

# REPORT OF THE TREASURER

**ACCOUNTS FOR THE YEAR  
ENDING 31 DECEMBER 2017**

ALL AMOUNTS IN €

*FOR SUBMISSION TO THE ASSEMBLY*





## **Operational Income:**

### **1. The operational income over the year 2017 amounts to 198.907:**

1. <i>Membership subscriptions:</i>	194.504
2. <i>Financial:</i>	4.033
3. <i>Various:</i>	370

### **2. Comments:**

#### *1. Membership subscriptions:*

The income from members, net of "early bird" discount of 3.950, amounts to 197.550, which is slightly less than the previous year due to the increase of the early bird-discount from 1 to 2,5%. The increase of the provision for unpaid subscriptions, compared with the 2016 provision and the budget, is the moderate amount of 3.046, thanks to the recovery of some older arrears, which allowed for a partial decrease of the provision. Hence, after deduction of the provision, this year's net income from subscriptions amounts to 194.504, which is clearly higher than anticipated.

#### *2. Financial:*

Apart from the interest received on the bank accounts (309) reduced by negative currency rate differences (234), the contributors to the financial income are investments with Generali (856), Ahold Delhaize (744), Bank Van Breda - term account (593), Rabobank (67) and Baloise (1.668).

#### *3. Various income:*

The amount of 370,14 resulted from the discharge of an old liability, that, after consultation with the creditor, appeared to be null and void.

## **Operational Expenses:**

### **3. The operational expenditure over the year 2017 amounts to 163.930:**

### **4. Comments:**

#### *1. Publications:*

The item "Publications" (4.998) reflects the estimated cost for the editing and the printing of the Yearbook 2017, that will be published later this year to be distributed at the London Assembly. The cost is lower compared to previous years, as CMI's administrative assistant will take care of the editing, which in previous years was outsourced.

The budgeted amount for the upgrade of the website was not spent in 2017 but is carried forward to 2018.



2. *Administrative:*

The salary costs (40.767) increased substantially due to the fact that a new administrative assistant, Evelien Peeters, started in January, 2017, on a 24 hours/week schedule. During the previous year, the previous assistant Anne Verlinde worked only 16 hours a week and was, in addition, on sick leave for two months before she tendered her resignation in November, 2016.

“Legal assistance” (6.878) are the costs incurred to comply with the filing and publication obligations of Comité Maritime International as an International Non-Profit Organization under Belgian law.

3. *Executive Council:*

The travel (27.197) and accommodation (7.960) costs of the members of the Executive Council for attending the Assembly in Genoa were substantially lower than those, the year before, in New York.

4. *International Working Groups:*

As the International Working Group activity (1.048) in Genoa was very limited, the costs are too.

5. *Annual Assembly:*

The venue costs for the Assembly (8.440) were lower in Genoa than in New York, the year before.

### **Operational result:**

#### **5. The Operational surplus amounts to 34.977.**

Summarizing, expenses in all cost centres were lower than anticipated, resulting in an operational surplus of 34.977 compared to a budgeted deficit of 19.400.

### **Events:**

#### **6. Genoa Seminar:**

Thanks to the impeccable organization of the Seminar in Genoa and a high number of participants, CMI's share in the surplus, generated by the Organizing Committee, amounted to 18.382 . This largely exceeds the budget and we can only congratulate all those contributing to this outcome.

#### **7. Event Result:**

Including some speaker's and audiovisual costs (1.141) and an invoice for audiovisual services (543) related to last year's conference, this leads to an event surplus of € 16.697, compared to a budget of 5.000.

### **Result of the Financial Year 2017:**

<b>Operational surplus</b>	<b>34.977</b>	
<b>Event surplus</b>	<b>16.698</b>	
<b>Total</b>	<b>51.675</b>	<b>(budget: -14.400)</b>



## Balance Sheet:

### 8. Assets

The slight reduction of the Total Assets is mainly the result of two elements, which broadly balance each other out, being:

(1) The writing off, against the provision, of the unpaid subscriptions (69.686) of the three National Maritime Law Associations that left CMI's membership, i.e. the Russian, the Dominican Republic's and the Portuguese Associations, and

(2) The increase of the available cash (67.545), thanks to the 2017 surplus.

### 9. Investments

At bank or in bonds	31/12/17	Interest Rate	Maturity
Generali	€ 115.117,98	0,75	5/03/23
KON AH DEL	€ 25.000,00	4,25	19/10/18
Bank van Breda TD005422	€ 50.000,00	1,70	29/04/19
Baloise 1578522 (tak21/26)	€ 51.667,67	1,50	1/08/22
BNP 035-6941536-63 Short	€ 104.661,21	0,10	19/10/18
BNP 220-0104690-63	€ 12.585,35		
BNP 035-7169188-56 Plus	€ 2.499,63	0,01+0,10	
BJVB 645-5078021-09	€ 7.373,23		
BJVB 645-6078021-36	€ 240.013,51	0,05 + 0,05	
Rabobank	€ 52.879,82		
<b>Total</b>	<b>€ 661.798,40</b>		

### 10. Liabilities

The Liabilities side of the balance sheet mirrors the evolution of the Assets. Accordingly the provision for unpaid subscriptions is reduced by writing off unpaid subscriptions and the reserves increased by the surplus of the year. There is also a temporary increase of the item "Creditors", due to the late receipt of an invoice, that was eventually paid in 2018.

*July, 12, 2018*

	Euro AUDITED ACCOUNTS 2017	Euro Budget 2017	Euro ACCOUNTS 2016
<b>OPERATIONAL RESULT</b>			
<b>Operational Income</b>			
<b>Subscriptions</b>			
9000	201.500	201.500	201.500
		0	
9912	-3.950	-5.000	-1.275
	<u>197.550</u>	<u>196.500</u>	<u>200.225</u>
9911	Increase (-), Decrease (+) in provision for unpaid subscriptions, other income Unpaid subscriptions written off	-3.046	-10.933
	194.504	186.500	189.292
<b>Other income</b>			
9921	Recovery of costs		49
9900	Publication sales	250	258
9920	Various Income		35
9000	Exceptional income		2.486
9000	Bank deposit interest received, currency surplus and other financial income	4.033	7.041
	<u>4.403</u>	<u>5.000</u>	<u>9.880</u>
	4.403	5.250	9.880
<b>Total Operational Income</b>	<b>198.907</b>	<b>191.750</b>	<b>199.172</b>
<b>Operational Expenses</b>			
<b>Publications</b>			
9900	Publications	4.998	8.000
9900	Postage publications	2.177	3.000
9901	Website (incl. hosting)	1.877	10.000
	Database Judicial Decisions	5.000	5.000
	14.051	26.000	11.734
<b>Depreciations</b>			
9910	Equipment	1.580	1.700
	1.580	1.700	1.889
<b>Administrative Expenses</b>			
9920	Salary and ancillary costs	40.767	39.000
9921	Postage	16	600
9921	Telecommunication	1.424	1.000
9921	Office Rent and charges	6.000	6.000
9921	Archives	4.047	3.000
9921	Office supplies and sundries	556	2.500
9921	Audit and Accountancy	3.047	4.000
	Legal assistance	6.877	6.000
9921	Singapore Regional Office costs	135	5.000
9921	Insurances	1.584	2.500
9921	Travel expenses CMI Secretariat	890	
	Gifts	740	600
9921	Other costs	129	125
9921	Bank charges and other financial costs	708	2.000
9921	Local taxes	200	200
	66.919	72.400	41.118
<b>Executive Council Expenses</b>			
9930	Secretary General	15.000	15.000
9930	Treasurer	6.050	6.050
	Administrator	769	5.000
9931	Travel expenses (Assembly)	27.197	30.000
9932	Accommodation Expenses (Assembly)	7.960	15.000
9933	Registration fees (CMI-conference)	9.567	7.500
9934	Meeting expenses	5.348	2.500
9935	Representation expenses (non CMI-events)	5.348	5.000
	71.891	86.050	107.878
<b>International Working Groups and Standing Committees</b>			
9940	Travel expenses	1.048	3.848
9940	Accommodation expenses		1.826
9940	Registration fees		609
9940	Catering		9.575
9940	Other costs		2.505
	1.048	10.000	18.362
<b>Annual Assembly Expenses</b>			
9950	Venue cost	8.440	3.746
9950	President's reception		1.159
9950	Office cost		3.676
9950	Catering		3.432
9950	Restaurant cost		982
	8.440	15.000	12.994
<b>Total Operational Expenses</b>	<b>163.929</b>	<b>211.150</b>	<b>193.976</b>
<b>OPERATIONAL RESULT</b>	<b><u>34.978</u></b>	<b><u>-19.400</u></b>	<b><u>5.196</u></b>
<b>EXTRAORDINARY RESULT</b>			
Fraudulent payment			15.395
			<u>-15.395</u>

**EVENT RESULT**

**Assembly Genoa  
2017 (budget)**

**Assembly New York  
2016**

**Event Balance**

CMI Registration fees + Accompanying Person Revenue Sponsorship

88.955	
30.000	
	118.955

	0

642.684	
161.787	
	804.471

Expenses

82.192	
	36.763

	0

798.394	
	6.077

NMLA share (50%)

-18.381	
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-3.039	
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CMI share (50% shared with NMLA)

18.382	
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	5.000
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	3.039
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VAT 18%

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**Subtotal Event Balance**

**18.382**

**5.000**

**3.039**

**Speakers and other expenses**

9003 Insurances  
9003 Registration fees speakers, specials & consultative  
9003 Accommodation speakers  
9003 Travel speakers  
9003 MLAUS part IMO cost  
9003 Video+audiovisual  
9003 Website  
9003 CMI downpayments (2014/2015)

448	
693	


0	
0	
587	
2.885	
	-1.429
2.087	
448	
11.857	

**Subtotal additional Event expenses**

**1.141**

**0**

**16.434**

Event Balance (Genoa 2017/New York 2016)

17.241

5.000

-13.396

Events Prior Years

-543

**EVENT RESULT**

**16.698**

**5.000**

**-13.396**

**RESULT FOR THE YEAR**

**51.676**

**-14.400**

**-23.595**

The accompanying notes form an integral part of these financial statements.

**Balance sheet - 31st December 2017**

	Euro 2017	Euro 2016
<b><u>ASSETS</u></b>		
<b>Fixed Assets</b>		
Equipment (net book value)	400	1.980
<b>Current Assets</b>		
Unpaid subscriptions due by Member Associations	46.145	112.348
Credit notes issued		
Unpaid subscriptions due by Titulary Members	576	1.152
Accrued income	8.000	9.000
Prepaid expenses	1.499	1.977
Cash at bank or in bonds	661.798	594.253
<b>Total Assets</b>	<b><u>718.418</u></b>	<b><u>720.710</u></b>
<b><u>LIABILITIES</u></b>		
<b>Reserves carried forward at 31st December</b>		
Reserves brought forward at 1st January	611.850	635.445
Result for the year	51.676	-23.595
	<u>663.526</u>	<u>611.850</u>
<b>Provisions</b>		
Provision for unpaid Subscriptions	21.513	91.199
Provision for expenses accountancy & audit	4.000	4.000
	<u>25.513</u>	<u>95.199</u>
<b>Liabilities within one year</b>		
Creditors, Amounts falling due within one year	29.379	13.661
	<u>29.379</u>	<u>13.661</u>
<b>Total Liabilities</b>	<b><u>718.418</u></b>	<b><u>720.710</u></b>

**For submission to the Executive Council**

Stuart Hetherington, President

The accompanying notes form an integral part of these financial statements.

## Cash Flow Statement - 31st December 2017

	<u>Euro 2017</u>	<u>Euro 2016</u>
<b>Cash Flow from Operating Activities</b>		
Result for the year	47.737	-30.594
Depreciations	1.580	1.889
Interest received	3.938	6.999
	<u>53.256</u>	<u>-21.706</u>
Increase (+), Decrease (-) in provision of unpaid subscriptions	-69.686	10.933
Unpaid subscriptions written off		
Operating result before working capital changes	-16.430	-10.773
Fixed assets	0	0
Prepaid expenses	478	26.560
Increase(-)/decrease in unpaid subscriptions and other receivables	67.779	-25.046
Decrease(-)/increase in creditors	<u>15.718</u>	<u>-1.581</u>
<b>Net Cash Generated by Operating Activities</b>	<u>67.545</u>	<u>-10.840</u>
<b>Net Increase (+), in Decrease (-) in Cash at Bank or in bonds and cash at office</b>	67.545	-10.840
<b>Cash at Bank or in bonds at Beginning of Year and other cash</b>	<u>594.253</u>	<u>605.094</u>
<b>Cash at Bank or in bonds at End of Year and other cash</b>	<u><b>661.798</b></u>	<u><b>594.253</b></u>

The accompanying notes form an integral part of these financial statements.



## Notes to the Financial Statements of the CMI

### 1. Organisation

The Comité Maritime International is a non-governmental international organisation, established in Belgium, the object of which is to contribute by all appropriate means to the unification of maritime law in all its aspects. It was founded in 1897 and incorporated by the Belgian Royal Decree of 9<sup>th</sup> November 2003 as an *Association internationale sans but lucratif* in the meaning of the Belgian Act of 27<sup>th</sup> June 1921.

### 2. Significant Accounting Policies

#### (a) Accounting convention

The financial statements have been prepared under the historical cost convention in Euro in accordance with International Accounting Standards.

#### (b) Accounting policies

##### (i) Income

Subscriptions from member associations are accounted on an accruals basis. Accordingly, the amounts shown in the income statement represent the total amounts invoiced to members during the year. A CMI event, such as a conference, a colloquium or a seminar, may give rise to an income as agreed with the hosting Maritime Law Association. Such income is shown under "Event Balance". This does not mean that the event has necessarily given a surplus. The aforementioned income should be compared to the conference charges for the CMI which are itemized as "Registration fees" in the Executive Council Expenses and the International Working Groups and Standing Committees Expenses, and as "Speakers and other expenses" in the Additional Event expenses.

##### (ii) Increase/Decrease in provision for unpaid contributions

This amount represents the adjustment required to the provision for unpaid contributions to create a 100% provision for all amounts receivable from Member associations, over one year old. Even if not over one year old, invoices to Members who are unlikely to pay, are also provisioned.

Article 21 (Arrears of Contributions) of the Constitution of CMI states :-

"Member Associations remaining in arrears of payment of contributions for more than one year from the date of the Treasurer's invoice shall be in default and shall not be entitled to vote until such default is cured.

Members liable to pay contributions who remain in arrears of payment for more than three years from the date of the Treasurer's invoice shall, unless the Executive Council decides otherwise, receive no publication or other rights and benefits of membership until such default is cured.

Contributions received from a Member in default shall be applied to reduce arrears in chronological order, beginning with the earliest year of default."

##### (iii) Publications

Publications expenses relate to the publication and distribution costs of the yearbook of the year and newsletters distributed during the year.

(iv) Foreign currency translation

Balances held in non-Euro related currencies are translated into Euros at the yearend rates.

(v) Cash at bank

Current and term deposit accounts with, and bonds of, banking institutions, and, to a lower extent, also trade and industry.

(vi) Financial instruments

The carrying amounts of the Comité Maritime International's financial assets and liabilities (comprising bank and cash balances, unpaid subscriptions and other creditors) approximate to their fair values at the date of the transactions. Where the fair value of a financial asset is materially below the carrying amount, the carrying amount is written down to fair value.

**3. Reserves**

The reserves of the organisation are held to finance the furtherance of the objectives of the Comité Maritime International.



Comité Maritime International  
Ernest Van Dijckkaai 8  
B-2000 Antwerpen  
Belgium

## **UNQUALIFIED REVIEW REPORT ON THE FINANCIAL STATEMENTS OF COMITE MARITIME INTERNATIONAL FOR THE FISCAL YEAR 2017**

Pursuant to your request, we are pleased to report to you on the performance of our review.

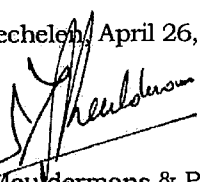
We have reviewed the accompanying balance sheet of COMITE MARITIME INTERNATIONAL at December 31, 2017, and the income statement, statement of changes in equity and cash flow statement for the year then ended. These financial statements are the responsibility of the Members of the Executive Council and show accumulated reserves for an amount of € 663.526 and a profit for the year of € 51.676.

Our responsibility is to issue a report on these financial statements based on our review. Officials have responded clearly to our requests for explanations and information.

We conducted our review in accordance with the International Standard on Review Engagements (ISRE 2400). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than a full audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements do not give a true and fair view in accordance with International Accounting Standards.

Mechelen, April 26, 2018

  
De Mol, Meuldermans & Partners bvba  
Represented by  
Kris Meuldermans  
Auditor

JOHAN DE MOL  
KRIS MEULDERMANS

**PARTNERS**

Burg, BVBA De Mol, Meuldermans & Partners  
Blokhuistraat 24 - 2800 Mechelen - T (03)322 33 35 - info@dmaudit.be  
RPR Antwerpen 0475.994.341 - IBR 470  
Bellius IBAN BE25 7775 9589 1082 - BNP Paribas Fortis IBAN BE51 0016 3497 0362