

**Financial Information  
With Independent Auditors' Report  
For the Years Ended December 31, 2018 and 2017**

**THE CORAL TRIANGLE INITIATIVE ON  
CORAL REEFS, FISHERIES AND FOOD SECURITY  
(CTI-CFF)  
REGIONAL SECRETARIAT**

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# CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES  
AND FOOD SECURITY

## REGIONAL SECRETARIAT

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Jl. A.A. Maramis Kayuwatu, Kairagi II  
Manado, North Sulawesi 95254  
Indonesia  
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### INTERIM EXECUTIVE DIRECTORS' STATEMENT REGARDING THE RESPONSIBILITIES FOR THE FINANCIAL INFORMATION OF THE CORAL TRIANGLE INITIATIVE ON CORAL REEFS, FISHERIES AND FOOD SECURITY (CTI-CFF) REGIONAL SECRETARIAT AS OF DECEMBER 31, 2018, AND 2017 AND FOR THE YEARS THEN ENDED

We, the undersigned:

Name : Hendra Yusran Siry Ph. D  
Office Address : Jl. A. A. Maramis Kayuwatu, Kairagi II, Manado,  
North Sulawesi, Indonesia  
Residential address : Taman Permata Cikunir  
Jl. Koala A4/2, Jaka Mulya, Bekasi Selatan, Jawa Barat  
Phone Number : 0812-9143-536  
Position : Interim Executive Director

declare that:

1. I am responsible for the preparation and presentation of The Coral Triangle Initiative on Coral Reefs, Fisheries And Food Security (CTI-CFF) financial information;
2. The Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) financial information has been prepared and presented in accordance with a comprehensive basis of accounting other than Indonesian Financial Accounting Standards (SAK);
3. a. All information contained in the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) financial information has been prepared and presented in a complete and truthful manner;  
b. The Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) financial information does not contain any incorrect information or material facts, nor do they omit information or material facts;
4. I am responsible for of the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) internal control system.

The statement is made in all truth.

Manado, March 30, 2019

For and on behalf of Regional Secretariat  
the Coral Triangle Initiative on Coral Reefs, Fisheries And Food Security (CTI-CFF)

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ENAM RIBURUPIAH

Hendra Yusran Siry, Ph.D  
Interim Executive Director



[www.coraltriangleinitiative.org](http://www.coraltriangleinitiative.org)



@CTICFF



CTICFF

"The Coral Triangle Initiative on Coral Reefs, Fisheries, and Food Security (CTI-CFF) is a multilateral partnership of six countries working together to sustain extraordinary marine and coastal resources by addressing crucial issues such as food security, climate change and marine biodiversity"



## **Independent Auditors' Report**

Report No. 00030/2.0902/AU.1/11/0384-2/1/IV/2019

The Interim Executive Director  
**The Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF)  
Regional Secretariat**

We have audited the accompanying financial information of The Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) Regional Secretariat (the "Secretariat"), which comprises the statement of financial position as of December 31, 2018, and the statement of activities for the year then ended, and the related notes to the financial information.

### **Management's responsibility for the financial information**

Management is responsible for the preparation and fair presentation of such financial information in accordance with the modified cash basis of accounting (a comprehensive basis of accounting other than Indonesian Financial Accounting Standards) as described in Note 2 to the financial information, which includes determination that the modified cash basis of accounting is an acceptable basis for the preparation of the financial information in the circumstances.

### **Auditors' responsibility**

Our responsibility is to express an opinion on this financial information based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Indonesian Institute of Certified Public Accountants. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial information referred to above presents fairly, in all material respects, the statement of financial position of The Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) as of December 31, 2018, and its statement of activities for the year then ended, in accordance with the modified cash basis of accounting described in Note 2, which is a comprehensive basis of accounting other than Indonesian Financial Accounting Standards.



# Y. SANTOSA DAN REKAN

## **Basis of accounting**

Without modifying our opinion, we draw attention to Note 2 to the financial information which describes the basis of accounting. The Secretariat prepares its financial information on the modified cash basis of accounting, which is a comprehensive basis of accounting other than Indonesian Financial Accounting Standards. As a result, the financial information may not be suitable for another purpose.

## **Other matter**

Our audit is conducted for the purpose of forming an opinion on the financial information taken as a whole. The accompanying supplementary information is presented for the purposes of additional analysis and is not a required part of the basic financial information. The information has been subjected to the procedures applied in the audit of the financial information and, in our opinion, is fairly stated in all material respects in relation to the financial information taken as a whole.

## **Limitation use of report**

Our report is intended solely for information and use of the Interim Executive Director of the Secretariat, members of CTI-CFF, Department of the Interior of the Government of the United States of America and the Commonwealth of Australia as represented by the Department of the Environment and Energy and is not intended to be, and should not be, used by anyone other than these specified parties.

## **Y. Santosa dan Rekan Registered Public Accountants**



**Tjiendradjaja Yamin**  
Public Accountant Registration No. AP.0384

March 30, 2019

## **NOTICE TO READERS**

The accompanying financial information is not intended to present the financial position and results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Indonesia. The standards, procedures and practices utilized to audit such financial information may differ from those generally accepted in countries and jurisdictions other than Indonesia. Accordingly, the accompanying financial information and the auditors' report thereon are not intended for use by those who are not informed about Indonesian accounting principles and auditing standards, and their application in practice.

**CTI-CFF REGIONAL SECRETARIAT  
 STATEMENTS OF FINANCIAL POSITION  
 DECEMBER 31, 2018 AND 2017  
 (Expressed in United States Dollar, unless otherwise stated)**

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	<u>Notes</u>	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>			
Cash	3	1,157,854	955,217
Prepaid tax		100	-
<b>TOTAL ASSETS</b>		<b><u>1,157,954</u></b>	<b><u>955,217</u></b>
<b>LIABILITIES AND NET ASSETS</b>			
Taxes payable	4	7,598	4,049
Unearned revenues	5	23,795	-
Accrued expense		554	-
Total Liabilities		<u>31,947</u>	<u>4,049</u>
<b>NET ASSETS</b>			
Temporarily restricted funds		<u>1,126,007</u>	<u>951,168</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b><u>1,157,954</u></b>	<b><u>955,217</u></b>

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The accompanying notes to the financial information are an integral part of these financial information.

**CTI-CFF REGIONAL SECRETARIAT  
 STATEMENTS OF ACTIVITIES  
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017  
 (Expressed in United States Dollar, unless otherwise stated)**

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	<u>Notes</u>	<u>Temporary Restricted</u>	
		<u>2018</u>	<u>2017</u>
<b>REVENUES</b>			
Members' contributions	6	1,007,158	995,226
Grants	7	107,862	66,996
Interest income		4,046	1,868
Other income		2,078	161
Total Revenues		<u>1,121,144</u>	<u>1,064,251</u>
<b>EXPENDITURES</b>			
Salaries	8	551,733	489,905
Office costs	9	227,881	219,137
Program activities	10	111,814	179,687
Senior officials' meetings expenses	11	54,877	32,224
Total Expenditures		<u>946,305</u>	<u>920,953</u>
<b>INCREASE IN NET ASSETS</b>		174,839	143,298
<b>NET ASSETS AT BEGINNING OF YEAR</b>		<u>951,168</u>	<u>807,870</u>
<b>NET ASSETS AT END OF YEAR</b>		<u><u>1,126,007</u></u>	<u><u>951,168</u></u>

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The accompanying notes to the financial information are an integral part of these financial information.

**CTI-CFF REGIONAL SECRETARIAT  
NOTES TO THE FINANCIAL INFORMATION  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017  
(Expressed in United States Dollar, unless otherwise stated)**

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**1. GENERAL**

**a. Secretariat's Establishment**

The Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) Regional Secretariat (the "Secretariat") was established in the Republic of Indonesia based on the Agreement on the Establishment of the Regional Secretariat of the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) (the "Agreement") dated October 28, 2011.

The Governments of the Republic of Indonesia, Malaysia, Independent State of Papua New Guinea, Republic of the Philippines, Solomon Islands and the Democratic Republic of Timor Leste (collectively referred to as "CT6"), acknowledge the vast marine, coastal and small islands ecosystems and the unique biodiversity of the Coral Triangle region of the Indo Pacific, which provide invaluable livelihood and food security benefits for the people. The Coral Triangle Initiative Leader's Declaration on Coral Reefs, Fisheries and Food Security, signed on May 15, 2009 in Manado, Indonesia, inter alia, emphasized the need to establish a secretariat to service the ongoing CTI-CFF implementation process.

In accordance with Article 5 of the Agreement, the Secretariat functions include the following:

- a. Coordinate and support official meetings and events linked to the CTI-CFF process, including cross-cutting services in support of monitoring and evaluation, financial coordination, information management and outreach;
- b. Coordinate the implementation of CTI-CFF Regional Plan of Action (RPOA) and provide support to, and coordination with, National Coordination Committee, including advising the CTI Committee of Senior Officials (CSO) on emerging opportunities and priorities related to reaching goals and targets of the RPOA;
- c. Develop regional plans, programs and project activities in relation to CTI-CFF for consideration of the CTI Council of Ministers (COM) in accordance with the approved policy guidelines set through the CTI CSO;
- d. Act as the channel of communication and share information and foster networking between the Parties, CTI Partners and other organizations and donors in the efforts to promote the objectives of the CTI-CFF;
- e. Facilitate technical assistance, including recruiting and sourcing experts to support the Parties, in line with appropriate needs assessment procedures;
- f. Assist the Parties in financing agreed projects and activities through support from CTI Partners and financial institutions; and
- g. Perform such other duties and functions as may be assigned to it by the CTI COM or the CSO.

The Secretariat is domiciled at CTI-CFF Secretariat Building, CTI Centre, Jl. A.A. Maramis Kayuwatu, Kairagi II, Manado, North Sulawesi 95254, Indonesia. The Secretariat commenced operations in 2015.

The Executive Director as of December 31, 2017 was Mr. Widi A. Pratikto. In October 2018, the Council of Ministers (COM) of the CTI-CFF appointed Mr. Hendra Yusran Siry, Ph.D as the Interim Executive Director.

The number of the Secretariat's employees as of December 31, 2018 and 2017 were 8 and 17 employees, respectively (unaudited).

**b. Completion of the Financial Information**

The management of the Secretariat is responsible for the preparation of the financial information, which have been authorized for issue by the Interim Executive Director on March 30, 2019.



## **2. SIGNIFICANT ACCOUNTING POLICIES APPLIED**

### **a. Basis of Preparation of the Financial Information**

The financial information have been prepared using the modified cash basis, which is a comprehensive basis of accounting other than Indonesian Financial Accounting Standards. Revenues are recorded when received and costs incurred are recorded when paid. Modification to the cash basis of accounting pertains to revenues received in advance, which are recognized when earned. Revenues received in advance are recorded under the "Unearned Revenues" account. Modification to the cash basis of accounting also includes accrual of expenses and taxes payable.

The presentation currency used in the preparation of the financial information is United States Dollar (USD).

### **b. Cash**

Cash consists of cash in bank that is not pledged as collateral or restricted in use.

### **c. Revenue and Expense Recognition**

Temporary restriction is a restriction on the use of resources by the donors who do not expect a repayment, requiring that such resources be retained up to a certain period or until a certain condition is fulfilled.

Restricted resources are resources whose use is restricted for a certain purpose by the donors who do not expect a repayment. Such restriction is temporarily imposed.

Funds received whose use is restricted based on an agreement with the donor are classified as temporarily restricted receipts. Fund disbursement is presented as restricted based on the fund use classification.

Expenses are recognized when paid using the cash basis.

### **d. Foreign Currency Transactions and Balances**

Transactions in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the time the transactions are made. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are adjusted to the functional currency to reflect the exchange rate published by Bank Mandiri. Gains or losses resulting from such adjustment or settlement of each monetary asset and liability denominated in foreign currencies are credited or charged to current period profit or loss.

The closing exchange rates used for United States Dollar per 1 Rupiah as of December 31, 2018 and 2017 as published by Bank of Mandiri were Rp14,600 and Rp13,275, respectively.

### **e. Taxation**

Based on Law No. 17 of 2000 as amended by Law No. 36 of 2008 concerning the estimated income tax for foundations or similar organizations, donations received from grantors or donors are excluded from taxable objects provided that they are not related to the business, employment, ownership or control between the parties concerned.

**CTI-CFF REGIONAL SECRETARIAT  
NOTES TO THE FINANCIAL INFORMATION  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017  
(Expressed in United States Dollar, unless otherwise stated)**

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**2. SIGNIFICANT ACCOUNTING POLICIES APPLIED** *(continued)*

**f. Net Assets**

Net assets represent the net revenues accumulated less expenses during the period. Net assets are presented as restricted and unrestricted based on the source of funds.

**3. CASH**

	<u>2018</u>	<u>2017</u>
<b>Cash in bank</b>		
<u>United States Dollar</u>		
Bank Mandiri (Persero) Acc. No 1030006453407	1,135,079	941,942
Bank Mandiri (Persero) Acc. No 1500013788151	<u>3,562</u>	<u>-</u>
Subtotal	<u>1,138,641</u>	<u>941,942</u>
<u>Indonesian Rupiah</u>		
Bank Mandiri (Persero) Acc. No 1030006453399	17,669	13,275
Bank Mandiri (Persero) Acc. No 1500013788128	<u>1,544</u>	<u>-</u>
Subtotal	<u>19,213</u>	<u>13,275</u>
<b>Total</b>	<b><u>1,157,854</u></b>	<b><u>955,217</u></b>

**4. TAXES PAYABLE**

	<u>2018</u>	<u>2017</u>
Income taxes:		
Article 21	6,989	3,922
Article 23	-	29
Article 26	-	98
Article 4(2)	<u>609</u>	<u>-</u>
<b>Total</b>	<b><u>7,598</u></b>	<b><u>4,049</u></b>

**5. UNEARNED REVENUES**

	<u>2018</u>	<u>2017</u>
Republic of Indonesia	11,633	-
Malaysia	6,329	-
Republic of the Philippines	<u>5,833</u>	<u>-</u>
<b>Total</b>	<b><u>23,795</u></b>	<b><u>-</u></b>

Unearned revenues represent contribution received in advance.

**CTI-CFF REGIONAL SECRETARIAT  
NOTES TO THE FINANCIAL INFORMATION  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017  
(Expressed in United States Dollar, unless otherwise stated)**

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**6. MEMBERS' CONTRIBUTIONS**

	<u>2018</u>	<u>2017</u>
Papua New Guinea	349,895	-
Republic of Indonesia	320,808	415,768
Malaysia	174,555	221,263
Republic of the Philippines	161,900	198,599
Democratic Republic of Timor Leste	-	122,332
Solomon Islands	-	37,264
<b>Total</b>	<b><u>1,007,158</u></b>	<b><u>995,226</u></b>

Based on the declaration of CT6, all parties will contribute to the General Fund of the Secretariat on the following basis:

- a. The total amount to be contributed will be determined by the CTI-COM based on the draft budget provided by the Secretariat;
- b. Sixty percent of the amount identified in paragraph (a) mentioned above will be contributed by each of the parties in equal shares, and;
- c. The remainder of the total amount identified in paragraph (a) mentioned above will be divided between the parties based upon the relative size of their gross domestic product (GDP) as calculated by the most recent year for which GDP figures are available for all parties.

**7. GRANTS**

	<u>2018</u>	<u>2017</u>
Department of the Interior of the Government of the United States of America	100,000	50,000
Commonwealth of Australia as represented by the Department of the Environment and Energy	<u>7,862</u>	<u>16,996</u>
<b>Total</b>	<b><u>107,862</u></b>	<b><u>66,996</u></b>

**Department of the Interior of the Government of the United States of America**

On June 15, 2017, the Secretariat entered into a Memorandum of Understanding (MOU) on Strengthening Organizational and Administrative Capacity for Improved Fisheries Management (SOACAP-IFM) with the Department of the Interior of the Government of the United States of America (DOI) in order to implement the interagency agreement between DOI and the U.S. Agency for International Development to avail specialized DOI expertise accessed through DOI's International Technical Assistance Program. The total project grant made in five payments on a quarterly basis amounted to USD250,000. Total grants received for the years ended December 31, 2018 and 2017 amounted to USD100,000 and USD50,000, respectively. The MOU will expire on August 31, 2019.

**Commonwealth of Australia as represented by the Department of the Environment and Energy**

On October 9, 2018, the Secretariat received funds from the Commonwealth of Australia as represented by the Department of the Environment and Energy (DOEE) to support Seascope working group held in Jakarta, Indonesia in October 2018 amounting to USD7,862.

On August 10, 2017, the Secretariat received funds from DOEE to support the attendance of Pacific delegates at the Blue Carbon Workshop held in the Philippines in August 2017. Total funds received amounted to USD16,996.

**CTI-CFF REGIONAL SECRETARIAT  
NOTES TO THE FINANCIAL INFORMATION  
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**8. SALARIES**

	<u>2018</u>	<u>2017</u>
CTI-CFF		
Salaries	416,352	424,912
Benefits	110,948	60,216
Relocation	24,018	4,777
Subtotal	<u>551,318</u>	<u>489,905</u>
Department of the Interior of the Government of the United States of America - Salaries	<u>415</u>	<u>-</u>
<b>Total</b>	<b><u>551,733</u></b>	<b><u>489,905</u></b>

**9. OFFICE COSTS**

	<u>2018</u>			<u>Total</u>
	<u>CTI-CFF</u>	<u>DOI</u>	<u>DOEE</u>	
Travel				
Airfare	11,428	26,642	5,958	44,028
Ground transportation	5,862	11,904	1,915	19,681
Per diem	3,897	12,790	-	16,687
Accommodation	1,167	2,639	-	3,806
Others	136	89	-	225
Subtotal	<u>22,490</u>	<u>54,064</u>	<u>7,873</u>	<u>84,427</u>
Consultancy fees	21,468	51,109	-	72,577
Workshops, meetings and seminars	-	18,040	-	18,040
Professional fees	13,158	-	-	13,158
Vehicle rental	9,437	-	-	9,437
Mobile and telephone	6,559	-	-	6,559
Miscellaneous	4,688	22	-	4,710
Publication and printing	3,587	256	-	3,843
Temporary contract	2,534	-	-	2,534
Bank service charges	2,360	91	35	2,486
Others	8,763	1,347	-	10,110
<b>Total</b>	<b><u>95,044</u></b>	<b><u>124,929</u></b>	<b><u>7,908</u></b>	<b><u>227,881</u></b>



**CTI-CFF REGIONAL SECRETARIAT  
NOTES TO THE FINANCIAL INFORMATION  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017  
(Expressed in United States Dollar, unless otherwise stated)**

**9. OFFICE COSTS** *(continued)*

	<b>2017</b>			<b>Total</b>
	<b>CTI-CFF</b>	<b>DOI</b>	<b>DOEE</b>	
Travel				
Airfare	39,199	9,854	9,609	58,662
Per diem	27,106	3,025	3,300	33,431
Accommodation	19,031	2,590	1,733	23,354
Ground transportation	7,238	954	-	8,192
Others	1,177	-	-	1,177
Subtotal	<u>93,751</u>	<u>16,423</u>	<u>14,642</u>	<u>124,816</u>
Publication and printing	17,730	304	-	18,034
Repairs and maintenance	17,122	131	-	17,253
Vehicle rental	14,456	-	-	14,456
Professional fees	9,073	-	-	9,073
Consultancy fees	9,020	-	-	9,020
Utilities	4,092	-	-	4,092
Office supplies	3,161	317	753	4,231
Hosted meeting costs	2,953	222	-	3,175
Vehicle fuel and maintenance	2,710	-	-	2,710
Resource person fees	-	2,200	-	2,200
Workshops, meetings and seminars	287	1,161	-	1,448
Others	8,624	-	5	8,629
<b>Total</b>	<u><b>182,979</b></u>	<u><b>20,758</b></u>	<u><b>15,400</b></u>	<u><b>219,137</b></u>

**10. PROGRAM ACTIVITIES**

The Secretariat undertakes and supports activities of working groups, cross cutting themes and other programs to achieve the goals of CTI-CFF. Costs for these activities include travel costs of technical working group participants to attend working group meetings and workshops, among others. Program activities costs for the years ended December 31, 2018 and 2017 consisted of:

	<b>2018</b>	<b>2017</b>
CTI-CFF		
Travel		
Airfare	46,173	74,174
Per diem	21,534	38,784
Accommodation	15,666	32,742
Ground transportation	354	1,201
Others	156	160
Subtotal	<u>83,883</u>	<u>147,061</u>
Consultancy fees	19,531	13,706
Workshops, meetings and seminars	6,145	12,875
Publication and printing	2,047	4,468
Resource person fees	-	491
Others	208	1,086
<b>Total</b>	<u><b>111,814</b></u>	<u><b>179,687</b></u>

**CTI-CFF REGIONAL SECRETARIAT  
NOTES TO THE FINANCIAL INFORMATION  
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(Expressed in United States Dollar, unless otherwise stated)**

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**11. SENIOR OFFICIALS' MEETINGS EXPENSES**

The costs incurred by the Secretariat to support the implementation of Senior Officials' Meetings consisted of:

	<u>2018</u>	<u>2017</u>
Travel - Senior Officials		
Airfare	16,294	9,501
Per diem	5,400	9,808
Others	1,080	61
Accommodation	470	8,843
Ground transportation	153	146
Subtotal	<u>23,397</u>	<u>28,359</u>
Travel - Staff		
Per diem	8,110	-
Ground transportation	-	32
Others	-	1,024
Subtotal	<u>8,110</u>	<u>1,056</u>
Workshops, meetings and seminars	19,850	-
Publication and printing	1,990	730
Office supplies	1,198	781
Others	332	1,298
<b>Total</b>	<b><u>54,877</u></b>	<b><u>32,224</u></b>

**12. EVENTS AFTER THE REPORTING PERIOD**

The events after balance sheet date are as follows:

1. The Secretariat conducted the First Internal Resources Committee (IRC) Meeting of CTI-CFF on February 11, 2019 and the Financial Resources Working Group (FRWG) Meeting on February 12, 2019. The meetings were held at the CTI Learning Center in Manado, North Sulawesi, Indonesia.

The general objective of the IRC Meeting was to carry out the tasks and decisions made during the SOM-14 as well as to deliberate on the internal finances, operations and administrative matters of the CTI-CFF particularly on the following:

- a. Legal Status of the CTI-CFF Regional Secretariat and the Staffs
- b. Proposed 2019 Organizational Chart
- c. Appointment Committee for Executive Director and Deputy Executive Director for Corporate Services
- d. Hiring of Finance and Operations Manager
- e. 2018 Audit of the CTI-CFF Regional Secretariat
- f. Status of Migration from Cash to Accrual Basis and application of new accounting software
- g. Status of RPOA 2.0 Progress
- h. Status of proposed migration of CT Atlas from WorldFish to Regional Secretariat
- i. Capital Outlay of CTI-CFF Regional Secretariat
- j. Leaders' Summit in 2020
- k. Regional Business Forum
- l. 15<sup>th</sup> Senior Officials Meeting (SOM-15) in Solomon Islands 2019
- m. Proposed Budget for 2019 and supplementary Budget; forecast 2020-2022
- n. CTI-CFF Financial Rules and Regulations and Financial Policies and Procedures

**CTI-CFF REGIONAL SECRETARIAT  
NOTES TO THE FINANCIAL INFORMATION  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017  
(Expressed in United States Dollar, unless otherwise stated)**

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**12. EVENTS AFTER THE REPORTING PERIOD** *(continued)*

The IRC meeting acknowledged the update for the Secretariat on the migration from cash to accrual basis accounting and the new accounting software, Xero. The Secretariat has applied the accrual basis accounting since January 1, 2019 as mandated by the 14<sup>th</sup> Senior Officials Meeting (SOM) and the 7<sup>th</sup> Ministerial Meeting (MM) on December 2018 in Manila, Philippines.

2. On March 4, 2019, the MOU on Strengthening Organizational and Administrative Capacity for Improved Fisheries Management (SOACAP-IFM) with DOI was amended to extend its validity until September 30, 2019 and increased the amount of total project grant to USD300,000. Furthermore, there were some amended activities such as Third Regional Priorities Workshop (RP-3) for renewed Regional Plan of Action (RPOA 2.0) and Workshop on Catch Documentation Traceability (CDT).

**SUPPLEMENTARY INFORMATION  
CTI-CFF REGIONAL SECRETARIAT  
A PROJECT ADMINISTERED BY CTI-CFF REGIONAL SECRETARIAT  
FOR CTI-CFF MEMBERS' CONTRIBUTIONS  
FUND ACCOUNTABILITY STATEMENT  
FOR THE YEARS ENDED DECEMBER 31, 2018  
(Expressed in United States Dollar, unless otherwise stated)**

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	<b>Budget 2018</b>	<b>Actual 2018</b>	<b>Under (Over) Budget 2018</b>
<b>REVENUES</b>			
Member contributions	948,735	1,007,158	(58,423)
<b>EXPENDITURES</b>			
Salaries	501,234	551,318	(50,084)
Office costs	694,274	95,044	599,230
Program activities	26,712	791	25,921
Senior officials' meetings expenses	27,000	54,877	(27,877)
Technical working groups	95,000	88,960	6,040
Cross cutting themes	46,500	22,063	24,437
Expenditures	1,390,720	813,053	577,667
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>(441,985)</b>	<b>194,105</b>	<b>(636,090)</b>



**SUPPLEMENTARY INFORMATION  
CTI-CFF REGIONAL SECRETARIAT  
A PROJECT ADMINISTERED BY CTI-CFF REGIONAL SECRETARIAT  
FOR THE DEPARTMENT OF THE INTERIOR OF THE GOVERNMENT OF  
THE UNITED STATES OF AMERICA  
FUND ACCOUNTABILITY STATEMENT  
FOR THE YEARS ENDED DECEMBER 31, 2018  
(Expressed in United States Dollar, unless otherwise stated)**

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	<u>Budget 2018</u>	<u>Actual 2018</u>	<u>Under (Over) Budget 2018</u>
<b>REVENUE</b>			
Grants	250,000	100,000	150,000
<b>EXPENDITURES</b>			
Office costs	124,929	124,929	-
Salaries	415	415	-
Expenditures	125,344	125,344	-
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<u>124,656</u>	<u>(25,344)</u>	<u>150,000</u>

**SUPPLEMENTARY INFORMATION  
 CTI-CFF REGIONAL SECRETARIAT  
 A PROJECT ADMINISTERED BY CTI-CFF REGIONAL SECRETARIAT  
 FOR THE COMMONWEALTH OF AUSTRALIA AS REPRESENTED BY  
 THE DEPARTMENT OF THE ENVIRONMENT AND ENERGY  
 FUND ACCOUNTABILITY STATEMENT  
 FOR THE YEARS ENDED DECEMBER 31, 2018  
 (Expressed in United States Dollar, unless otherwise stated)**

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	<u>Budget 2018</u>	<u>Actual 2018</u>	<u>Under (Over) Budget 2018</u>
<b>REVENUE</b>			
Grants	<u>13,200</u>	<u>7,862</u>	<u>5,338</u>
<b>EXPENDITURE</b>			
Office costs	<u>7,908</u>	<u>7,908</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER EXPENDITURE</b>	<u><u>5,292</u></u>	<u><u>(46)</u></u>	<u><u>5,338</u></u>