- (c) to publish or otherwise disseminate the results of research and investigations carried out under its auspices or to encourage the publication thereof.

In addition the 2002 Copenhagen Declaration stress the need for ICES to strengthen working relationships with users of scientific information on living marine resources and marine ecosystems, including fisheries management organizations and environmental commissions and with stakeholders that are effected by or have an interest in, ICES work, thus requiring that ICES:

- apply quality assurance scheme for its advisory function;
- adopt procedures to consider the full consideration of data from a wide range of stakeholders;
- be flexible and timely in providing scientific advice to meet the needs of decision makers responsible for the stewardship of living marine resources and marine ecosystems without compromising the quality or reliability of the advice;
- ensure that ecosystem considerations, including the effects of human activities and climatic and oceanographic conditions are taken into account;
- frame advice in relation to fisheries management, giving full consideration to the ecosystem context

The ICES Secretariat is located in Copenhagen, Denmark. A Host Agreement between the Government of Denmark and ICES on the office and the privileges and immunities entered into force on 24 July 1968.

The Council is an international legal entity with the capacity to enter into contracts, to acquire and dispose of immovable and movable property, and institute legal proceedings. The Council and its property, income and expenditures are also exempt from all national direct and other taxes or duties.

¹ Belgium, Canada, Denmark, Estonia, Finland, France, Germany, Iceland, Ireland, Latvia, Lithuania, the Netherlands, Norway, Poland, Portugal, Russia, Spain, Sweden, United Kingdom, and the United States of America.

General Secretary's review

Primary activities

The Final Accounts for the year 2014 show total revenue for ICES of 41,981,294 DKK, of which 21,935,000 DKK was from national contributions. Another major component was income received from Recipients of Scientific Advice in the amount of 14,978,356 DKK. .

The result of revenue and expenditures was a deficit of 1,816.175 DKK which is within the budgeted amount and a result of ICES decision to promote one-time investments in improved IT tools (tools for supporting and creating science and advisory products – CARA and RCT), support to an ecosystem advisor, and for the 2014 Science Fund

National contributions to ICES are due in advance, or by the end of January of the budget year, at the latest. However, by end of 2014, less than half (45%) of the national contributions due for 2014 were received, which is the same % as for the budget year 2013. The outstanding contributions from Belgium (a partial payment of 254,261 DKK for the year 2006 and the contributions for 2013 and 2014, totalling 1,894,261DKK) were paid during 2015. The other national contributions due 31 January 201 were paid in the meantime.

This continuing trend of late payments by Member Countries, influences the liquidity and could lead to increased financial risk for the budgets. As a consequence, in 2010 Council decided to increase the Capital Reserve Fund (CRF) to 20% of total income.

Development in activities and finances

In five years, during a six year time-frame the national contributions have remained stable. The relative share of national contributions in 2014 was 52,3% (the same percentage as for 2013).

On the expenditure side, salaries increased with the cost of living (based on the Danish inflation rate). The secretariat salary cost in 2014 was 32,492,418 DKK including honorarium for ACOM Chairs and SCICOM Chair. Following the Council's directions to achieve full costs recovery for the advisory services an increasing share of the salary costs are covered through MoUs, but it also increases the risk for future budgets in case the re-negotiations of the MoUs would result in fewer advisory tasks for ICES and lower contributions from the Recipients of Advice."

Events after the balance sheet date

The ICES–EU MoU for 2015 was signed on 20 February.

Accounting policies

The Final Accounts have been prepared in accordance with Rule 18 of the Rules of Procedures.

The Final Accounts have been presented applying the accounting policies consistently with last year.

Recognition and measurement

Assets are recognised in the balance sheet when future economic benefits are probable and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that economic benefits will flow out of the Organisation and when the value of the liability can be measured reliably.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the Final Accounts that evidence conditions existing at balance sheet date are taken into account.

Income statement

Contributions and Costs

Contributions are booked as revenue in the financial year to which they relate. Equally, costs incurred to generate the earnings of the year are recognised in the income statement.

Financial income and expenses

Financial income and expenses comprise interest income and expenses. Realised gains and losses on bonds classified as investments are recognised in the financial year to which they relate. Unrealised gains and losses on bonds classified as investments are recognised directly on equity.

Projects funded by third parties

Revenue from projects funded by third parties is recognised as income at the same time as costs related to the project are incurred as expenses.

Profit or loss on projects funded by third parties is recognised in the income statement when the project is finalised.

Accounting policies

Balance sheet

Non-current assets

Non-current assets comprise investments and cash at bank dedicated to Capital Reserve Fund.

Investments

Investments comprising listed bonds are measured at fair value at the balance sheet date, however, at a maximum price of 100, corresponding to the redemption price. Gains and losses on investments from the Capital Reserve Fund and General Fund are recorded in the associated equity accounts. All other gains and losses are recorded in the income statement, except for unrealised fair value adjustments of investments which are recognised directly on equity.

Receivables

Receivables are measured at cost. Provisions are made for bad debts.

Unpaid contributions from projects funded by third parties (assets)

Unpaid contributions from ongoing projects comprise costs related to work performed on projects during which funding is not yet received from third party.

Unpaid contributions are measured at cost.

Prepayments from projects funded by third parties (liabilities)

Prepayments from projects funded by third parties comprise funds received from third parties regarding projects which are not finished at the end of the year.

Prepayments from projects funded by third parties are recognised as funds received from third parties.

Income statement for 2014

	Notes	2014 DKK	2013 DKK'000
Contributions from member countries	1	21.935.000	21.935
Contribution from Faeroe Island and Greenland		410.000	410
Recipients of Scientific Advice	2	14.978.356	14.964
Income from Projects		2.744.677	2.005
Other income	3	1.897.411	2.629
Sales of publications		15.850	15
Total revenue		41.981.294	41.958
Salaries	4	-32.492.418	-31.187
Office expenses		-1.490.091	-2.040
IT expenses		-3.049.370	-3.863
Expenses for Council and ASC		-1.082.362	-1.272
Travelling and meeting expenses		-5.290.707	-4.738
Publications		-542.732	-793
Total expenditure		-43.947.680	-43.893
Result of revenue and expenditure		-1.966.386	-1.935
Projects funded by third parties		2.889.652	2.950
Salaries and fees relating to projects		-2.353.227	-2.023
Other expenses relating to projects		-536.425	-927
Result of projects		0	0
Financial income	5	163.298	207
Financial expenses	6	-13.087	-14
Income over expenditure		-1.816.175	-1.742
The years income over espenditure is distributed as follows			
Use of fund "Strategiv Investment Fund (equity)		-500.000	-415
Accumulated income over expenditure (equity)		-1.316.175	-1.327
Total		-1.816.175	-1.742

Balance sheet at 31 December 2014

	Notes	2014 DKK	2013 DKK'000
Capital Reserve Fund – Investment & cash at bank	10	8.381.197	5.384
Non-current assets		8.381.197	5.384
Receivable member contribution	7	13.374.261	13.374
Other receivables	8	4.919.708	5.418
Prepayments and accrued income	9	801.685	869
Receivables		19.095.654	19.661
Investments	10	13.428.160	20.400
Cash at bank and in hand		9.571.097	4.537
Current assets		42.094.911	44.598
Assets		50.476.108	49.982

Balance sheet at 31 December 2014

	Notes	2014 DKK	2013 DKK'000
Capital Reserve Fund (CRF)		8.400.909	8.426
Strategic Investment Fund (SIF)		600.130	1.100
Accumulated income over expenditure		16.852.849	17.947
Profit/loss for the year		-1.816.175	-1.742
Equity	11	24.037.713	25.731
Prepaid/preinvoiced contributions		21.935.000	21.935
Prepaid projects funded by third parties		622.923	1.302
Other payables	12	833.419	1.014
Short term dept	10	3.047.053	0
Total short-term liabilities		26.438.395	24.251
Equity and liabilities		50.476.108	49.982
Additional information			
Lease of IT equipment	13		

Notes

	2014 DKK	2013 DKK'000
1. Contributions from member countries (shares)		
Belgium (2)	820.000	820
Canada (3)	1.230.000	1.230
Denmark (3)	1.230.000	1.230
Estonia (1)	410.000	410
Finland (1,5)	615.000	615
France (4)	1.640.000	1.640
Germany (4)	1.640.000	1.640
Iceland (3)	1.230.000	1.230
Ireland (2)	820.000	820
Latvia (1)	410.000	410
Lithuania (1)	410.000	410
The Netherlands (3)	1.230.000	1.230
Norway (4)	1.640.000	1.640
Poland (3)	1.230.000	1.230
Portugal (2)	820.000	820
Russia (3)	1.230.000	1.230
Spain (3)	1.230.000	1.230
Sweden (3)	1.230.000	1.230
United Kingdom (4)	1.640.000	1.640
The USA (3)	1.230.000	1.230
	21.935.000	21.935
2. Recipients of Scientific Advice		
European Commission	10.402.283	10.402
NEAFC	2.328.717	2.313
OSPAR	1.238.747	1.156
HELCOM	475.533	564
NASCO	533.076	529
	14.978.356	14.964
3. Other income		
Income from ICES Journal	859.200	1.245
Income from Training courses	544.675	863
ASC Fees	444.342	518
Miscellaneous	49.194	4
	1.897.411	2.630

Notes

	2014 DKK	2013 DKK'000
4. Salaries		
Salaries are divided as follows:		
Salaries Secretariat	30.228.874	28.778
Other salaries relating costs	<u>382.253</u>	<u>491</u>
	30.611.126	29.269
 Honorarium to external Chairs	 <u>1.881.292</u>	 <u>1.918</u>
	32.492.418	31.187
 5. Financial income		
Interest	147.512	181
Exchange gains	<u>15.786</u>	<u>25</u>
	163.298	206
 6. Financial expenses		
Exchange losses	-1.812	-3
Bank charges	<u>-11.274</u>	<u>-11</u>
	-13.087	-14

Notes

	2014 DKK	2013 DKK'000
7. Receivable member contributions		
Belgium	254.261	254
Related to previous or current year	254.261	254
Belgium	1.640.000	1.640
Denmark	1.230.000	1.230
France	1.640.000	1.640
England	0	1.640
Estonia	410.000	410
Iceland	0	1.230
Ireland	820.000	820
Norway	1.640.000	0
The Netherlands	1.230.000	1.230
Poland	1.230.000	1.230
Portugal	820.000	820
Russia	1.230.000	1.230
Spain	1.230.000	0
Related to the following year	13.120.000	13.120
	13.374.261	13.374
8. Other Receivables		
European Commission	3.601.779	4.287
VAT due from the Ministry of Foreign Affairs	1.185.033	621
Deposits due from parking spaces	0	13
Miscellaneous receivables	132.896	497
	4.919.708	5.418
9. Prepayments and accrued income		
Prepaid pensions	752.166	815
Accrued interest from investments	49.519	54
	801.685	869

Notes

10. Investments

General investment and Capital Reserve Funds are invested in Danish short-term bonds listed on the Copenhagen Stock Exchange.

The organization has signed a repo agreement with the bank corresponding to 3.047.052 DKK. Bond portfolio corresponding to 8.257.459 DKK is pledged as security for the loan.

11. Equity

	Capital Reserve Fund DKK	Strategic Investment Fund DKK	Accumulated income over Expenditure etc. DKK	Total equity DKK
Equity at 1 January 2014	8.426.494	1.100.130	16.204.582	25.731.206
Unrealised fair value of bonds	-25.585		148.267	122.682
Profit/loss for the year		-500.000	-1.316.175	-1.816.175
Equity at 31 December 2014	8.400.909	600.130	15.036.674	24.037.713

12. Other Payables

	2014 DKK	2013 DKK'000
Accounts payable	784.729	932
Danish State Pension (ATP)	48.690	82
	833.419	1.014

13. Lease commitments

Lease obligations falling due within:

0-1 years	1.026.030	1.121
1-5 years	2.818.194	3.617
> 5 years	0	0
	4.176.644	4.738

**International Council for the Exploration
of the Sea**

**Audit book comments on
the Final Accounts 2014**

Contents

	<u>Page</u>
1. Our audit of the Final Accounts	41
1.1 Final Accounts	41
1.2 Affairs and conditions materially influencing the evaluation of the Final Accounts	41
1.2.2 Non-segregation of duties	41
2. Comments on the Final Accounts	42
2.1 Income statement	42
2.2 Balance sheet	42
3. Other comments	43
3.1 Letter of representation and unadjusted misstatements in the Final Accounts	43
3.2 Insurance	43
4. Conclusion	43
5. Objective and scope of the audit, including definition of responsibilities	43
7. Auditor's declaration	44

Audit book comments on the Final Accounts for 2014

1. Our audit of the Final Accounts

1.1 Final Accounts

We have finalised our audit of the Final Accounts of International Council for the Exploration of the Sea for 2014 presented by Management. The Final Accounts show the following:

	<u>2014</u> <u>TDKK</u>	<u>2013</u> <u>TDKK</u>
Income over expenditure	-1.816	-1.742
Assets	50.476	49.982
Equity	24.038	25.731

1.2 Affairs and conditions materially influencing the evaluation of the Final Accounts

Based on our audit, we point out the following particular affairs and conditions of relevance for Management's evaluation of the Final Accounts:

1.2.1 Segregation of duties

As mentioned in our audit book comments of 19 May 2011 issued upon acceptance of the audit, the possibility of preventing material misstatements in the Final Accounts, including misstatements caused by fraud, primarily depends on the extent to which sound internal control is ensured in the organisation of the recording systems and business processes.

We draw attention to the size of ICESs administration and limited resources. Smaller administrations increase the risk of misstatements in the Final Accounts as a result of intentional or unintentional actions or omissions. Any misstatements in the Final Accounts that result from fraud may not necessarily be detected during our audit since misstatement of this nature are usually concealed or hidden. We point out that the General Secretary have mandate to solely dispose of the bank's funds. We point out that the General Secretary has sole authority to make transactions with funds with the bank.

We point out that these comments should not be taken to mean that our audit revealed specific matters that could indicate irregularities or fraud, but they are intended to emphasise that segregation of duties is usually a material element in the internal control. We also point out that during our audit we did not find any misstatements caused by fraud.

1.2.2. Inquiries of the Executive Board and the Board of Directors about the risk of fraud

We have made inquiries of the General Secretary and the Chairman of Finance Committee about the Organisation's risk of fraud as well as the internal controls implemented by the Finance Committee to mitigate such risk. They have informed us that the Finance Committee and the General Secretary do not have any knowledge of actual, presumed or alleged fraud and that no particular risk of material misstatement is estimated to exist in the Organisation's Final Accounts as a result of fraudulent financial reporting or misappropriation of organisation assets. We should point out that, during our audit, we did not identify any misstatements in the Final Accounts caused by fraud.

2. Comments on the Final Accounts**2.1 Income statement**

The individual items of the income statement have been reviewed and analysed based on specifications, vouchers and other reconciliation records prepared by ICES. We have taken a number of test samples, made analyses and reconciliations to verify the reliability of the registrations.

The audit of the income statement did not give rise to any comments.

2.2 Balance sheet

We have compared ICES' investments to confirmation from the bank, which not give rise to comment.

The 31 December 2014 the Capital Reserve Fund amounts to 8,381 TDKK, corresponding to 20% of total income.

We have made an unannounced cash count. The audit did not give rise to any comments. When auditing cash and cash equivalents we obtained lists of accounts from the organisation's bankers, and we checked the invested and liquid funds as of 31 December.

We have reconciled receivables with supporting documentation for 19.096 TDKK recognized in the Final Accounts. The individual items of the income statement have been reviewed and analysed based on specifications and decisions from the Council, regarding contributions from member countries.

The audit of the balance sheet did not give rise to any comments.

3. Other comments

3.1 Letter of representation and unadjusted misstatements in the Final Accounts

As part of our audit of complex areas, the General Secretary has issued a letter of representation to us on the Final Accounts for 2014.

The audit did not give rise to any comments.

3.2 Insurance

Our audit did not include insurance taken out by the Organisation. We recommend that the Organisation's insurance cover be reviewed with the insurance organisation or insurance broker at least once a year in order to assess the cover taken out etc., including whether the cover provided by the insurance taken out is adequate, and whether the Organisation may need to take out insurance in special areas.

In connection with the closing of accounts, we asked the General Secretary to confirm that the insurance taken out is considered adequate in view of the Organisation's circumstances to cover potential loss or damage arising in the Organisation.

3.3 General IT controls

We have not reviewed the Organisation's general IT controls as any weaknesses or inadequacies therein will not in our view cause the Final Accounts to be materially misstated. We recommend that the Organisation assess whether its back-up procedures are appropriate to ensure restoration of the books of account, if lost.

4. Conclusion

If the Finance Committee approves the Final Accounts 2014 in its present form, we will provide the Final Accounts with an unqualified auditor's report without emphasis of matter.

5. Objective and scope of the audit, including definition of responsibilities

Our audit book comments of 19 May 2011 issued upon acceptance of our appointment as auditors contain a description of the objective, scope and performance of our audit, our reporting as well as a definition of the responsibilities of Management and auditors. Please refer to those audit book comments. We recommend that a copy thereof be handed out to any new members of the Finance Committee.

Our audit did not include the General Secretary's review. However, we read the General Secretary's review to ensure that the disclosures in this report are consistent with the financial statements and with the information that came to our knowledge during our audit.. Having read the General Secretary's review, we are to issue a statement on whether or not the General Secretary's review is consistent with the Final Accounts. Our statement on the General Secretary's review has to be placed immediately after our auditor's opinion on the Final Accounts.

6. Auditor's declaration

Pursuant to Danish law, we declare that we comply with the legal requirements of independence and that we have received all the information requested during our audit.

Copenhagen, 28 May 2015

Deloitte

Statsautoriseret Revisionspartnerselskab


Peter Z. Skanborg
State Authorised Public Accountant

Presented at the Finance Committee' meeting on 28 May 2015

Finance Committee



Konstantin Drevetnyak
(Russian Federation; Chair)



Joost Backx
(Netherlands)



Fritz Köster
(Denmark)



Piotr Margonski
(Poland)



Kai Myrberg
(Finland)

Status Report as of 30 April 2015 (FC 2015-05 Doc 4)

The final Budget for 2015 was approved by Council at the 2014 Statutory Meeting. It is the working budget for the Secretariat in 2015. Important activities that result in income and expenditures such as the Annual Science conference (ASC), Training Programme, Travel and meetings in relation to the Advisory Programme are still to come, and a precise prognosis is difficult to make at this stage.

The main items to discuss are:

- 1) *Overdue amounts for National Contributions. A reminder has been sent to the Russian Federation.*

Comments to the Status of Accounts:

- 1) Reminders for payment of national contributions were sent on 5 March, 13 April and 12 May. The total outstanding amount due is DKK 2,870,000.
- 2) Expected income from the European Union has been revised to 10,400,000 DKK in accordance with the signed MoU. The invoice for the first semester will be issued in July.
- 3) Project income for the period January–April is approximately DKK 459,000 based on time recording for on-going projects. The revised project budget income for the whole year 2,670,523 DKK is considered realistic (Cf. Doc 8 Info on External Projects). This figure includes overhead. In addition, based on earlier years, it is anticipated that DKK 397,000 will come from DG ENV special requests.
- 4) Income from Eurofish represents 10% of certain office expenses.
- 5) Use of equity: i) Council approved in October 2011 the employment of an ecosystem coordinator, for four years, ii) Council approved in October 2013 investments in IT tools (Content Administration for Reports and Advice/CARA, Sharepoint update, and Resource Coordination Tool/RCT), iii) Council in October 2014 approved the 2015 Science Fund, the SCICOM Strategic Initiatives and ASC, and iv) by email voting Council in July 2014 decided to fund the development of the Regional Fisheries Database.

	Realised Jan - Apr	Budget 2015 Approved Council	Budget 2015 Revised
INCOME			
National Contribution	21.935.000	21.935.000	21.935.000
Faroe Islands & Greenland	410.000	410.000	410.000
National Contribution	22.345.000	22.345.000	22.345.000
Income from Commissions	3.406.147	15.450.000	14.916.417
Other Income	1.177.546	4.790.000	5.566.523
TOTAL INCOME	26.928.694	42.585.000	42.827.940
EXPENSES			
Salaries	10.758.533	32.330.000	32.881.440
Office Expenses	511.819	2.185.000	1.700.000
IT Expenses	1.144.034	2.885.000	2.885.000
Expenses for ASC	42.118	1.260.000	3.500.000
Travel and meetings	548.346	4.105.000	5.307.000
Publications	42.848	895.000	645.000
TOTAL EXPENSES	13.047.698	43.660.000	46.918.440
Operating Result	13.880.996	-1.075.000	-4.090.500
Interest	44.810	-250.000	-100.000
Transfer from Equity	0	-825.000	-3.990.500
Result	13.925.806	0	0

	Realised Jan - Apr	Budget 2015 Approved Council	Budget 2015 Revised
National Contribution	21.935.000	21.935.000	21.935.000
Faroe Islands & Greenland	410.000	410.000	410.000
National Contribution	22.345.000	22.345.000	22.345.000
NEAFC Contribution (Advice)	2.340.361	2.400.000	2.341.361
OSPAR Contribution (Advice and Data)	292.279	1.230.000	1.169.315
HELCOM Contribution (Data)	237.766	470.000	470.000
NASCO Contribution (Advice)	535.741	550.000	535.741
Special requests			
EC Contribution (Advice)	0	10.800.000	10.400.000
Income from Commissions	3.406.147	15.450.000	14.916.417
Project income - hours incl. overhead	459.038	1.400.000	2.670.523
Project income - Projects in Pipeline	0	1.445.000	397.000
ASC income	32.476	490.000	490.000
Income from ICES Journal	474.673	1.200.000	1.554.000
Sale of Publications	2.625	25.000	5.000
Income Eurofish	58.409	200.000	200.000
Income Training courses	91.214		190.000
Miscellaneous income	59.111	30.000	60.000
Other Income	1.177.546	4.790.000	5.566.523
TOTAL INCOME	26.928.694	42.585.000	42.827.940
Salaries - Management and Administration	1.572.648	5.210.000	5.026.151
Salaries - Communications	399.133	1.000.000	1.097.230
Salaries - Advisory Programme	2.400.355	7.800.000	6.857.909
Salaries - Science Programme	1.487.452	4.500.000	4.716.899
Salaries - Publications	462.810	1.300.000	1.581.074
Salaries - IT	555.293	1.700.000	1.667.892
Salaries - Data Centre	2.879.685	8.100.000	8.609.483
Salaries - Total	9.757.376	29.610.000	29.556.638
Fees for External Consultants	30.221	310.000	310.000
Overtime for Gen. Staff	33.332	25.000	25.000
Social activities Cond. /Cond.	12.444	65.000	65.000
Education, Training, Team building	20.028	215.000	215.000
Honorarium ACOM Chair and Vice Chairs	719.704	1.545.000	2.158.273
Honorarium SCICOM Chair	145.708	450.000	436.529
ATP Pensions ICES 2/3 share	39.720	110.000	115.000
Salaries	10.758.533	32.330.000	32.881.440
Electricity	97.536	150.000	131.000
Heating	212	220.000	235.000
Safety and Security	87.354	190.000	190.000
Cleaning	48.091	200.000	166.000
Stationery	4.163	20.000	31.000

Photocopy and Printer paper	0	10.000	5.000
Paper (Letterhead, envelopes etc.)	0	20.000	1.000
Postage	21.994	250.000	99.000
	Realised Jan - Apr	Budget 2015 Approved Council	Budget 2015 Revised
Telephone, Fax, Etc	21.170	80.000	63.000
Office Equipment (Workplace furniture)	14.617	90.000	111.000
Insurance	172.452	225.000	287.000
Miscellaneous Expenses (Coffee, Water)	22.144	160.000	120.000
Office Maintenance	12.681	70.000	81.000
Facility improvements	1.528	330.000	13.000
Library: Books, Subscriptions	3.152	20.000	30.000
Public Relations (Including souvenir shop)	4.724	40.000	47.000
Accounting and Auditing	0	90.000	90.000
Legal Assistance	0	20.000	0
Office Expenses	511.819	2.185.000	1.700.000
Leasing Contracts	407.078	910.000	910.000
Hardware Support Contracts	230.164	515.000	515.000
Software Support Contracts	123.003	150.000	150.000
Software License Contracts	10.242	370.000	370.000
Hardware non-contract	39.986	300.000	300.000
Software non-contract	116.893	130.000	130.000
Outsourcing	0	80.000	80.000
Remote/cloud services	10.500	70.000	70.000
Communication	144.699	239.000	239.000
Domains/certificates	45	6.000	6.000
IT-investments	0	0	0
Consultancies	28.832	55.000	55.000
Other costs	32.592	60.000	60.000
IT Expenses	1.144.034	2.885.000	2.885.000
General Expenses: Transport, Handbooks, Gifts	42.118	375.000	2.615.000
Travel: Secretariat Staff and Chairs	0	565.000	565.000
Host Country Share	0	160.000	160.000
Enhance Science/Keynote Speakers	0	50.000	50.000
Promotion for Young Scientists	0	110.000	110.000
Expenses for ASC	42.118	1.260.000	3.500.000
Statutory meeting	0	30.000	10.000
President, Bureau + sub Groups	56.857	340.000	300.000
Secretariat travel per Cost Center	161.118	750.000	750.000
External reviewing of assessments/benchmarking	421.317	340.000	475.000
Travel costs for RAC	0	100.000	100.000
ACOM travel and meeting costs	2.631	300.000	300.000
ACOM Chairs and vice chairs travel	79.422	400.000	580.000
Advice Drafting Groups travel	154.343	900.000	1.100.000
SCICOM travel and meeting costs	170.610	420.000	420.000
ICES co-sponsored Symposia (per Symposia)	-519.379	225.000	225.000
Young scientist conferece	0		
SCICOM strategic activities	21.428		267.000
Science Fund	0		500.000
Training support for DG MAREs officials	0	150.000	150.000
Course income/expenses	0	150.000	130.000
Travel and meetings	548.346	4.105.000	5.307.000

	Realised Jan - Apr	Budget 2015 Approved Council	Budget 2015 Revised
ICES Marine science Symposia	0	160.000	150.000
Publications general	0		96.800
ICES Annual Report	23.120	65.000	79.000
ICES Cooperative Research Reports	0	265.000	82.000
ICES Leaflets for Plankton and Diseases	5.020	10.000	11.200
ICES Times	10.050	55.000	11.000
ICES Newsletters	0	80.000	65.000
ICES Advice Publications	0	10.000	0
Editor in Chief ICES JMS reimbursement of expenses	0	100.000	0
ICES Communications	4.658	150.000	150.000
Publications	42.848	895.000	645.000
TOTAL EXPENSES	13.047.698	43.660.000	46.918.440
Operating Result	13.880.996	-1.075.000	-4.090.500
Interest	44.810	-250.000	-100.000
Transfer from Equity		-825.000	-3.990.500
Result	13.925.806	0	0
Transferred from Equity:			
IT Investments			-306.000
Training Programme/Science Fund 2014		-505.000	-505.000
Eco-System Advisor		-320.000	-320.000
SCICOM strategic activities			-267.000
Young Scientists Conference			
Regional database			-352.500
ASC			-2.240.000

Proposed Budget for 2016 and Forecast Budget for 2017

The **Proposed Budget 2016, with a 1.9% increase** was approved by Council by email approval procedure in April 2015. The updates presented below named **Proposed Budget 2016** have been made with the agreed 1.9% increase in national contributions (Rule 18 ii).

This version will be sent to Contracting Parties in July 2015 with the invoice for the annual contributions 2016 (The contributions are to be paid between July 22, 2015 and January 31, 2016, cf. Rule 19 i).

The updated **Proposed Budget 2016 will be** distributed to Member Countries one month before the Council meeting in October 2015 for final approval.

The **Forecast Budget for 2017** was prepared by the Secretariat and is submitted to the Finance Committee (FC) for review. The **2017 Forecast Budget** has been elaborated with a 2% inflation increase and it is recommended to be presented to Council in October 2015. After discussion and approval by the FC, this budget will be forwarded to the Bureau (June) for approval and will then be sent to Contracting Parties one month before Council. Council will approve the national contributions 2017 based on the **Forecast Budget 2017** in October 2015.

For the Forecast Budget 2017 Finance Committee is asked to discuss and approve the proposal to increase national contributions by 2%.

The Forecast Budget for 2017 shows an increasing income from projects; in 2017 estimated to more than 4 million DKK. If ICES participation in projects in the pipeline will not be approved, there is a need to reduce expenses accordingly. Already with the current numbers of projects, and especially if there is a further increase related to the approval of the additional projects in the pipeline, there is a need for additional work resources in the Secretariat.

In 2017, there will be a number of changes in the staff, due to retirement, expiry of contracts, and review of the science leadership, which makes it difficult to estimate the exact salary scale and amount. The increased salary amount under "Administration" therefore has to be read with caution: this is to cater for the increased workloads under the projects, and will only materialize if all projects in the pipeline will be approved.

In the case that the 2% increase of national contributions for 2017 is not approved, this will further complicate the situation, and put a strain on the budget, with a need to identify reduced activities equivalent to 436.000 DKK

Comments to the budget:

National Contributions:

The Member Countries decided in April 2015 that National Contributions for 2016 should increase with 1.9% in relation to 2015. The Forecast Budget for national contributions in 2017 has been increased with an expected inflation of 2%.

Income from Commissions:

Expected income in 2016–2017 from the European Union has not been increased with expected inflation, with the assumption that the MoU will continue in 2016 and 2017 with the same amount.

Expected income in 2016–2017 from NASCO and NEAFC has been increased with the expected inflation of 1.2 % for 2016 and unchanged for 2017.

Expected income in 2016–2017 from OSPAR is demand driven for Advice and for Data based on a fixed amount increased with inflation. The budgets for 2016–2017 reflect the projection made by OSPAR in cooperation with ICES.

Other Income:

Pay back from projects (hours x hourly rate) reflects the expected amount to be charged to on-going projects, including overhead, with the actual knowledge for approved projects. With the actual knowledge about approved projects it is difficult to predict the precise amount for 2016 and 2017. For income from projects in the pipeline in 2016, the amount of 1,074,400 DKK represents the expected amount if all currently known projects are approved. The number of projects, related work and expected income, all influence the amount of Secretariat resources needed, as well as impacts the budget. Income from projects in pipeline in 2017 is expected to be 1,074,400 DKK.

Expected income from ICES Journal of Marine Science in 2017 has been increased to 1,000,000 DKK based on budget received from Oxford University Press.

Income from Eurofish represents cost recovery of approximately 10% of some office expenses.

Salaries:

For 2016 and 2017, respectively salaries have increased with the expected inflation rate of 0.5% plus the annual within grade step increase, according to the staff rules.

Salaries within the Advisory Programme as well as ACOM Honoraria are to be recovered from the MoUs with Recipients of Advice.

Office Expenses:

The overall budget has in 2016 been slightly increased in order to cater for the maintenance needs, partly stemming from the cuts in 2014. Reallocations between budget lines will be applied where necessary.

IT Expenses:

The overall budget has been maintained on the same level. Reallocations between budget lines will be applied where necessary.

It should be noted that a major item represents long-term leasing contracts for the purchase of hardware, mainly servers.

Expenses for ASC:

In February 2015 Latvia confirmed their readiness to host the 2016 ASC in Riga. At the 2014 Council meeting USA (2017), Germany (2018) and Sweden (2019) confirmed their willingness to look into their possibility to host future ASC, and to report back as soon as possible. Future ASC hosts are also awaiting the review of

the current ASC format, conducted by SCICOM and a SCICOM-led sub-group, which will report to the 2015 June Bureau meeting.

Travel and Meeting expenses:

Travel and meeting costs for advice related expenses are to be recovered from the MoUs with Recipients of Advice.

Publication and Communication:

The overall budget has been maintained on the same level. Reallocations between budget lines will be applied where necessary.

Updated following Finance Committee meeting

	Forecast Budget 2016	Proposed Budget 2016	Revised Budget 2016	Forecast Budget 2017
National Contribution	22,470,000	22,363,000	22,363,000	22,791,000
Faroe Islands & Greenland	420,000	418,000	418,000	426,000
National Contribution	22,890,000	22,781,000	22,781,000	23,217,000
NEAFC Contribution (Advice)	2,400,000	2,435,000	2,356,743	2,400,000
OSPAR Contribution (Advice and Data)	1,230,000	1,260,000	1,250,000	1,190,000
HELCOM Contribution (Data)	470,000	470,000	470,000	470,000
NASCO Contribution (Advice)	550,000	560,000	539,492	550,000
Special requests	0	0	0	250,000
EC Contribution (Advice)	10,800,000	10,800,000	10,400,000	10,400,000
Income from Commissions	15,450,000	15,525,000	15,016,235	15,260,000
Project income - hours incl. overhead	1,400,000	1,320,000	3,320,453	3,007,953
Project income - Projects in Pipeline	1,445,000	2,265,000	1,074,400	1,074,400
ASC income	490,000	490,000	490,000	490,000
Income from ICES Journal	1,200,000	970,000	1,000,000	1,000,000
Sale of Publications	25,000	5,000	5,000	5,000
Income Eurofish	200,000	200,000	200,000	200,000
Income Training courses	0	860,000	860,000	700,000
Miscellaneous income	30,000	20,000	20,000	20,000
Other Income	4,790,000	6,130,000	6,969,853	6,497,353
TOTAL INCOME	43,130,000	44,436,000	44,767,088	44,974,353

Salaries - Management and Adm.incl. project assist	5,300,000	5,210,000	6,518,053	6,731,227
Salaries - Communications	1,000,000	1,120,000	934,074	540,000
Salaries - Advisory Programme	7,800,000	8,050,000	6,626,972	6,770,125
Salaries - Science Programme	4,500,000	3,960,000	4,545,706	4,600,000
Salaries - Publications	1,300,000	1,350,000	1,639,641	1,700,000
Salaries - IT	1,700,000	1,800,000	1,708,212	1,800,000
Salaries - Data Centre	8,100,000	8,500,000	8,405,469	8,400,000
Salaries - Total	29,700,000	29,990,000	30,378,126	30,541,353
Fees for External Consultants	460,000	250,000	250,000	250,000
Overtime for Gen. Staff	25,000	15,000	15,000	15,000
Social activities Cond. /Cond.	75,000	75,000	65,000	65,000
Education, Training, Team building	225,000	225,000	190,000	200,000
Honorarium ACOM Chair and Vice Chairs	1,545,000	1,555,000	2,169,053	2,200,000
Honorarium SCICOM Chair	450,000	455,000	438,709	455,000
ATP Pensions ICES 2/3 share	110,000	115,000	115,000	115,000
Salaries	32,590,000	32,680,000	33,620,888	33,841,353
Electricity	180,000	180,000	131,000	132,000
Heating	250,000	250,000	235,000	236,000
Safety and Security	190,000	200,000	190,000	191,000
Cleaning	200,000	190,000	166,000	167,000
Stationery	20,000	20,000	31,000	31,000
Photocopy and Printer paper	20,000	15,000	5,000	5,000
Paper (Letterhead, envelopes etc.)	30,000	25,000	1,000	2,000
Postage	300,000	150,000	99,000	100,000

Telephone, Fax, Etc	80,000	71,000	63,000	63,000
Office Equipment (Workplace furniture)	110,000	100,000	111,000	112,000
Insurance	225,000	245,000	287,000	288,000
Miscellaneous Expenses	160,000	160,000	120,000	121,000
Office Maintenance	70,000	90,000	81,000	81,000
Facility improvements	365,000	300,000	233,000	223,000
Library: Books, Subscriptions	30,000	30,000	30,000	30,000
Public Relations (Including souvenir shop)	60,000	60,000	47,000	47,000
Accounting and Auditing	90,000	100,000	90,000	91,000
Legal Assistance	20,000	20,000	20,000	20,000
Office Expenses	2,400,000	2,206,000	1,940,000	1,940,000
Leasing Contracts	910,000	972,000	972,000	1,010,000
Hardware Support Contracts	515,000	483,000	483,000	470,000
Software Support Contracts	150,000	248,000	248,000	334,000
Software License Contracts	370,000	408,000	408,000	453,000
Hardware non-contract	300,000	260,000	260,000	189,000
Software non-contract	130,000	130,000	130,000	58,000
Outsourcing	80,000	0	0	0
Remote/cloud services	70,000	80,000	80,000	80,000
Communication	239,000	200,000	200,000	161,000
Domains/certificates	6,000	8,000	8,000	8,000
IT-investments	0	0	0	0
Consultancies	55,000	55,000	55,000	50,000
Other costs	60,000	66,000	66,000	80,000
IT Expenses	2,885,000	2,910,000	2,910,000	2,893,000
General Expenses: Transport, Handbooks, Gifts	375,000	400,000	300,000	300,000

Travel: Secretariat Staff and Chairs	565,000	565,000	450,000	450,000
Host Country Share	160,000	160,000	160,000	160,000
Enhance Science/Keynote Speakers	50,000	60,000	60,000	50,000
Promotion for Young Scientists	110,000	110,000	110,000	110,000
Expenses for ASC	1,260,000	1,295,000	1,080,000	1,070,000
Statutory meeting	60,000	30,000	15,000	15,000
President, Bureau + sub Groups	340,000	340,000	320,000	320,000
Secretariat travel per Cost Center	790,000	685,000	685,000	685,000
External reviewing of assessments/benchmarking	340,000	400,000	400,000	500,000
Travel costs for RAC	100,000	60,000	60,000	60,000
ACOM travel and meeting costs	300,000	300,000	300,000	300,000
ACOM Chairs and vice chairs travel	400,000	400,000	400,000	480,000
Advice Drafting Groups travel	900,000	910,000	1,100,000	1,100,000
SCICOM travel and meeting costs	420,000	420,000	400,000	400,000
ICES co-sponsored Symposia (per Symposia)	225,000	225,000	150,000	75,000
Young scientist conferece	0	0	0	450,000
SCICOM strategic activities	0	0	0	0
Science Fund	0	0	0	0
Training support for DG MAREs officials	0	100,000	100,000	100,000
Course income/expenses	300,000	780,000	780,000	620,000
Travel and meetings	4,175,000	4,650,000	4,710,000	5,105,000
ICES Marine science Symposia	160,000	160,000	160,000	160,000
Publications general		40,000	70,000	80,000
ICES Annual Report	65,000	100,000	80,000	80,000

ICES Cooperative Research Reports	265,000	95,000	80,000	82,000
ICES Leaflets for Plankton and Diseases	10,000	30,000	5,200	21,000
ICES Times	55,000	30,000	11,000	12,000
ICES Newsletters	80,000	80,000	0	40,000
ICES Advice Publications	10,000	10,000	0	0
Editor in Chief ICES JMS reimbursement of expenses	100,000	100,000	0	0
ICES Communications	150,000	250,000	200,000	200,000
Publications	895,000	895,000	606,200	675,000
TOTAL EXPENSES	44,205,000	44,636,000	44,867,088	45,524,353
Operating Result	-1,075,000	-200,000	-100,000	-550,000
Interest	-250,000	-200,000	-100,000	-100,000
Transfer from Equity	-825,000	0	-258,000	-450,000
Result	0	0	0	0
Transferred from Equity:				
Regional database			-258,000	
Science Fund 2014	-505,000			
Eco-System Advisor	-320,000			
Professional Secretary for Scientific Cooperation				
Young Scientists Conference				-450,000



ICES
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International Council for
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Finance Committee

May 2015

Doc 6

Agenda item 5.1

National Contributions

Finance Committee is invited to review the table below showing the proposed and actual development of National Contributions from 2012–2016.

		actual 2012	actual 2013	actual 2014	actual 2015	actual 2016	actual Total	Proposed 2012	Proposed 2013	Proposed 2014	Proposed 2015	Proposed 2016	Proposed Total	Diff.
Price for one share (DKK)		410,000	410,000	410,000	410,000	418,000		428,000	437,000	446,000	455,000	464,000		
Inflation		0%	0%	0%	0%	1.9%		2%	2%	2%	2%	2%		
no of shares:		53.5	53.5	53.5	53.5	53.5		53.5	53.5	53.5	53.5	53.5		
Belgium	2	820,000	820,000	820,000	820,000	836,000	4,116,000	856,000	874,000	892,000	910,000	928,000	4,460,000	-344,000
Canada	3	1,230,000	1,230,000	1,230,000	1,230,000	1,254,000	6,174,000	1,284,000	1,311,000	1,338,000	1,365,000	1,392,000	6,690,000	-516,000
Denmark	3	1,230,000	1,230,000	1,230,000	1,230,000	1,254,000	6,174,000	1,284,000	1,311,000	1,338,000	1,365,000	1,392,000	6,690,000	-516,000
Estonia	1	410,000	410,000	410,000	410,000	418,000	2,058,000	428,000	437,000	446,000	455,000	464,000	2,230,000	-172,000
Finland	1.5	615,000	615,000	615,000	615,000	627,000	3,087,000	642,000	655,500	669,000	682,500	696,000	3,345,000	-258,000
France	4	1,640,000	1,640,000	1,640,000	1,640,000	1,672,000	8,232,000	1,712,000	1,748,000	1,784,000	1,820,000	1,856,000	8,920,000	-688,000
Germany	4	1,640,000	1,640,000	1,640,000	1,640,000	1,672,000	8,232,000	1,712,000	1,748,000	1,784,000	1,820,000	1,856,000	8,920,000	-688,000
Iceland	3	1,230,000	1,230,000	1,230,000	1,230,000	1,254,000	6,174,000	1,284,000	1,311,000	1,338,000	1,365,000	1,392,000	6,690,000	-516,000
Ireland	2	820,000	820,000	820,000	820,000	836,000	4,116,000	856,000	874,000	892,000	910,000	928,000	4,460,000	-344,000
Latvia	1	410,000	410,000	410,000	410,000	418,000	2,058,000	428,000	437,000	446,000	455,000	464,000	2,230,000	-172,000
Lithuania	1	410,000	410,000	410,000	410,000	418,000	2,058,000	428,000	437,000	446,000	455,000	464,000	2,230,000	-172,000
Netherlands	3	1,230,000	1,230,000	1,230,000	1,230,000	1,254,000	6,174,000	1,284,000	1,311,000	1,338,000	1,365,000	1,392,000	6,690,000	-516,000
Norway	4	1,640,000	1,640,000	1,640,000	1,640,000	1,672,000	8,232,000	1,712,000	1,748,000	1,784,000	1,820,000	1,856,000	8,920,000	-688,000
Poland	3	1,230,000	1,230,000	1,230,000	1,230,000	1,254,000	6,174,000	1,284,000	1,311,000	1,338,000	1,365,000	1,392,000	6,690,000	-516,000
Portugal	2	820,000	820,000	820,000	820,000	836,000	4,116,000	856,000	874,000	892,000	910,000	928,000	4,460,000	-344,000
Russia	3	1,230,000	1,230,000	1,230,000	1,230,000	1,254,000	6,174,000	1,284,000	1,311,000	1,338,000	1,365,000	1,392,000	6,690,000	-516,000
Spain	3	1,230,000	1,230,000	1,230,000	1,230,000	1,254,000	6,174,000	1,284,000	1,311,000	1,338,000	1,365,000	1,392,000	6,690,000	-516,000
Sweden	3	1,230,000	1,230,000	1,230,000	1,230,000	1,254,000	6,174,000	1,284,000	1,311,000	1,338,000	1,365,000	1,392,000	6,690,000	-516,000
United Kingdom	4	1,640,000	1,640,000	1,640,000	1,640,000	1,672,000	8,232,000	1,712,000	1,748,000	1,784,000	1,820,000	1,856,000	8,920,000	-688,000
USA	3	1,230,000	1,230,000	1,230,000	1,230,000	1,254,000	6,174,000	1,284,000	1,311,000	1,338,000	1,365,000	1,392,000	6,690,000	-516,000
Total National Contribution	53.5	21,935,000	21,935,000	21,935,000	21,935,000	22,363,000	110,103,000	22,898,000	23,379,500	23,861,000	24,342,500	24,824,000	119,305,000	-9,202,000
Faeroe Islands		328,000	328,000	328,000	328,000	334,400	1,646,400	335,000	342,000	349,000	356,000	371,200	1,753,200	-106,800
Greenland		82,000	82,000	82,000	82,000	83,600	411,600	83,000	85,000	87,000	89,000	92,800	436,800	-25,200
Total	1	410,000	410,000	410,000	410,000	418,000	2,058,000	418,000	427,000	436,000	445,000	464,000	2,190,000	-132,000
Total Contributions		22,345,000	22,345,000	22,345,000	22,345,000	22,781,000	112,161,000	23,316,000	23,806,500	24,297,000	24,787,500	25,288,000	121,495,000	-9,334,000

Programme Budgets

This document aims to provide a detailed analysis of how ICES resources are allocated to current activities and programmes. The tables and figures below give an oversight of how income and cost are allocated to the different ICES programmes.

The Advisory Programme through income from Recipients of Advice is expected to contribute with a cost recovery of 100% of the direct cost. The advisory programme in 2014 provided 35% of the indirect cost. The Advice programme consist of 12,6 out of 41 secretariat staff members which are not part of the general cost or equivalent to 30%. This contribution to the general cost is expected to decline in the budget period 2015–2017 mainly due to budget restraints in the EU-Commission.

Table below in for the realized figures for 2014

	<i>Direct income</i>	<i>Direct cost</i>	<i>Net balance</i>	<i>Cost recovery of total cost %</i>
<i>Advice</i>	14,542,244	13,186,997	1,355,247	100
<i>Science</i>	2,026,350	7,810,470	-5,784,120	26
<i>Publications</i>	875,049	3,111,309	-2,236,260	28
<i>Data Centre</i>	2,143,457	8,187,932	-6,044,475	26
<i>IT</i>	0	4,685,684	-4,685,684	
<i>General income</i>	22,596,310	0	22,596,310	
<i>General cost</i>	0	7,167,405	-7,167,405	
<i>Interest</i>	0	0	150,212	
<i>Total</i>	42,183,410	44,149,797	-1,816,175	

	INCOME	COST	INCOME	COST	INCOME	COST	INCOME	COST
	2014	2014	2015	2015	2016	2016	2017	2017
ADVISORY PROGRAMME								
Contribution from NEAFC	2,328,717		2,341,361		2,356,743		2,400,000	
Contribution from OSPAR (Advice)	644,148		596,351		643,000		607,000	
Contribution from HELCOM (Advice)	0		0		0		0	
Contribution from NASCO	533,076		535,741		539,492		550,000	
Contribution from EC	10,402,283		10,400,000		10,400,000		10,400,000	
Income from Projects	634,020		397,000				250,000	
Direct Advisory income	14,542,244		14,270,453		13,939,235		14,207,000	
Secretariat travel for advice		495,576		430,000		390,000		390,000
External reviewing of Assessment		425,425		475,000		400,000		500,000
Travel cost for RAC		32,941		100,000		60,000		60,000
ACOM TRAVEL		267,275		300,000		300,000		300,000
ACOM Chairs and vice chairs Travel		437,788		580,000		400,000		480,000
Advice drafting Groups Travel		1,076,887		1,100,000		1,100,000		1,100,000
ICES Advice Publications		0		0		0		0
Training support to DG MARE's officials		21,506		150,000		100,000		100,000
Budgeted salaries		8,903,116		6,857,909		6,626,972		6,770,125
ACOM Chair and vice-chairs honorarium		1,446,518		2,158,273		2,169,053		2,200,000
External Contracts		79,965		310,000		250,000		250,000
Direct advisory cost		13,186,997		12,461,182		11,796,025		12,150,125
Staff		13		13		13		13
Staff as % of non general staff		30%		31%		32%		31%
Share of General cost		2,150,221		2,319,061		2,917,547		2,913,743
Total Advisory cost		15,337,218		14,780,243		14,713,571		15,063,868
% Cost recovery		95%		97%		95%		94%
% of ICES income		34		33		31		32
% of ICES expenditure		35		32		33		33
Input from Equity					0		0	
SCIENCE PROGRAMME	INCOME	COST	INCOME	COST	INCOME	COST	INCOME	COST
	2014	2014	2015	2015	2016	2016	2017	2017
Income from Projects	1,037,332		1,066,750		3,479,713		3,479,713	
Income Training courses	544,675		190,000		860,000		700,000	
ASC Income (Fees)	444,342		490,000		490,000		490,000	
Direct Science income	2,026,350		1,746,750		4,829,713		4,669,713	
ASC General expenses		299,477		2,615,000		300,000		300,000
Secretariat travel		132,588		110,000		100,000		105,000
Travel ASC		484,625		565,000		450,000		450,000
ASC Keynote Speakers		76,876		50,000		60,000		50,000
Host Country of ASC Fee		150,790		160,000		160,000		160,000
Young Scientists at ASC		70,594		110,000		110,000		110,000
Symposia		447,700		225,000		150,000		75,000
SCICOM travel and meeting		380,049		420,000		400,000		400,000
Training Programme		555,383		130,000		780,000		620,000
Science Fund		500,000		500,000				
SCICOM strategic initiatives				267,000				
Young Scientist Conference		0		0		0		450,000
Budgeted Salaries		4,277,614		4,716,899		4,545,706		4,600,000
Chair of SCICOM		434,774		436,529		438,709		455,000

Direct Science cost		7,810,470		10,305,428		7,494,415		7,775,000
Staff		7		7		7		7
Staff as % of non general staff		22%		18%		19%		18%
Share of General cost		1,604,133		1,361,988		1,713,480		1,711,246
Total Science cost		9,414,604		11,667,416		9,207,894		9,486,246
% Cost recovery		22%		15%		52%		49%
% of ICES income		5		4		11		10
% of ICES expenditure		21		25		21		21
Input from Equity	1,240,000		825,000			450,000		
PUBLICATIONS AND COMMUNICATIONS	INCOME	COST	INCOME	COST	INCOME	COST	INCOME	COST
	2014	2014	2015	2015	2016	2016	2017	2017
Income from <i>ICES Journal of Marine Science</i>	859,200		1,554,000		1,000,000		1,000,000	
Sale of Publications	15,850		5,000		5,000		5,000	
Direct publication and communication income	875,049		1,559,000		1,005,000		1,005,000	
Library		29,872		30,000		30,000		30,000
ICES Marine Science Symposia Publications		0		150,000		160,000		160,000
Publications general		74,218		96,800		70,000		80,000
ICES Annual Report		63,275		79,000		80,000		80,000
ICES Cooperative Research Reports		82,791		82,000		80,000		82,000
ICES Leaflets for Plankton and Diseases		58,330		11,200		5,200		21,000
ICES TIMES		10,040		11,000		11,000		12,000
ICES Newsletters INSIGHT		74,248		65,000		0		40,000
ICES Communacations		179,830		150,000		200,000		200,000
Secretariat travel		13,540		20,000		18,000		20,000
Editor in Chief ICES JMS		0		0		0		0
Budgeted Salaries		2,525,165		2,678,304		2,573,715		2,239,999
Total Publication and communication cost		3,111,309		3,373,304		3,227,915		2,964,999
Staff		6		5		5		5
Staff as % of non general staff		14%		12%		13%		12%
Share of General cost		1,023,915		920,262		1,157,757		1,156,247
Total Publication cost		4,135,224		4,293,566		4,385,672		4,121,247
% Cost recovery		21%		48		31		34
% of ICES income		2		4		2		2
% of ICES expenditure		9		9		10		9
DATA CENTRE	INCOME	COST	INCOME	COST	INCOME	COST	INCOME	COST
	2014	2014	2015	2015	2016	2016	2017	2017
Contribution from OSPAR	594,599		572,964		607,000		583,000	
Contribution from HELCOM	475,533		470,000		470,000		470,000	
Income from Projects	1,073,325		1,603,773		915,140		602,640	
Direct Data Centre income	2,143,457		2,646,737		1,992,140		1,655,640	
Secretariat travel		29,470		70,000		63,000		60,000
Budgeted salaries		8,158,462		8,609,483		8,405,469		8,400,000
Total Data Centre cost		8,187,932		8,679,483		8,468,469		8,460,000
Staff		14		14		14		13
Staff as % of non general staff		33%		34%		35%		32%
Share of General cost		2,389,135		2,576,734		3,241,718		3,006,243
Total Data Centre cost		10,577,067		11,256,217		11,710,187		11,466,242
% cost recovery		20%		24%		17%		14%

4						May		
% of ICES income		5		6		4		4
% of ICES expenditure		24		24		26		25
Input from Equity	412500							
IT INFRASTRUCTURE	INCOME	COST	INCOME	COST	INCOME	COST	INCOME	COST
	2014	2014	2015	2015	2016	2016	2017	2017
Direct income IT	0		0		0		0	
Hardware Leasing		1,076,657		910,000		972,000		1,010,000
Software licenses, external support contracts		956,897		1,035,000		1,139,000		1,257,000
Purchase of soft and hardware		571,338		430,000		390,000		247,000
Consultancies		7,875		55,000		55,000		50,000
Various expense		336,603		455,000		354,000		329,000
IT-investment		100,000		0		0		0
Budgeted salaries		1,636,314		1,667,892		1,708,212		1,800,000
Total IT cost		4,685,684		4,552,892		4,618,212		4,693,000
Staff		3		3		3		3
Staff as % of non general staff		5%		5%		5%		5%
Share of General cost		341,305		368,105		463,103		462,499
Total IT cost		5,026,989		4,920,997		5,081,315		5,155,499
Cost recovery		0.00%		0.00%		0.00%		0.00%
% of ICES income		0		0		0		0
% of ICES expenditure		11		10		11		11
Input from Equity	186,000							
SECRETARIAT, COUNCIL, BUREAU	INCOME	COST	INCOME	COST	INCOME	COST	INCOME	COST
	2014	2014	2015	2015	2016	2016	2017	2017
National contributions	21,935,000		21,935,000		22,363,000		22,791,000	
Faroe and Greenland	410,000		410,000		418,000		426,000	
Income Eurofish	202,116		200,000		200,000		200,000	
Miscellaneous income	49,194		60,000		20,000		20,000	
Total general income	22,596,310		22,605,000		23,001,000		23,437,000	
Office expenses		1,662,335		1,670,000		1,910,000		1,910,000
Statutory meeting		5,945		10,000		15,000		15,000
Travel Bur., Pres,		328,648		300,000		320,000		320,000
Secretariat travel		161,492		120,000		114,000		110,000
General direct cost		2,158,420		2,100,000		2,359,000		2,355,000
Budgeted salaries		4,626,732		5,026,151		6,518,053		6,731,227
Overtime (all programs)		13,461		25,000		15,000		15,000
Education and training (all)		248,956		280,000		255,000		265,000
Danish state pension (all)		119,836		115,000		115,000		115,000
Total general cost		7,167,405		7,546,151		9,262,053		9,481,227
% of ICES income		54		53		51		52
% of ICES expenditure		16		16		21		21

interest	150,212		100,000		100,000		100,000	
Sum above	42,183,409	44,149,797	42,827,940	46,918,440	44,767,088	44,867,088	44,974,353	45,524,353
Sum in account budget	42,183,409	44,149,797	42,827,940	46,918,440	44,767,088	44,867,088	44,974,353	45,524,353
Difference	0	0	0	0	0	0	0	0



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Finance Committee

May 2015

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Agenda Item 5.3

Overview of on-going external projects and projects in the pipeline

Finance Committee is invited to take note of current and planned ICES project participation.

2015

Project Title	Responsible	Starting Date	Completion Date	Grant Amount *) (DKK)	2015:Hours Expected Project income **) (DKK)	Participants	Estimate cost/Travel	Estimate hours*	Estimate hours*2	Total Hours(realised + estimate) + %	Maximum Contribution %	Maximum Contribution	% Adm.	% Advice	% Science	% Data
2016 - EEA-ETC-IMC	JNJ - Data	1 January 2014	31-Dec-18	N/A	558,000	Neil			558,000	669,600	602,640	602,640				100
2017 - Sea Data Net II	NH - Data	1 October 2011	30-Sep-15	1,190,000	256,000	Neil			256,000	437,760	328,320	328,320				100
2022 - Micro B3	NH - Data	1 January 2012	31-Dec-15	1,160,000	125,000	Neil			125,000	213,750	160,313	160,313				100
2028 - EMODnet Chem II	NH-Data	1 May 2013	31-Dec-16	820,000	247,000	Neil					200,000	200,000				100
2030 - EMODnet Bio II	NH-Data	1 June 2013	31 May 2016	750,000	112,500	Neil			#VALUE!		112,500	112,500				100
2031 - BALSAM	NH-Data	1 October 2013	31 May 2015	410,000	206,000	Neil			#VALUE!		200,000	200,000				100
DG MARE Tender 2014/19	H Kjems N	Spring 2015	End of 2015	20,000	0	Henrik Kjems Nielsen	20,000	0								100
Total				2,000,000	946,500		0				1,603,773	1,603,773				
Project Title	Responsible	Starting Date	Completion Date	Grant Amount *) (DKK)	2015:Hours Expected Project income **) (DKK)	Participants	Estimate cost/Travel	Estimate hours*	Total Hours(realised + estimate)	Total Hours(realised + estimate) + %	Maximum Contribution %	Maximum Contribution	% Adm.	% Advice	% Science	% Data
2032 - MAREFRAME	WW-Science	1 January 2014	31-Dec-17	420,000	60,000	Cristina, Eskild, MDC, Wojciech	11,000	80	60,000	79,800	75% personnel + 46% overhead, 100% other	59,850		70	30	
2024 - COFASP - ERA-NET	WW-Science	1 February 2013	1 February 2017	750,000	48,000	Adi, Wojciech	110,000	70	40,000	48,000	120%	48,000			100	
BG8 AtlantOS	NH-Science	Spring 2015	Summer 2019	1,788,000	300,000	Mark, Neil	45,000	320	240,000	300,000	125%	300,000			50	50
BG11 COLUMBUS	WW-Science	Spring 2015	Spring 2018	450,000	43,750	Adi, Wojciech	40,000	60	35,000	43,750	125%	43,750			100	
BG13 SEACHANGE	WW-Science	Spring 2015	Spring 2018	100,000	15,000	Adi, Wojciech	15,000	25	subcontract	subcontract	100%	15,000			100	
BG14 AORAC	ACB-GenSec	Spring 2015	Spring 2020	7,405,000	600,000	ACB, MDC, Neil, Wojciech	500,000	900	600,000	750,000	100%	600,000	20	20	30	30
Total				11,719,000	1,066,750		1,021,000		975,000	1,221,550		1,066,600				
												2,670,373				
In Pipeline																
Project Title	Responsible	Starting Date	Completion Date	Grant Amount *) (DKK)	2016: Hours Expected Project income **) (DKK)	Participants	Estimate cost / travel	Estimate hours*2	Total (realised + estimate)	Total Hours (realised + estimate) + %	Maximum Contribution %	Maximum Contribution	% Adm.	% Advice	% Science	% Data
LME LEARN	WW-Science	End 2015/start 2016	Summer 2018	806,000	0	Adi, Wojciech	300,000	0		0	100%				100	
BG1 ACUATIK	Sebastian	Jan-16		3,700,000	600,000	Terhi, Sebastian	600,000	1,200	480,000	600,000	125%	600,000	75	25		
BG1 Sustainblue	WW-Science	Jan-16				Wojciech, Neil, Terhi					125%					
BG2 ClimeFish	Scott	Jan-16		1,700,000	400,000	Scott	100,000			400,000	125%	400,000				
Interreg Baltic Sea Region	WW-Science	Jan-16		500,000		Wojciech, Terhi	83,000	150	75,000	86,250	86,25%	74,400	25		75	
EINFRA9 BlueBridge	Anna Davies	Jan-16		3,300,000		Anna, Rachel, Neil	25,000	1720	860,000	1,075,000	125%	1,075,000	50		50	
Total												2,149,400				

2016

Project Title	Responsible	Starting Date	Completion Date	Grant Amount) (DKK)	2016: Expected income **)	Hours Project (DKK)	Participants	Estimate cost/Travel	Estimate hours*	Estimate hours*2	Total Hours (realised + estimate) + % Overhead	Maximum Contribution %	Maximum Contribution	% Adm. % Advice % Science % Data			
2016 - EEA-ETC-IMC	JNJ - Data	1 January 2014	31-Dec-18	N/A		558,000	Neil			558,000	669,600	602,640	602,640				100
2028 - EMODnet Chem II	NH-Data	1 May 2013	31-Dec-16	820000		247,000	Neil			247,000		200,000	200,000				100
2030 - EMODnet Bio II	NH-Data	1 June 2013	31 May 2016	750000		112,500	Neil			112,500		112,500	112,500				100
Total						917,500			0	917,500		915,140	915,140				
Project Title	Responsible	Starting Date	Completion Date	Grant Amount) (DKK)	2016: Expected income **)	Hours Project (DKK)	Participants	Estimate cost/Travel	Estimate hours*	Estimate hours*2	Total Hours (realised + estimate) + % Overhead	Maximum Contribution %	Maximum Contribution	% Adm. % Advice % Science % Data			
2032 - MAREFRAME	WW-Science	1 January 2014	31-Dec-17	420,000		75,000	Cristina, Eskild, MDC, Wojciech	11,000				75% personnel + 46% overhead, 100% other				70	30
2024 - COFASP - ERA-NET	WW-Science	1 February 2013	1 February 2017	750,000		48,000	Adi, Wojciech	60,000	70	40,000	48,000	120%	48,000				100
BG8(AtlantOS)	NH-Science	Spring 2015	Summer 2019	1788000		330,000	Mark, Neil	52,000	350	260,000	330,000	125%	330,000				50 50
BG11 COLUMBUS	WW-Science	Spring 2015	Spring 2018	450000		62,500	Adi, Wojciech	22,500	90	50,000	62,500	125%	62,500				100
BG13 SEACHANGE	WW-Science	Spring 2015	Spring 2018	100000		15,000	Adi, Wojciech	15,000	25	subcontract	subcontract	100%	15,000				100
BG14 AORAC	ACB-GenSec	Spring 2015	Spring 2020	7405000		800,000	ACB, MDC, Neil, WW	1,000,000	1100	800,000	1,000,000	100%	800,000	20	20	30	30
EINFRA9 BlueBridge	Anna Davies	Jan-16		3,300,000			Anna, Rachel, Neil	25,000	1720	860,000	1,075,000	125%	1,075,000	50			50
Total						1,330,500			0	2,085,000			2,405,313				
													3,320,453				
In Pipeline																	
Project Title	Responsible	Starting Date	Completion Date	Grant Amount) (DKK)	2016: Expected income **)	Hours Project (DKK)	Participants	Estimate cost/Travel	Estimate hours*	Estimate hours*2	Total Hours (realised + estimate) + % Overhead	Maximum Contribution %	Maximum Contribution	% Adm.	% Advice	% Science	% Data
LME LEARN	WW-Science	End 2015/start 2016	Summer 2018	806,000		0	Adi ,Wojciech	270,000	300,000	0	0	100%					100
BG1 ACUATIK	Sebastian	Jan-16		3,700,000		600,000	Terhi, Sebastian	600,000	1,200	480,000	600,000	125%	600,000	75	25		
BG1 Sustainblue	WW-Science	Jan-16					Wojciech, Neil, Terhi					125%					
BG2 ClimeFish	Scott	Jan-16		1,700,000		400,000	Scott	100,000			400,000	125%	400,000				
Interreg Baltic Sea Region	WW-Science	Jan-16		500,000			Wojciech, Terhi	83,000	150	75,000	86,250	86,25%	74,400	25			75
Total													1,074,400				

2017

Project Title	Responsible	Starting Date	Completion Date	Grant Amount *) (DKK)	2017: Expected Project income **) (DKK)	Participants	Estimate cost/Travel	Estimate hours*	Estimate hours*2	Total (realised estimate) +	Total (realised estimate) + Overhead	Hours + %	Maximum Contribution %	Maximum Contribution	% Adm.	% Advice	% Science	% Data
2016 - EEA-ETC-IMC	JNJ - Data	1 January 2014	#####	N/A	558,000	Neil			558,000			669,600	602,640	602,640				100
Total					558,000			0	558,000	0			602,640	602,640				
Project Title	Responsible	Starting Date	Completion Date	Grant Amount *) (DKK)	2017: Expected Project income **) (DKK)	Participants	Estimate cost/Travel	Estimate hours*	Estimate hours*2	Total (realised estimate) +	Total (realised estimate) + Overhead	Hours + %	Maximum Contribution %	Maximum Contribution	% Adm.	% Advice	% Science	% Data
2032 - MAREFRAME	WW-Science	1 January 2014	#####	420,000	75,000	Cristina, Eskild, MDC, Wojciech	11,000	120	75,000		99,750	75% personnel + 46% overhead, 100% other	74,813			70	30	
2024 - COFASP - ERA-NET	WW-Science	1 February 2013	1 February 2017	750,000	48,000	Adi, Wojciech	60,000	70	40,000		48,000	120%	48,000				100	
BG8(AtlantOS)	NH-Science	Spring 2015	Summer 2019	1788000	330,000	Mark, Neil	52,000	350	260,000		330,000	125%	330,000				50	50
BG11 COLUMBUS	WW-Science	Spring 2015	Spring 2018	450000	62,500	Adi, Wojciech	22,500	90	50,000		62,500	125%	62,500				100	
BG13 SEACHANGE	WW-Science	Spring 2015	Spring 2018	100000	15,000	Adi, Wojciech	15,000	25	subcontract from UNESCO		subcontract	100%	15,000				100	
BG14 AORAC	ACB-GenSec	Spring 2015	Spring 2020	7405000	800,000	ACB, MDC, Neil, WW	1,000,000	1100	800,000		1,000,000	100%	800,000	20	20	30	30	
EINFRA9 BlueBridge	Anna Davies	Jan-16		3,300,000		Anna, Rachel, Neil	25,000	1720	860,000		1,075,000	125%	1,075,000	50			50	
Total					1,330,500			0	1,225,000				2,405,313					
													3,007,953					
In Pipeline																		
Project Title	Responsible	Starting Date	Completion Date	Grant Amount *) (DKK)	2017: Expected Project income **) (DKK)	Participants	Estimate cost/Travel	Estimate hours*	Estimate hours*2	Total (realised estimate) +	Total (realised estimate) + Overhead	Hours + %	Maximum Contribution %	Maximum Contribution	% Adm.	% Advice	% Science	% Data
LME LEARN	WW-Science	End 2015/start 2016	Summer 2018	806,000	0	Adi ,Wojciech	270,000	300,000	0		0	100%					100	
BG1 ACUATIK	Sebastian	Jan-16		3,700,000	600,000	Terhi, Sebastian	600,000	1,200	480,000		600,000	125%	600,000	75	25			
BG1 SustainBlue	WW-Science	Jan-16				Wojciech, Neil, Terhi						125%						
BG2 ClimeFish	Scott	Jan-16		1,700,000	400,000	Scott	100,000				400,000	125%	400,000					
Interreg Baltic Sea Region	WW-Science	Jan-16		500,000		Wojciech, Terhi	83,000	150	75,000		86,250	86,25%		74,400	25		75	
Total													1,074,400					

Capital Reserve Fund

The Capital Reserve Fund (CRF) was established in the early 1970s to balance short-term liquidity matters, to meet budgetary appropriations and unforeseen, or other authorised, purposes. According to a 2010 Council decision its size is targeted to be 20% of **total income**. The development of the CRF is presented in the table below.

By the end of 2014, the CRF was at 8,400,909 DKK and invested in Danish short-term bonds listed on the Copenhagen Stock Exchange.

Development of the CRF Fund:

Date	CRF	% of Salaries	% of Natl Contrib. and MoU	% of/Total Income
31-Dec-00	2,014,176	12%	9%	7%
31-Dec-01	2,049,523	12%	9%	7%
31-Dec-02	2,094,547	12%	9%	8%
31-Dec-03	2,544,466	13%	11%	9%
31-Dec-04	2,644,505	14%	10%	9%
31-Dec-05	3,128,999	17%	12%	10%
31-Dec-06	3,783,990	20%	14%	11%
31-Dec-07	3,891,756	19%	13%	11%
31-Dec-08	5,358,686	25%	17%	15%
31-Dec-09	5,815,970	26%	18%	16%
31-Dec-10	7,992,824	36%	25%	20%
31-Dec-11	8,181,711	32%	23%	20%
31-Dec-12	8,410,096	30%	23%	20%
31-Dec-13	5,392,023	17%	15%	13% ¹
31-Dec-14	8,400,909	26%	23%	20%

¹ Due to late payment of national contributions, money was borrowed, with security in bonds in the Capital Reserve Fund (repo), in order to maintain normal operations. The money was repaid in March 2014. Thus the Capital Reserve Fund is now again at its obligatory level of 20% of the total income.

Strategic Investment Fund (SIF)

At the end of 2012, a total of 18,889,285 DKK had been allocated to the SIF and the same amount has been committed by Council decisions (Table 1).

The ICES Science Fund 2014–2015 and the future

In 2014, DKK 500,000 has been used on the ICES Science Fund activities according to Table 1 and note 11 of the Final Accounts for 2014.

In October 2014 Council likewise decided to set aside DKK 500,000 for the ICES Science Fund.

The first and second rounds of proposals for the ICES Science Fund received a total of 21 proposals. The proposals were presented at the SCICOM SharePoint site and ranked by SCICOM using a ranking tool, grading the proposal from high (5) to low (1). A subgroup was formed which evaluated the proposals taking into consideration the ranking provided by SCICOM and made a shortlist for presentation at SCICOM Midterm meeting. SCICOM decided to fund eight projects in 2014, and seven projects in 2015. The projects vary in scope and timing, some will be completed during a short workshop, while some will be conducted over 12 months. The Chair of SCICOM, Yvonne Walther will present during the June Bureau meeting an initial review of the scope and aims of the Science Fund, and report on progress of the evaluation of whether the money is well invested after the first year. A final report will be presented to Council in October.

After reimbursement of the 2015 seven projects, there will be a remaining sum of DKK 100,130 left in the SIF.

Table 1: SIF Projects decided by Council

		Used	Used	Used	Used	Used	Used	Used	Projections	Remaining
Project	Committed	2008	2009	2010	2011	2012	2013	2014	2015	
Climate Change	600,000	-63,932	-83,996	-346,190	-105,882					
Young Fishermen	320,000	-49,571	-39,864	-45,708	-50,128	-134,729**				
SAHFOS	1,700,000		-1,377,259		-322,741					
MARCOM +	2,200,000	-196,621	-599,982	-341,445	-566,904	-495,049				
Training Programme	3,000,000		-275,800	-447,549	-692,089*	-519,609	-414,895			
Reallocated from external advisory review and Young Fishermen						450,073				
SCICOM secretary	450,000		-150,000	-150,000	-150,000					
Support of the budget 2010	642,000			-642,000						
Baltic Commitment	100,000				-100,000					
SCICOM Strategic Initiatives	600,000			-174,381	-392,466	-33,153				
Early Career Symposium 2012	400,000					-400,000				
Advisory Transition	5,300,000	-1,450,200	-1,760,547	-2,089,253						
Advisory Review	916,284				-174,962	-425,978				
Reallocated to training programme						-315,344				
SCICOM Chair & Travel	2,661,002		-697,503	-708,102	-663,926	-591,472				
Science fund								-500,000	-500,000	
Total	18,889,286	-1,760,324	-4,984,9541	-4,944,628	-3,219,095	-2,465,260	-414,895	-500,000	-500,000	100.130

* Of which DKK 124,058 is related to 2010.

** Bureau decision February 2012 to discontinue the funding and return the residual amount to the Equity.

Number	Title	Applicant 1	Applicant 2	Start date	Duration	Funding (DKK)	Funding (Euros)
01.	Exchange of knowledge for Integrated Ecosystem Assessment (IEA-Exchange)	Saskia A. Otto	Geir Ottersen	01-05-2015	12 months	57.500	7,718
02.	Implementation of a time-series MONitoring programme on MIcrobial phylogenetic COmposition (MOMICO)	Alejandra Calvo-Díaz	Eva Teira	01-05-2015	12 months	50.000	6,711
03.	Social transformations of marine social-ecological systems	Sebastian Villasante	Olivier Guyader	15-05-2015	12 months	66.216	8,888
06.	Can pelagic gastropods be used to assess the impacts of ocean acidification?	Pablo Leon Diaz	Prof. Miep Helfrich	01-06-2015	12 months	60.000	8054
10.	Study of micronecton and macro zooplankton with a broadband echo sounder	Marian Peña	Per Lunde	01-05-2015	12 months	50.000	6,711
19.	Developing species specific Heat Shock Protein (HSP) sequences for the invasive round goby to assess their environmental stress in the Baltic Sea	Riikka Puntila	Jane W. Behrens	01-05-2015	12 months	82.000	11,007
21.	POPSIZE - Estimating effective population size in populations of marine fish: an approach using inter-annual fluctuations of the genetic composition	Sara Francisco	Halvor Knutsen	01-05-2015	12 months	135.000	18,121
TOTAL						500.716	



Science Fund and SCICOM Strategic Initiatives, beyond 2015

The Council approved a new Science Fund for the year 2014, which was continued in 2015, with a maximum amount of 500,000 DKK/year. During the first two years the Fund was financed from the Strategic Investment Fund. Furthermore, the Council in 2014 agreed to use necessary funds from equity for SCICOM strategic activities in 2017 and specifically to support the joint ICES/PICES early Career Scientist Conference in 2017.

Decided at Council:

Action: Council approved the use of a maximum of 500,000 DKK from the Strategic Investment Fund to support the Science Fund in 2015. Before considering the longer-term funding for the Science Fund, Council requested SCICOM to review the outputs from the 2014 and 2015 science funds. SCICOM should pay particular attention to how project results have been integrated into ICES work in relation to implementation of the ISP. The longer-term viability of the Science Fund will be discussed at the 2015 Council meeting and will be considered in the work of the CWGIBM (see 5.1 above).

The Strategic Investment Fund has now been exhausted, other ways of financing must be sought, taking into account the financial footing of ICES, and the work of the Council Working Group on the ICES Business Model.

The Finance Committee is invited to consider these two initiatives, and their financial sustainability having in mind the draft ICES Business Model.

The SCICOM Chair Yvonne Walther will present at the June Bureau meeting an initial review of the scope and aims of the Science Fund, and report on progress of the evaluation of whether the money is well invested after the first year of the programme that will be presented to Council in October.