

REPORT OF THE FINANCE AND ADMINISTRATION COMMITTEE

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The Finance and Administration Committee (hereafter F&A) met from 08:30-12:30 hours on October 5, and from 11:00-12:30 on October 6, under the chairmanship of Dr. Laura Richards.

Opening remarks (Agenda Item 1)

The Chairman called the meeting to order, welcomed participants and requested an introduction of members for each delegation. All Contracting Parties were present at the meeting (*F&A Endnote 1*).

Adoption of agenda (Agenda Item 2)

The Committee reviewed and adopted the agenda as presented (*F&A Endnote 2*).

Audited accounts for FY 2004 (Agenda Item 3)

The Auditor's Report for FY 2004 (*F&A Endnote 3*) was circulated by e-mail to all Contracting Parties in early April 2005, and distributed again at the inter-sessional Governing Council meeting on April 8, 2005 (Seattle, U.S.A). In the auditor's opinion, the financial statements are an accurate representation of the financial position of the Organization as of December 31, 2004. The Committee reviewed the Auditor's Report and recommended it for approval by Council.

The Committee also recommended that Council retain the current auditors (*Flader & Hale*) for FYs 2006-2008.

Annual contributions (Agenda Item 4)

As stated in Financial Regulation 5(ii), all national contributions to PICES "*shall be considered due as of the first day of the financial year (January 1) to which they relate*". The Executive Secretary reported on the 2005 annual fee payment dates, and provided information on the payment schedule of national contributions

for the last six years (*F&A Endnote 4*). China explained that they were unable to submit their entire contribution in 2005, but that the remainder (\$14,500) would be paid in full in conjunction with the annual fee for 2006.

The Committee noted that the annual contributions were received within the first quarter from all Contracting Parties but China. The Committee recommended that Council instruct the Executive Secretary to send a letter to Contracting Parties commending them for their performance in submitting annual contributions in 2005, and describing the difficulties that late and partial payment causes the Organization. It was also recommended that for planning purposes, Contracting Parties should continue to use the guideline generally accepted at the Eighth Annual Meeting (Decision 99/A/2(ii)), which states that "the annual contributions will increase at the rate of inflation in Canada". This should assist member countries in preparing timely funding requests to cover annual contributions, and the Executive Secretary in developing future budgets.

The Executive Secretary reviewed the history of annual contributions for the last 10 years and pointed out that the total budget is growing faster than these contributions, and that PICES has become dependent on fund-raising activities. Every year since 1999, a significant amount was transferred from the Working Capital Fund to the General Fund to offset this deficit. The practice of transferring such surpluses from the Working Capital Fund is a viable approach to balance accounts, but only if the required transfer does not exceed the income from fund-raising activities and voluntary contributions.

At the request of the Executive Secretary, the Committee had an extensive discussion on the need to maintain PICES activities within the budget available. The high expectations on PICES suggest that a case could be made to raise the contributions from Contracting Parties.

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Dr. Richards requested that Committee members consider which activities could be scaled back or dropped in order to operate PICES within the current (or a lower) budget, and to send their suggestions to the Executive Secretary via e-mail no later than December 31, 2005. The Committee recommended that the Executive Secretary use these suggestions to prepare a background paper for discussion at the next F&A meeting describing which activities could be reduced or dropped and the consequences of any such decision. This analysis is needed to assess the relevance of any significant increase in annual contributions.

Fund-raising activities (Agenda Item 5)

The Executive Secretary reported on fund-raising efforts in 2005 (F&A *Endnote 5*). It was indicated that the level of external funding for various activities initiated by PICES has increased significantly over the last several years, but remains heavily dependent on U.S. funding sources. The Executive Secretary noted that Japan has also provided considerable support in hosting meetings, but since the funds were not transferred to PICES accounts, the amounts were not reflected in the summary tables.

The Committee pointed out that about a third of the current operational budget is supported by external contributions and partnerships. Fund-raising continues to be an important component of PICES activities. As partnerships expand, a strategy will be needed to manage the workload of the Secretariat.

Last year, Council instructed Science Board to prepare a list of high priority PICES activities that are strong candidates for external funding (Decision 04/A/4(i)). These were identified at the 2005 inter-sessional Science Board meeting as (i) the preparation of the next North Pacific Ecosystem Status Report and (ii) activities related to the development of future PICES integrative scientific program(s). Next in priority were (iii) the PICES-ICES Young Scientists Conference, (iv) international exchange and capacity building, and (v) GOOS integration. The Committee recommended that

Science Board be requested to define the required activities for these projects/initiatives to assist in future budget planning.

Budget (Agenda Item 6)

Estimated accounts for FY 2005 (Agenda Item 6a)

The Committee reviewed the estimated accounts for FY 2005 and noted that an additional transfer of \$14,500 from the Working Capital Fund to the General Fund is required due to the partial payment of the annual contribution by China. With this amendment, the Committee recommended that Council accept the estimated accounts for FY 2005.

Interest and other income (Agenda Item 6b)

In FY 2005, the total income (excluding annual fees from Contracting Parties) is estimated at approximately \$378,000, but only about 26% of this amount is from permanent “guaranteed” sources such as bank interest, tax rebates, income tax levies from foreign staff, and registration fees from Annual Meetings. The remainder is the voluntary contributions and grants as listed in *F&A Endnote 5*.

Relocation and Home Leave Fund (Agenda Item 6c)

No expenses were charged to the Relocation and Home Leave Fund in 2005. The Committee recommended a transfer of about \$2,100 to the Working Capital Fund to maintain the Relocation and Home Leave Fund at its required level of \$110,000 by the end of the fiscal year.

Trust Fund (Agenda Item 6d)

Approximately \$53,000 from the Trust Fund will be used by the end of FY 2005, to finance the PICES Intern Program, and to support participation of scientists in meetings organized and co-sponsored by PICES. These expenditures are partly compensated for by interest earned by the Fund, the voluntary contributions for the Intern Program, and a travel grant from SCOR. The Committee

recommended a small transfer (less than \$6,000) from the Working Capital Fund to the Trust Fund to recover the 2005 expenses, and to restore it to the level of \$110,000 by the end of the fiscal year. The exact amount of the transfer can be determined once the travel expenses for PICES XIV are known.

Working Capital Fund (Agenda Item 6e)

The balance in the Working Capital Fund is expected to be about \$379,800 at the end of *FY* 2005. The Committee recommended a transfer of \$97,000 from the Working Capital Fund to the General Fund for 2006. The Committee also recommended a transfer of less than \$6,000 to the Trust Fund as mentioned above. After these transfers, the Working Capital Fund will total approximately \$276,200 at the end of *FY* 2005. This amount includes \$175,200 in encumbered funds, leaving a balance in operating funds of approximately \$101,000, slightly above the required amount of \$100,000.

The Committee noted that about \$122,200 of the encumbered funds was designated for high-priority PICES projects, but that the specific projects were not indicated. The Committee recommended that Council earmark \$25,000 from these funds for the PICES/ICES Young Scientists Conference. The Committee also recommended that expenditures required for the future PICES integrative scientific program(s) be identified as the next priority for these funds, since the North Pacific Ecosystem Status report was more likely to receive support through targeted fund-raising activities.

Budget for *FY* 2006 (Agenda Item 6f)

The Committee reviewed the proposed *FY* 2006 budget of \$730,000 (*F&A Endnote 6*) and recommended its approval by Council. The budget was noted to be consistent with the guideline generally accepted at the PICES Eighth Annual Meeting (Decision 99/A/2(ii)), stating that the annual contribution will increase at the rate of inflation in Canada. The Committee recommended a transfer of \$97,000 from the Working Capital Fund to reduce the

total annual contribution to \$633,000, setting the 2006 fees at \$105,500 per Contracting Party.

Forecast budget for *FY* 2007 (Agenda Item 6g)

The Executive Secretary presented the *FY* 2007 forecast budget of \$740,000, and noted that this budget is prepared based on preliminary information available as of August 25, 2005, and is only 1.4% higher than in *FY* 2006. It was indicated that if the inflation rate in Canada remains the same, then under the adopted guidelines, the 2007 annual fee should be set at a level of \$108,500 per Contracting Party. Then the total annual contribution would be \$651,000, and a transfer of \$89,000 from the Working Capital Fund would be required to balance the budget. A transfer of this magnitude will be possible only if additional funds can be raised.

The Committee submitted the *FY* 2007 forecast budget to Council for information only.

PICES Intern Program (Agenda Item 7)

The Committee reviewed the current status of the Intern Program. At PICES XIII, Pavel Vorobyov (TINRO-Center, Russia) was selected as the next PICES intern, and his 8-month term is now expected to start in October 2005. This term could be extended to a maximum of 12 months, depending on the intern's performance, the workload in the Secretariat and availability of funds.

Applications, reviewed by national delegates, should normally be submitted to the Executive Secretary by the date of the first Governing Council session at the PICES Annual Meeting. Considering that Mr. Vorobyov's term will not be completed before July 2006, the Committee recommended that Council extend the deadline for nominations for the 2006-2007 PICES Internship until the 2006 inter-sessional Council meeting, or until the end of March 2006 if no inter-sessional meeting will be held. China, in particular, was encouraged to advertise the Intern Program broadly in order to solicit high-quality candidates for the 2006-2007 term.

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The Executive Secretary reminded the Committee that the Intern Program remains unbudgeted, and over the years has been financed solely by voluntary contributions. The Committee recommended that Council thank the Department of Fisheries and Oceans (Canada) and the National Marine Fisheries Service (U.S.A.) for their continuing support of the Intern Program, and instructed the Executive Secretary to invite Contracting Parties to provide voluntary contributions supporting the Program in 2006 and beyond.

The Committee reviewed the level of stipends for the interns and discussed whether this stipend is sufficient to cover the cost of living in Canada. It was recommended that the stipend be kept at the current level of \$2,000 per month, and given the modest amount, that Contracting Parties consider whether personal circumstances warrant supplementation.

Review of current Trust Fund guidelines (Agenda Item 8)

The PICES Trust Fund was established in 1994, in accordance with Financial Regulation 6, to facilitate the participation of a broad spectrum of scientists in activities of the Organization. Guidelines for operating the Trust Fund were approved at PICES III (Decision 94/A/4), and have remained unchanged. Since the guidelines were very general, the Committee asked the Executive Secretary to explain how decisions were made about which scientists were supported through the Trust Fund. The Committee was pleased with the decisions, but requested that for transparency, the Trust Fund guidelines be updated to reflect current practice. Ms. Elizabeth Tirpak (U.S.A.) and Mr. Serge Labonté (Canada) agreed to work with the Executive Secretary to update the guidelines in time for review and approval by Council at the inter-sessional meeting, or by the end of March 2006 if no inter-sessional meeting will be held. This would allow the revised guidelines to be in place for decision making for PICES XV travel support.

PICES capacity building (Agenda Item 9)

The Committee reviewed the high-priority capacity building activities that were identified at the 2005 inter-sessional Science Board / Governing Council meeting. The main discussion was on funding for the PICES/ICES Young Scientists Conference. As discussed under Agenda Item 6e, the Committee recommended that \$25,000 be earmarked for the conference from the encumbered funds designated for high-priority PICES projects.

Schedule and financing of future Annual Meetings (Agenda Item 10)

At PICES XIII, Council approved the proposal of Japan to host the Fifteenth Annual Meeting in 2006 (Decision 04/A/5(i)). Later by correspondence, it was agreed that the meeting will be held from October 13-21, 2006, in Yokohama. The Japanese government requested that \$40,000 be provided by PICES to partially cover Annual Meeting costs. This amount includes expenses for printing the announcement, poster and book of abstracts, as well as expenses for the Chairman's Reception, which are normally PICES own expenses. It is expected that in November 2005 representatives from the PICES Secretariat will visit Yokohama to meet with local organizers and to inspect the venue and hotels.

At PICES XIII, Council requested Canada to explore the possibility of holding the Sixteenth Annual Meeting in 2007, and inform the Secretariat on this matter by May 31, 2005 (Decision 04/A/5(ii)). The Canadian government subsequently confirmed their intention to host PICES XVI, and indicated that they are not planning to ask PICES for any funds to cover Annual Meeting costs. The meeting will be held at the Victoria Conference Center (the same venue as for PICES I and PICES X), from September 28 – October 7, 2007.

The Committee recommended that in keeping with the 6-year rotation cycle, China be invited to explore the feasibility of hosting PICES XVII in 2008. Mr. Qian-Fei Liu indicated that

information will be provided to the Secretariat by March 31, 2006.

At PICES X, Council approved the charging of a registration fee for future Annual Meetings of the Organization (Decision 01/A/4(iv)), and indicated that the registration fee structure should be reviewed annually. At PICES XIII, Council accepted the same registration fee structure for 2005 as was agreed for 2004 at PICES XII (Decision 04/A/5(iii)). The Committee again reviewed the fee structure and recommend that Council maintain the same registration fee structure for 2006:

Type	CDN \$
Registration fee	225
Early registration fee	150
Students registration fee	50
Spousal registration fee	50

Fees will be collected by the Secretariat and credited to the Working Capital Fund to support high-priority projects and the Intern Program, and to cover costs associated with Annual Meetings.

The Committee also considered and supported an inter-sessional Science Board meeting, with the participation of Council members, for 2006 because of the importance of the discussion on the future integrative science program(s). However, the Committee believed that the need for such a meeting should be evaluated each year and that given meeting costs (including time commitment of the members), an inter-sessional meeting should be held only if the agenda is substantive. The Committee also emphasized the need to keep overall costs to the minimum possible.

Administrative matters (Agenda Item 11)

The Committee reviewed the progress on the status of income tax levies for personnel at the PICES Secretariat. Consultation by the Executive Secretary with the appropriate agencies in Canada is ongoing and the extension of the tax levy practice to all staff may be possible. This would provide additional revenue for PICES activities.

Space, facilities and services for the PICES Secretariat (Agenda Item 12)

Space and certain general administrative services are traditionally provided to the Secretariat by the Government of Canada through the Department of Fisheries and Oceans (DFO). The original agreement commenced on April 1, 1992, and continues indefinitely with a periodic review. According to the current agreement (signed in 2001, and amended on April 1, 2002), PICES is to pay an annual sum of \$28,000 (in quarterly payments of \$7,000), which includes \$23,500 for postage, \$2,500 for telephone and fax lines, and \$2,000 for janitorial/ maintenance services. It is expected that the agreement between PICES and DFO will be renewed in 2005.

Other business (Agenda Item 13)

No other business was identified by Committee members.

Adoption of F&A report and recommendations to Council (Agenda Item 14)

The Committee approved the F&A Report and its recommendations to Council.

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F&A Endnote 1

Participation list

Canada

Robin M. Brown
Serge Labonté

Japan

Tokimasa Kobayashi (advisor)
Hideki Nakano (alternate member)

People's Republic of China

Qian-Fei Liu

Republic of Korea

Haeng Nok Oh (alternate member)
Ig Chan Pang (advisor)

Hak Yeol You (advisor)

Russia

Victor Nazarov (advisor)
Igor Shevchenko

U.S.A.

Elizabeth J. Tirpak
Samuel Pooley (advisor)

Other

Laura Richards (F&A Chairman)
Vera Alexander (Chairman, PICES)
Alexander Bychkov (Executive Secretary)

F&A Endnote 2

F&A Committee meeting agenda

1. Welcome and opening remarks
2. Adoption of agenda and meeting procedures
3. Audited accounts for *FY* 2004
4. Annual contributions
5. Fund-raising activities
6. Budget
 - a. Estimated accounts for *FY* 2005
 - b. Interest and other income
 - c. Relocation and Home Leave Fund
 - d. Trust Fund
 - e. Working Capital Fund
 - f. Proposed budget for *FY* 2006
 - g. Forecast budget for *FY* 2007
7. PICES Intern Program
8. Review of the current Trust Fund guidelines
9. Capacity Building activities
10. Schedule and financing of future Annual Meetings
11. Administrative matters
12. Space, facilities and services for the PICES Secretariat
13. Other business
14. F&A report and recommendations to Council

F&A Endnote 3

Auditor's report (2004) to the Organization

To the Council of the
North Pacific Marine Science Organization

We have audited the statement of financial position of North Pacific Marine Science Organization as at December 31, 2004 and the statement of operations and changes in fund balances for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2004 and the results of its operations and changes in fund balances for the year then ended in accordance with Canadian generally accepted accounting principles.

Flader & Hale
Chartered Accountants
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Sidney, B.C.
March 27, 2005

**NORTH PACIFIC MARINE SCIENCE ORGANIZATION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2004**

ASSETS	2004	2003
CURRENT ASSETS		
Cash and short term deposits	\$ 722,791	\$ 554,475
Accounts receivable	1,825	4,630
Prepaid expenses	3,096	5,814
	\$ 727,712	\$ 564,919
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 34,886	\$ 36,667
Funds held for contracting parties (Note 3)	102,500	100,000
	137,386	136,667
FUND BALANCES		
WORKING CAPITAL FUND (Note 4)	370,326	189,474
TRUST FUND	110,000	128,778
RELOCATION AND HOME LEAVE FUND	110,000	110,000
	590,326	428,252
	\$ 727,712	\$ 564,919

**STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2004**

	General	Working Capital	Trust	Relocation and Home Leave	2004	2003
FUND BALANCES , beginning of year	\$ -	\$ 189,474	\$ 128,778	\$ 110,000	\$ 428,252	\$ 460,766
SOURCES OF FUNDS						
Contributions from Contracting Parties	600,000	21,200	-	-	621,200	564,800
Budgeted transfer to General Fund	79,000	(79,000)	-	-	-	-
Voluntary contributions and grants (Note 5)	-	199,987	38,722	-	238,709	165,804
Interest and other income (Note 6)	-	103,730	1,412	7,367	112,509	66,752
	679,000	245,917	40,134	7,367	972,418	797,356
FUND BALANCES , before expenditures	679,000	435,391	168,912	117,367	1,400,670	1,258,122
EXPENDITURES						
Personnel services	352,000	7,929	-	-	359,929	340,909
Annual Meeting	19,273	-	-	-	19,273	49,884
Workshops	57,242	8,541	-	-	65,783	64,629
Travel	85,476	4,202	36,878	-	126,556	130,267
Printing	67,005	-	-	-	67,005	74,025
Communication	33,839	-	-	-	33,839	30,980
Equipment	10,018	-	-	-	10,018	9,909
Supplies	7,510	-	-	-	7,510	7,584
Contractual services	22,733	-	-	-	22,733	26,389
Miscellaneous	3,281	-	-	-	3,281	4,901
Intern program	-	-	35,738	-	35,738	26,799
Ecosystem Status Report	-	13,289	-	-	13,289	28,702
FERRRS Report	-	33,429	-	-	33,429	-
Relocation	-	-	-	7,367	7,367	7,538
Foreign exchange loss (Note 7)	4,594	-	-	-	4,594	27,354
	662,971	67,390	72,616	7,367	810,344	829,870
NET FUNDS AVAILABLE	16,029	368,001	96,296	110,000	590,326	428,252
TRANSFER FROM WORKING CAPITAL FUND (Note 8)	(16,029)	16,029	-	-	-	-
INTERFUND TRANSFERS (Note 9)	-	(13,704)	13,704	-	-	-
FUND BALANCES , end of year (Note 10)	\$ -	\$ 370,326	\$ 110,000	\$ 110,000	\$ 590,326	\$ 428,252

**NORTH PACIFIC MARINE SCIENCE ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2004**

1. PURPOSE OF ORGANIZATION

The North Pacific Marine Science Organization (PICES) is an intergovernmental non-profit scientific organization whose present members include Canada, Japan, the People's Republic of China, the Republic of Korea, the Russian Federation and the United States of America. The purpose of the organization is to promote and coordinate marine scientific research in order to advance scientific knowledge of the North Pacific and adjacent seas.

2. ACCOUNTING POLICIES

The financial statements are prepared in accordance with the North Pacific Marine Science Organization's Financial Regulations and are prepared in accordance with Canadian generally accepted accounting principles. The following is a summary of the significant accounting policies used in the preparation of these financial statements:

(a) Fund Accounting

The Working Capital Fund (WCF) represents the accumulated excess of contributions provided from Contracting Parties over expenditures in the General Fund. The purposes of the General Fund and Working Capital Fund are established by Regulation 6 of the Organization Financial Regulation.

The Trust Fund (TRF) was established in 1994 for the purpose of facilitating participation of a broad spectrum of scientists in activities of the Organization.

The Relocation and Home Leave Fund (RHLF) was established in 1996 to pay relocation and home leave expenses of new employees and their dependents to the seat of the Secretariat and removal after period of employment has ended, and to provide home leave for international staff. This fund is set at \$110,000.

(b) Capital Assets

Capital assets acquired by the Organization are expensed in the year of acquisition. During the current year the organization purchased \$10,018 of capital assets.

(c) Contributions

Contributions from contracting parties are recorded in the year in which they relate to. All other contributions and grants are recorded in the year received.

(d) Income Tax

The Organization is a non-taxable organization under the Privileges and Immunities (International Organizations) Act (Canada).

(e) Foreign Exchange

Transactions originating in foreign currencies are translated at the exchange rate prevailing at the transaction dates. Assets and liabilities denominated in foreign currency are translated to equivalent Canadian amounts at the current rate of exchange at the statement of financial position date.

(f) Financial Instruments

The Organization's financial instruments consist of cash and short term deposits, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest, currency or credit risks.

(g) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. FUNDS HELD FOR CONTRACTING PARTIES

The funds held for contracting parties are advance contributions from Canada (\$102,500).

4. WORKING CAPITAL FUND

Of the total amount in the Working Capital Fund, \$124,435 is restricted for specific designated projects.

5. VOLUNTARY CONTRIBUTIONS AND GRANTS

Contributions/grants	WCF, \$	TRF, \$
NMFS contribution for FERRRS activities	60,412	
AFSC contribution for high priority projects	56,844	
EVOS contribution for NPESR	10,723	
IOC contribution for Ocean Carbon Project	12,345	
AFSC contribution for PICES XIII	7,896	
GLOBEC/AFSC/NPRB contributions for ESSAS Symposium	51,767	
Contributions to Intern Program:		
DFO Canada		10,000
Alaska Fisheries Science Center		23,556
SCOR grant for PICES XIII		5,166
	199,987	38,722

6. INTEREST AND OTHER INCOME

	WCF, \$	TRF, \$	RHLF, \$
DFO postage reimbursement	16,161		
Interest income	5,640	1,412	2,402
Income tax levies	25,045		4,965
GST, PST & WCB rebates	10,154		
Registration Fees	45,876		
Other income	854		
	103,730	1,412	7,367

7. FOREIGN EXCHANGE LOSS

At year-end all funds held in foreign currency (US \$45,528) are converted to Canadian dollars using the December 31st exchange rate. A foreign exchange loss has been reported on the current year financial statements; this amount is an unbudgeted item which has been caused by the ongoing fluctuations in the US dollar (2004 =1.2020, 2003 =1.2965), and not by the actual purchase or sale of any foreign currencies.

8. TRANSFER TO/FROM WORKING CAPITAL FUND

Pursuant to Financial Regulation 6 (iii), the Working Capital Fund is to be increased/decreased by the surplus/deficit in the General Fund.

9. INTERFUND TRANSFERS

The Governing Council approved the transfer of \$13,704 from the Working Capital Fund to restore the Trust Fund to \$110,000.

10. WORKING CAPITAL FUND SURPLUS

Pursuant to decision 04/A/3(iii) of the Governing Council, \$95,500 of the funds held in the Working Capital Fund will be transferred to the General Fund to reduce 2005 contributions.

11. FINANCIAL STATEMENTS

A statement of cash flows has not been presented, as the required information is readily apparent from the other financial statements presented and the notes to the financial statements.

F&A Endnote 4

Payment schedule of annual contributions, 2000-2005¹

	Canada	China	Japan	Korea	Russia	U.S.A.
2000	Feb. 9, 00	Aug. 29, 00	Nov. 30, 99	June 1, 00	Nov. 2, 00	Jan. 18, 00
2001	Jan. 24, 01	Dec. 10, 01	Dec. 13, 00	Aug. 23, 01	May 18, 01	Jan. 3, 01
2002	Jan. 21, 02	Oct. 8, 02²	Nov. 27, 01	Aug. 26, 02	June 10, 02³	Dec. 24, 01
2003	Jan. 13, 03	Oct. 3, 03⁴	Dec. 11, 02	May 5, 03	Apr. 2, 03⁵	Dec. 6, 02
2004	Jan. 5, 04	Aug.10, 04	Dec. 26, 03	Mar. 24, 04	Mar. 2, 04	Feb. 9, 04⁶
2005	Dec. 24, 04	Sept. 22, 04⁷	Mar. 2, 05	Mar. 30, 05	Mar. 31, 05 ⁸	Jan. 10, 05

¹ late payments are indicated in bold

² partial (95.7%) payment, remainder paid October 3, 2003 (21 months overdue)

³ partial (72%) payment, remainder paid October 10, 2002 (9 months overdue)

⁴ partial (78%) payment, remainder paid Aug. 10, 2004 (19 months overdue)

⁵ partial (96.5%) payment, remainder paid July 18, 2003 (6 months overdue)

⁶ partial (50%) payment, remainder paid September 8, 2004 (8 months overdue)

⁷ partial (86%) payment (8 months overdue)

⁸ partial (96.6%) payment, remainder paid April 25, 2005

F&A Endnote 5

External funding and special contributions received since PICES XIII

For the period since the Thirteenth Annual Meeting (October 2004), efforts from the PICES scientific community, national delegates and F&A members, and the PICES Secretariat resulted in the following extra-budgetary contributions for various activities initiated/co-sponsored by PICES:

Special projects

- The United States of America contributed \$110,000 to support high-priority PICES projects.
- The North Pacific Research Board (NPRB, U.S.A.) approved a grant of US \$99,957 to support a PICES project entitled “*Integration of ecological indicators for the North Pacific with emphasis on the Bering Sea: A workshop approach*” (to be completed by February 2007).
- The North Pacific Research Board (NPRB, U.S.A.) approved the amount of \$90,000 for the production of the next North Pacific Ecosystem Status Report (expected to be published in 2007).
- The PICES Advisory Panel on *Micronekton inter-calibration experiment* (Dr. Orio Yamamura) succeeded in securing a 9-day ship time aboard the research vessel *Hokko Maru* (Fisheries Research Agency of Japan) during September 25 – October 3, 2005, for a second experiment in the subarctic North Pacific to evaluate the efficiency of sampling gears and procedures employed by different agencies to sample micronekton.

Publications

- The National Science Foundation (NSF, U.S.A.) provided a grant of US \$15,000 for the publication of a book on the history of PICES by Dr. Sara Tjossem entitled “*The journey to PICES: Scientific cooperation in the North Pacific*” (previously NSF had supported the writing of the book through a grant to the University of Alaska Fairbanks). Funds for the project are managed by the Chairman of PICES, Dr. Vera Alexander. The Alaska Sea Grant College Program and the Alaska Fisheries Science Center (U.S.A.) committed additional monetary and in-kind support for this publication.

Meetings/symposia/workshops

- The *Exxon Valdez* Oil Spill Trustee Council (EVOS, U.S.A.) allocated US \$15,000 for PICES workshops consistent with goals and activities of the Gulf of Alaska Ecosystem Monitoring and Research Program (GEM) of EVOS.
- The Alaska Fisheries Science Center (AFSC, U.S.A.) and the Northwest Fisheries Science Center (NWFS, U.S.A.) provided US \$10,000 to offset PICES expenses for the 2005 inter-sessional Science Board/Governing Council meeting (April 6-8, 2005, Seattle, U.S.A.).
- The North Pacific Research Board (NPRB, U.S.A.) and GLOBEC contributed US \$25,000 and \$11,300, respectively, to the 2005 ESSAS Symposium on “*Climate variability and sub-Arctic marine ecosystems*” (May 16-20, Victoria, Canada).
- The Ocean Research Institute (ORI, Japan) and SOLAS-Japan provided funding for a 2-day workshop (October 17-18, 2005, Tokyo, Japan) to synthesize results from the SEEDS-II iron enrichment experiment in the western subarctic Pacific. Funds for the project are managed by Dr. Atsushi Tsuda (member of the PICES IFEP-AP).
- The North Pacific Fisheries Management Council (NPFMC, U.S.A.), the Pacific Islands Fisheries Science Center (PIFSC, U.S.A.), and the North Pacific Research Board (NPRB, U.S.A.) committed US \$5,000, US \$10,000, and US \$20,000, respectively, for the 2006 CCCC Symposium on “*Climate variability and ecosystem impacts on the North Pacific: A basin-scale synthesis*” (April 19-21, 2006, Honolulu, Hawaii).
- The Department of Fisheries and Oceans (DFO, Canada) contributed \$10,000 for the 2006 Symposium on “*Long time series in the North Pacific: A symposium to mark the 50th anniversary of Line-P*” (July 5-7, 2006, Victoria, Canada).

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Capacity building

- The Department of Fisheries and Oceans (DFO, Canada), the National Marine Fisheries Service (NMFS, U.S.A.) and the Pacific Scientific Research Fisheries Center (TINRO-Center, Russia) contributed \$14,000, US \$15,000 and US \$3,000, respectively, to the Trust Fund to finance the PICES Intern Program.
- The Alaska Fisheries Science Center (AFSC, U.S.A.) contributed \$3,630 to the Trust Fund to support travel of young scientists to PICES meetings.
- The Scientific Committee on Oceanic Research (SCOR) provided a travel grant of US \$5,000 for scientists from countries with “economies in transition” to attend PICES XIV; SCOR also committed US \$7,500 for travel of scientists from countries with “economies in transition” to PICES XV and the 2006 CCCC Symposium.
- The Fisheries Research Agency of Japan (FRA), the Asia Pacific Network (APN) and the Intra-American Institute (IAI) provided funding for a 4-day MODEL workshop (November 14-17, 2005, Tokyo, Japan) to extend the NEMURO.FISH model to fish stocks in other geographic regions. Funds for the project are managed by members of the PICES MODEL TT, Drs. Shin-ichi Ito (FRA), Michio Kishi (APN) and Francisco Werner (IAI).

PICES Secretariat

- Korea contributed \$19,200 to support a part-time position at the PICES Secretariat.

F&A Endnote 6

Budget for fiscal year 2006

Category	Allotment
Personnel Services	396,000
Annual Meeting	40,000
Special Meetings	71,000
Travel	84,000
Printing	72,000
Communication	34,000
Equipment	6,000
Supplies	7,500
Contractual Services	16,000
Miscellaneous	3,500
Total	730,000

Source	Contribution
Contributions from six Contracting Parties	633,000
Transfer from Working Capital Fund	97,000
Total	730,000

2006 Annual Fee for each Contracting Party	105,500
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