



**INTERNATIONAL  
OIL POLLUTION  
COMPENSATION  
FUNDS**

ASSEMBLY  
11th session  
Agenda item 35

92FUND/A.11/33  
20 September 2006  
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ASSEMBLY  
2nd session  
Agenda item 23

SUPPFUND/A.2/22

ADMINISTRATIVE COUNCIL  
20th session  
Agenda item 21

71FUND/AC.20/20

## ANY OTHER BUSINESS

### TRANSFER WITHIN THE 2006 BUDGET

#### Note by the Director

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| <b>Summary:</b> | The budget appropriation to cover the costs of Consultants' fees (Chapter V – Miscellaneous expenditure) in the 2006 budget will not be sufficient. The Director proposes that he be authorised to make the necessary transfer between Chapters within the 2006 budget to cover these costs. |
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| <b>Action to be taken:</b> | To authorise such a transfer within the 2006 budget. |
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#### **1 Introduction**

- 1.1 The Director's authority to make transfers within the budget is governed by the IOPC Funds' Financial Regulation 6.3 which reads:

Transfers between appropriations within chapters of the budget (Roman figures) may be made without limitation. Transfers between appropriations in the budget between chapters may be made up to 10%, calculated on the appropriation to which the transfer is made.

- 1.2 In previous financial periods, transfers have been made between appropriations either within chapters or between chapters of the budget, in accordance with Financial Regulation 6.3. Transfers within chapters may also be made in 2006.

#### **2 Consultants' fees**

- 2.1 The budget appropriation in the 2006 budget for Consultants' fees (Miscellaneous expenditure - Chapter V) is £180 000. It is estimated that the total expenditure under this item in 2006 will be in the region of £250 000.
- 2.2 During 2006 consultants have been used in respect of studies undertaken by the Secretariat not foreseen when the 2005 budget was adopted, assistance with the Secretariat's risk management programme, upgrading the IOPC Funds' bespoke finance and contribution database and

development of a staff performance management system for the Secretariat. Legal fees falling under this appropriation have been incurred in relation to dealing with contributors who are in arrears and in connection with the Funds' participation in the drafting of the two voluntary agreements STOPIA 2006 and TOPIA 2006.

- 2.3 Under Financial Regulation 6.3, the Director is entitled to make a transfer of only £18 000 from other Chapters to the appropriation for Consultants' fees in Chapter V, leaving a shortfall in respect of this appropriation of some £52 000. The Director proposes, therefore, that he be authorised to make the necessary transfer to Consultants' fees under Chapter V from Chapter VI (Unforeseen expenditure) to cover the estimated costs of such fees for 2006.

**3 Action to be taken by the governing bodies**

The governing bodies are invited

- (a) to take note of the information contained in this document; and
- (b) to consider the Director's proposal that he be authorised to make the necessary transfer to Consultants' fees under Miscellaneous expenditure under Chapter V, within the 2006 budget, from Chapter VI (Unforeseen expenditure) to cover the costs of such fees.

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