



TRANSFER WITHIN THE 2009 BUDGET

Note by the Director

Summary:	The budget appropriation to cover costs relating to the Audit Body (within Chapter V – Miscellaneous expenditure) in the 2009 budget may not be sufficient due to an increase in travel costs. The Director proposes that he be authorised to make the necessary transfer between Chapters within the 2009 budget to cover these costs.
Action to be taken:	Decide whether to authorise such a transfer within the 2009 budget.

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.

2 **Costs of the Audit Body**

- 2.1 The budget appropriation in the 2009 budget to cover the cost of the Audit Body (Miscellaneous expenditure Chapter V) is £120 000. The budget covers the costs resulting from the operation of this Body, ie travel and subsistence costs of the members, the fee for the external expert and honorarium for the members nominated by Member States.
- 2.2 The cost relating to the operation of the Audit Body for 2008 was £121,594 compared to a budget appropriation of £110 000 due to an increase in the cost of airline fares as a result of the weakening of pounds sterling against other currencies during 2008.
- 2.3 The Audit Body normally meets three times a year in December, March/April, and June. In addition the Chairperson of the Audit Body and the external expert will normally attend the regular autumn (October) sessions of the governing bodies to report on the activities of the Audit Body and to receive any instructions from the Assembly on future work. Should a matter of substance that has

been the subject of work by the Audit Body be on the Agenda for those meetings of the governing bodies, then the Chairperson of the Audit Body may authorise the attendance of one or more Audit Body members who have undertaken that work to attend that meeting in order to facilitate the discussion on that work. In order to keep up to date with the work of the governing bodies, members of the Audit Body will be eligible to attend one or more sessions of the governing bodies during each of their three year terms. In this respect at its April 2009 meeting the Audit Body agreed that in line with a decision taken by the Audit Body at its June 2007 session, new members of the Audit Body could attend the autumn (October) sessions of the governing bodies following their election.

- 2.4 For the reasons mentioned above travel costs for the new Chairperson and members of the Audit Body will most probably result in higher costs than was anticipated at the time of preparing the 2009 budget.
- 2.5 Under Financial Regulation 6.3, the Director is entitled to make a transfer of only £12 000 from other Chapters to the appropriation to meet the cost of the Audit Body, which may leave a shortfall in respect of this appropriation should the costs exceed £132 000. The Director proposes, therefore, that he be authorised to make the necessary transfer to cover the cost of the Audit Body (under Chapter V), within the 2009 budget, from Chapter VI (Unforeseen expenditure) to cover costs that may exceed the amount that can be transferred under Financial Regulation 6.3.

3 Action to be taken by the Assembly

The Assembly is 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 Audit Body (under Chapter V), within the 2009 budget, from Chapter VI (Unforeseen expenditure) to cover costs that may exceed the amount that can be transferred under Financial Regulation 6.3.
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