



- CFCA -

FINANCIAL STATEMENTS  
OF  
THE COMMUNITY FISHERIES CONTROL  
AGENCY

FINANCIAL YEAR 2009

Vigo, 01<sup>st</sup> July 2010



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## 1 - CFCA-BALANCE SHEET - ASSETS

	Annexe n°	31.12.2009	31.12.2008
<b>ASSETS</b>			
<b>A. NON CURRENT ASSETS</b>			
<b>Intangible fixed assets</b>		<b>20.389,00</b>	<b>29.107,00</b>
<b>Tangible fixed assets</b>		<b>365.713,00</b>	<b>257.074,23</b>
Plant and equipment		15.831,00	3.918,00
Computer hardware		133.051,00	87.873,00
Furniture and vehicles		138.783,00	140.888,23
Other fixtures and fittings		78.048,00	24.395,00
<b>TOTAL NON CURRENT ASSETS</b>	<b>A1</b>	<b>386.102,00</b>	<b>286.181,23</b>
<b>B. CURRENT ASSETS</b>			
<b>Short-term receivables</b>		<b>50.212,22</b>	<b>63.316,46</b>
Current receivables	<b>A2</b>	379,95	21.147,42
Sundry receivables	<b>A3</b>	21.126,21	36.992,57
Other		9.063,41	4.266,24
Accrued income		2.794,08	0,00
Deferred charges		6.169,37	1.170,57
<i>Deferrals and Accruals with consolidated EC entities</i>		99,96	3.095,67
<b>Short-term receivables with consolidated EC entities</b>		19.642,65	910,23
<b>Cash and cash equivalents</b>	<b>A4</b>	<b>1.086.639,06</b>	<b>1.823.388,79</b>
<b>TOTAL CURRENT ASSETS</b>		<b>1.136.851,28</b>	<b>1.886.705,25</b>
<b>TOTAL</b>		<b>1.522.953,28</b>	<b>2.172.886,48</b>

## 2 - CFCA-BALANCE SHEET - LIABILITIES

	Annexe n°	31.12.2009	31.12.2008
<b>LIABILITIES</b>			
<b>A. CAPITAL</b>	<b>A5</b>	<b>443.854,97</b>	<b>142.523,48</b>
Accumulated surplus/deficit		142.523,48	282.013,35
Economic result of the year - profit+/-loss-		301.331,49	-139.489,87
<b>B. MINORITY INTERESTS</b>		<b>0,00</b>	<b>0,00</b>
<b>C. NON CURRENT LIABILITIES</b>	<b>A6</b>	<b>45.081,15</b>	<b>0,00</b>
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>488.936,12</b>	<b>142.523,48</b>
<b>D. CURRENT LIABILITIES</b>		<b>1.034.017,16</b>	<b>2.030.363,00</b>
<b>Accounts payable</b>		<b>1.034.017,16</b>	<b>2.030.363,00</b>
Current payables	<b>A7</b>	47.358,68	-941,19
Sundry payables	<b>A8</b>	57.526,89	53.982,18
Other accounts payable	<b>A9</b>	27.320,06	1.133.009,40
Accrued charges	<b>A10a</b>	707.143,24	1.033.357,25
	<i>Deferrals and accruals with consolidated EC entities (for 2009 not separately disclosed)</i>		99.652,15
	<i>Accounts payable with consolidated EC entities (for 2009 not separately disclosed)</i>		844.312,61
	<i>Pre-financing received from consolidated EC entities</i>	<b>A10b</b>	194.668,29
	<i>Other accounts payable against consolidated EC entities (for 2009 not separately disclosed)</i>		129.535,84
<b>TOTAL CURRENT LIABILITIES</b>		<b>1.034.017,16</b>	<b>2.030.363,00</b>
<b>TOTAL</b>		<b>1.522.953,28</b>	<b>2.172.886,48</b>

### 3 – CFCA – ECONOMIC OUTTURN ACCOUNT

	Annexe n°	2009	2008
Revenues from administrative operations	A11	17.964,06	20.749,45
Other operating revenue	A12	9.807.125,35	8.624.143,93
<b>TOTAL OPERATING REVENUE</b>		<b>9.825.089,41</b>	<b>8.644.893,38</b>
Administrative expenses	A13	-7.041.762,28	-6.148.853,00
Staff expenses		-5.015.155,92	-4.290.711,30
Fixed asset related expenses		-82.137,46	-40.904,61
Other administrative expenses		-1.944.468,90	-1.817.237,09
Operational expenses	A13	-2.479.156,92	-2.633.264,12
Other operational expenses		-2.479.156,92	-2.633.264,12
<b>TOTAL OPERATING EXPENSES</b>		<b>-9.520.919,20</b>	<b>-8.782.117,12</b>
<b>SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES</b>		<b>304.170,21</b>	<b>-137.223,74</b>
Financial revenues		0,00	125,84
Financial expenses		-2.838,72	-2.391,97
<b>SURPLUS/ (DEFICIT) FROM NON OPERATING ACTIVITIES</b>	A14	<b>-2.838,72</b>	<b>-2.266,13</b>
<b>SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES</b>		<b>301.331,49</b>	<b>-139.489,87</b>
Minority interest			
Extraordinary gains (+)			
Extraordinary losses (-)			
<b>SURPLUS/(DEFICIT) FROM EXTRAORDINARY ITEMS</b>		<b>0,00</b>	<b>0,00</b>
<b>ECONOMIC RESULT OF THE YEAR</b>	A15	<b>301.331,49</b>	<b>-139.489,87</b>

#### 4 – CFCA – CASH FLOW TABLE (indirect method)

	2009	2008
<b>Cash Flows from ordinary activities</b>		
<b>Surplus/(deficit) from ordinary activities</b>	<b>301.331,49</b>	<b>-139.489,87</b>
<b>Operating activities</b>		
<u>Adjustments</u>		
Amortization (intangible fixed assets) +	8.718,00	5.767,68
Depreciation (tangible fixed assets) +	77.493,40	35.579,21
Increase/(decrease) in Provisions for risks and liabilities	45.081,15	0,00
Increase/(decrease) in Value reduction for doubtful debts	0,00	
(Increase)/decrease in Stock	0,00	
(Increase)/decrease in Long term Pre-financing	0,00	
(Increase)/decrease in Short term Pre-financing	0,00	
(Increase)/decrease in Long term Receivables	0,00	
(Increase)/decrease in Short term Receivables	31.836,66	-58.497,68
(Increase)/decrease in Receivables related to consolidated EC entities	-18.732,42	-624,92
Increase/(decrease) in Other Long term liabilities	0,00	
Increase/(decrease) in Accounts payable	-390.482,36	631.363,65
Increase/(decrease) in Liabilities related to consolidated EC entities	-614.381,25	-362.207,58
(Gains)/losses on sale of Property, plant and equipment		
<b>Net cash Flow from operating activities</b>	<b>-559.135,33</b>	<b>111.890,49</b>
<b>Cash Flows from investing activities</b>		
Increase of tangible and intangible fixed assets (-)	-177.614,40	-298.718,63
Proceeds from tangible and intangible fixed assets (+)	0,00	8.517,77
<b>Net cash flow from investing activities</b>	<b>-177.614,40</b>	<b>-290.200,86</b>
<b>Cash flow from CECA specific transactions</b>		
(Increase)/decrease in Other Investments (281000)	0,00	0,00
(Increase)/decrease in Long term Loans (290000)	0,00	0,00
(Increase)/decrease in Short term Investments (501000)	0,00	0,00
Increase/(decrease) in Long term Financial Liabilities (170000)	0,00	0,00
Increase/(decrease) in Short term Financial Liabilities (430000)	0,00	0,00
Other CECA		
<b>Net Cash Flow from CECA specific transactions</b>	<b>0,00</b>	<b>0,00</b>
<b>Increase/(decrease) in Employee benefits</b>	<b>0,00</b>	<b>0,00</b>
Net increase/(decrease) in cash and cash equivalents	-736.749,73	-178.310,37
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1.823.388,79</b>	<b>2.001.699,16</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1.086.639,06</b>	<b>1.823.388,79</b>

## 5 – CFCA – STATEMENT OF CHANGES IN CAPITAL

Capital	Reserves		Accumulated Surplus / Deficit	Economic result of the year	Capital (total)
	Fair value reserve	Other reserves			
<b>Balance as of 31 December 2008</b>			282.013,35	-139.489,87	142.523,48
Changes in accounting policies 1)					0,00
<b>Balance as of 1 January 2009 (if restated)</b>	<b>0,00</b>	<b>0,00</b>	<b>282.013,35</b>	<b>-139.489,87</b>	<b>142.523,48</b>
Other 2)					0,00
Fair value movements					0,00
Movement in Guarantee Fund reserve					0,00
Allocation of the Economic Result of Previous Year			-139.489,87	139.489,87	0,00
Amounts credited to Member States					0,00
Economic result of the year				301.331,49	301.331,49
<b>Balance as of 31 December 2008</b>	<b>0,00</b>	<b>0,00</b>	<b>142.523,48</b>	<b>301.331,49</b>	<b>443.854,97</b>



## **6 – ANNEX TO THE FINANCIAL STATEMENTS**

### **6.1 Accounting principles (summary)**

Generally accepted accounting principles as defined by the Agency Financial Regulation are

- 6.1.1 Going-concern principle
- 6.1.2 Principle of prudence
- 6.1.3 Principle of consistent accounting methods
- 6.1.4 Principle of comparability of information
- 6.1.5 Principle of Materiality
- 6.1.6 Principle of No-netting
- 6.1.7 Principle of reality over appearance
- 6.1.8 Accrual-based accounting Principle

## 6.2 Notes to the Balance Sheet

### 6.2.1 NON CURRENT ASSETS: **A1**

The net value of the Agency assets at year end is **386.102,00 EUR**. They mainly concern computer hardware and furniture.

### 6.2.2 CURRENT ASSETS

The main categories are:

#### **A – Current Receivables:**

Current Receivables amount to **379,95 EUR**.

#### **B – Sundry Receivables: **A2****

Sundry Receivables amount to **21.126,21 EUR**. They mainly concern salary advances and taxes and regularization of staff entitlements.

#### **C – Other: **A3****

Other receivables amount to **9.063,41 EUR**. They consist of various accruals and deferrals relating mainly to bank interests and software licenses.

#### **D – Cash and cash equivalents: **A4****

The Cash and Cash equivalents position of the Agency at 31<sup>st</sup> December 2009 amounts to **1.086.639,06 EUR**.

<b>Short Term Receivables</b>			<b>50.212,22</b>	<b>63.316,46</b>
<b>Current receivables</b>			<b>379,95</b>	<b>21.147,42</b>
	Member States		379,95	43,72
	Other current receivables		0,00	21.103,70
<b>Sundry receivables</b>		<b>A2</b>	<b>21.126,21</b>	<b>36.992,57</b>
	Staff		19.683,60	36.992,57
	Other		1.442,61	0,00
<b>Other</b>		<b>A3</b>	<b>9.063,41</b>	<b>4.266,24</b>
	Accrued income		2.794,08	0,00
	Deferred charges		6.169,37	1.170,57
	<i>Deferrals and Accruals with consolidated EC entities</i>		99,96	3.095,67
<b>Short-term receivables with consolidated EC entities</b>			<b>19.642,65</b>	<b>910,23</b>
<b>Cash and cash equivalents</b>		<b>A4</b>	<b>1.086.639,06</b>	<b>1.823.388,79</b>
<b>TOTAL CURRENT ASSETS</b>			<b>1.136.851,28</b>	<b>1.886.705,25</b>

### 6.2.3 NON CURRENT LIABILITIES

#### **A – Capital: A5**

The capital amounts to **443.854,97 EUR**. It is constituted of the accumulated surplus from 2008, 142.523,48 EUR, and the economic outturn of 2009, 301.331,49 EUR.

### 6.2.4 CURRENT LIABILITIES

#### **A – Provision for risks and charges: A6**

A provision is booked when there is uncertainty about a future outflow of resources to settle a potential present obligation.

In 2009 the indexation of staff salaries was not fully recognized by the Council as foreseen in the relevant legal agreement. As this decision will probably have to be reversed following a future legal assessment the provisionally calculated outstanding amount of **45.081,15 EUR** was included as open liability of the agency under provisions.

#### **B – Accounts payables**

##### **B1 - Accounts payable - Current payables: A7**

Current payables are mainly constituted of cost claims from governmental experts invited by the Agency to meetings organised in the frame of its operational activities and invoices received from the suppliers of goods and services provided to the Agency.

Current payables amount to **47.358,68 EUR**.

##### **B2 – Accounts payable – Sundry payables: A8**

Sundry payables include payables to consolidated entities and settlements for inter-institutional staff mobility and social security.

Sundry payables amount to **57.526,89 EUR**.

##### **B3 – Other Accounts payable: A9**

This amount concerns the contributions of Member States which was not used during 2009 and has to be reimbursed to the Member States.

#### B4 – Accrued charges: **A10a**

Expenditure related to goods or services provided to the Agency during financial year 2009 but not invoiced, nor paid at the end of the exercise are considered as accrued charges.

Accruals were calculated on basis of the pending payment obligations of the Agency for goods and services delivered in 2009 for which commitments had been carried forward from 2009 to 2010 and additional payment obligations stemming from 2009 not taken into account in the carry forward but invoiced in early 2010 or acknowledged for other reasons after year end.

The total amount of accrued charges is **707.143,24 EUR**, thereof

- **100.720,43 EUR** concern untaken annual leave of staff

- **606.422,81 EUR** concern cost claims from governmental experts, missions claims from staff members, invoices for goods or services delivered but not invoiced yet, returned payments to be relaunched and accrued financial expenses.

#### B5– Prefinancing Commission Subsidy: **A10b**

This heading comprises the surplus of the EC subsidy including interests earned to be repaid to the Commission in 2010: **194.668,29 EUR**.

## **6.3 Notes to the Economic Outturn Account**

### 6.3.1 OPERATING REVENUE

#### **A – Revenue from administrative operations: A11**

The revenue under this heading is **17.964,06 EUR** and consists of assets related income.

#### **B – Other operating revenue: A12**

The other operating revenue of the Agency for financial year 2009 is **9.807.125,35 EUR**. It is composed of:

- 7.701.589,88 EUR which are the part of the Community Subsidy corresponding to the total expenditures supported by the Agency during the financial year, increased by the outstanding payment obligations at end of year (Reste A Liquider).
- 2.103.721,00 EUR corresponding to the Assigned revenues received by the Agency from the Member States for the coordination of fishing inspection activities.
- 1.814,47 EUR of realised exchange rate gains.

	Annexe n°	2009	2008
Revenues from administrative operations	A11	17.964,06	20.749,45
Other operating revenue	A12	9.807.125,35	8.624.143,93
<b>TOTAL OPERATING REVENUE</b>		<b>9.825.089,41</b>	<b>8.644.893,38</b>

### 6.3.2 OPERATING EXPENSES: **A13**

#### **A – Administrative expenses: A13**

Administrative expenses include

- 5.015.155,92 EUR staff expenses which mainly consist of staff salaries and allowances:
- 82.137,46 EUR depreciation of fixed assets which for 2009 include only normal depreciation, no extraordinary impairment or similar:

#### **B – Other administrative expenses: A14**

Other Administrative expenses include

- 890.753,21 EUR mainly for rent of the office building and associated costs
- 841.317,79 EUR other administrative costs and
- 212.397,79 EUR expenses with other consolidated entities as the Commission or other agencies mainly for services provided under various service level agreements (translation, publication, training, IT systems, personnel administration).

	Annexe n°	2009	2008
<b>Administrative Expenses</b>		<b>7.041.762,28</b>	<b>6.148.853,00</b>
<b>Administrative Expenses, staff, assets</b>	<b>A13</b>	<b>5.097.293,38</b>	<b>4.331.615,91</b>
Staff expenses		5.015.155,92	4.290.711,30
Fixed Assets Depreciation		82.137,46	40.904,61
<b>Other Administrative Expenses</b>	<b>A14</b>	<b>1.944.468,90</b>	<b>1.817.237,09</b>
Land and buildings		890.753,21	1.380.059,52
Other		841.317,90	
<i>Administrative expenses with consolidated entities</i>		212.397,79	437.177,57
<b>TOTAL ADMINISTRATIVE EXP</b>		<b>7.041.762,28</b>	<b>6.148.853,00</b>

### C – Operational expenses, other: **A15**

This heading includes the main operational activities carried out in the frame of the mission and tasks of the Agency: **2.474.946,92 EUR** including the rent of the ship "Jean Charcot" for control activities which is financed by funds provided by several Member States taking part in these activities (compare note **A12** above).

	Annexe n°	2009	2008
<b>Other operational expenses</b>		<b>4.210,00</b>	<b>4.171,92</b>
Exchange rate losses		4.210,00	4.171,92
<b>Operational expenses, other</b>	<b>A15</b>	<b>2.474.946,92</b>	<b>2.629.092,20</b>
Other		2.474.946,92	2.629.092,20
<b>TOTAL OPERATIONAL EXPENSES</b>		<b>2.479.156,92</b>	<b>2.633.264,12</b>

#### 6.3.3 NON OPERATING EXPENSES:

Non operating expenses - **2.838,72 EUR** - consist mainly of bank charges.

#### 6.3.4 ECONOMIC RESULT OF THE YEAR: **A16**

The economic result of the year is **301.331,49 EUR**. It is due to the application of the EC Community accounting rules consisting

- on one hand, in a calculation based on a cash principle and on the budgetary outturn for the determination of the revenue from the Communities (EC subsidy) to inscribe in the Economic Outturn Account,

- and, on the other hand, the calculation of the expenditures in the Economic Outturn Account on a full accrual-based accounting principle.

#### **6.4 Notes to the Cash Flow Table**

The cash flow provides a basis to assess the ability of the Agency to generate cash and cash equivalents, and the needs of the entity to utilise those cash flows.

The cash flows are classified by operating, investing and financing activities.

The cash flow table is prepared using the indirect method. The economic outturn for the financial year is adjusted for the effects of transactions of a non-cash nature (e.g. deferrals, accruals, depreciation).

#### **6.5 Notes to the Statement of changes in capital**

For financial year 2009, the statement of changes in capital of the Agency comprises the

- **282.013,35 EUR** accumulated surplus from the previous financial years,
- **139.489,87 EUR** deduction for the economic result (loss) of 2008,
- **301.331,49 EUR** as the economic result of the year 2009,
  
- **443.854,97 EUR** is the resulting capital at end of year 2009.



## **6.6 Contingent liabilities and commitments for future funding**

Contingent liability is disclosed in the notes to the financial statements when the Agency has a possible obligation resulting of a past event and, it is possible that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation. This should be in the near future. The contingent for liability of the Agency amounts to **869.952,55 EUR**. It corresponds to the outstanding potential payment obligations of the Agency ("Reste à Liquider" – R.A.L.) after deducting all eligible expenses that have been already booked in the Economic Outturn Account (accrued expenses).

## **6.7 Related Party disclosure**

Key management personnel hold positions of responsibility within the Agency. They are responsible for the strategic direction and operational management of the entity and are entrusted with significant authority to execute their mandate.

<b>Highest grade description</b>	<b>Grade</b>	<b>Number of persons of this grade</b>
Executive Director	AD14	1

The balance position of the Agency with the key management personnel for its activity period as autonomous entity during financial year 2009 is composed of the salary and allowances as determined for grade AD 14 by the Staff Regulations of the Officials of the European Communities.