

8TH MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE (FAC)

Held remotely, 21 to 23 January 2021

FAC 8 – Doc 04.1

Statement of transfers of appropriations (FR3.3)

Secretariat

Financial Regulation 3.3 of the Commission provides that *“the Executive Secretary may transfer appropriations between categories in the budget adopted by the Commission provided these categories are not altered by more than 10% of the amounts in the adopted budget and that a statement of all such transfers shall be submitted to the Commission and the auditors with the annual financial statements. The Chairperson of the Commission may however authorise the Executive Secretary to transfer appropriations between categories above this limit.”*

The FAC is invited to:

- **note** that this paper informs the Commission that **no** transfers of appropriations were made for the financial year ending 30 June 2020.

However, readers of FAC8-Doc04 (Annual Financial Statements) may have noted the Statement of Income and Expenditure (page 6) seems to indicate that the category for *“Personnel Costs”* may have been overspent. This apparent overspend is associated with the Executive Secretary Changeover cost. In previous years recruitment/installation of internationally recruited staff were budgeted and considered as *Personnel Costs*. In FAC8-Doc04 the Executive Secretary changeover cost (which was non-budgeted) has been included into *Personnel Costs* to allow for direct comparison with costs from previous years (refer note 12 on page 12).

From next year these types of costs will be included into the Non-Routine Expenses category to be fully consistent with the budget presentation.