

# FINANCIAL REPORT

**Coalition for Fair Fisheries Arrangements**

**C F F A for short**

**January – December 2022**

# 1 Description of the organisation

CFFA is an NPA (non-profit association) or in French an *asbl* (association sans but lucratif) registered in accordance with the Belgian Law.

CFFA was established in Brussels in 1992, after 'The Battle for Fish' Conference, and has had a permanent secretariat there since 1994. One meeting of the CFFA Steering Committee is organised per year, as well as ad hoc meetings with CFFA partners. These meetings decide on CFFA activities and strategies. An Administration Council, composed of Belgian residents, administers the *asbl*.

*CFFA main objectives* are:

- (1) to inform ACP and EU civil society about issues arising from ACP-EU fisheries relations;
- (2) to support ACP fishing communities participation in ACP-EU decision making processes;
- (3) to monitor and influence ACP-EU fisheries relations to promote ACP small scale fishing communities views.

For the period 2022-2026, CFFA *work priorities* are:

- (1) Broadening the scope of CFFA Advocacy at the EU level
- (2) Expanding and formalizing CFFA relations with partners in Africa
- (3) Emphasizing political rights in fisheries reform – Transparency and access to information
- (4) Informing on emerging policy issues and agendas
- (5) Enhancing coverage of African fisheries by European journalists.

*CFFA main activity* is to provide information on ACP-EU fisheries relations to ACP artisanal fishing sector organisations, ACP and EU NGOs, and to help them participate and influence the decision making processes governing ACP-EU fisheries relations (fisheries (partnership) agreements, EU-ACP fish trade relations and EU development programmes).

More information on CFFA activities can be found on <https://www.cffacape.org/>

Since 2007, CFFA participates to the EU Regional Advisory Committee on Long Distance Fisheries and Vice chair of its Executive Committee (until May 2022).

## 2 Audit

### Audit objectives

The period under audit is from 1<sup>st</sup> January 2022 until 31 December 2022.

The audit was carried out with a view:

- To express an opinion on whether CFFA Statement of Income and Expenditure presents fairly monies received and costs incurred for the period under audit in accordance with the terms of the funding agreement and generally accepted accounting principles.
- To obtain a sufficient understanding of CFFA internal control structure, evaluate the control environment and the adequacy of the accounting system.
- To determine whether CFFA complied with the terms of the grant agreement and applicable laws and regulations.
- To verify that proper books of accounts exist, are reliable, comply with the financing agreement and have been properly organized and maintained throughout the period under audit.
- To verify that expenditure was in accordance with the agreed budget items and amounts.
- To verify that the received amounts in the report are presented in EURO.
- To verify that the grant received from Swedish Society for Nature Conservation (SSNC), 105,183.12<sup>1</sup> euros (1 200 000 SEK), is specified in the organizational audit report.
- To verify that the grant of 55,000 EURO from Bread for the World (Brot für die Welt) was well spent in 2022.
- To present a management letter

### Procedures performed

The following audit procedures were performed during the course of the audit:

- Obtaining an understanding of CFFA establishment, functions, activities and financial reporting system ;
- Obtaining an understanding of CFFA internal control structure and tested the controls in terms of their adequacy and actual operation;
- Reviewing CFFA books to determine whether expenditures incurred were properly recorded and incurred in accordance with the funding agreement with Swedish Society for Nature Conservation and Pain pour le Monde/ Brot für die welt;
- Reviewing the procedures used to control the funds and the bank account;
- Reviewing procurement procedures to determine whether reasonable prices were obtained, and adequate controls were in place over the qualities and quantities received;
- Preparation of a draft report discussed with CFFA Coordinator.

100 % of the expenditures were examined.

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<sup>1</sup> 110,693,04 € received – 5,509.92 € repaid for 2017-2021

### 3 Report of auditors

<p style="text-align: center;"><b>AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF COALITION FOR FAIR FISHERIES ARRANGEMENTS NPA, CFFA in short FOR THE YEAR ENDED 31 DECEMBER 2022</b></p>
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In accordance with the legal and statutory requirements, we report to you on the performance of the mandate of statutory auditor which has been entrusted to us.

This audit was performed in accordance with international standards (ISA 800/805).

We have audited the financial statements as of and for the year ended 31 December 2022, prepared in accordance with the financial reporting framework applicable in Belgium, which show a balance sheet total of € 111,440.21 and a negative result for the year of € 647.68 € .

#### **Unmodified audit opinion on the financial statements**

Management is responsible for the preparation and the fair presentation of these financial statements. This responsibility includes : designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the legal requirements and the Auditing Standards applicable in Belgium, as issued by the Institute of Registered Auditors (*Institut des Reviseurs d'Entreprises*). Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement, as to whether due to fraud or error.

In accordance with the above-mentioned auditing standards, we considered the company's accounting system, as well as its internal control procedures. We have obtained from management and the company's officials, the explanations and information necessary for executing our audit procedures. We have examined, on a test basis, the evidence supporting the amounts included in the financial statements. We have assessed the appropriateness of accounting policies and the reasonableness of the significant accounting estimates made by the company as well as the overall financial statement presentation. We believe that these procedures provide a reasonable basis for our opinion.

**In our opinion, the financial statements for the year ended 31 December 2022 give a true and fair view of the company's assets and liabilities, its financial position and the results of its operations in accordance with the financial reporting framework applicable in Belgium.**

Genappe, 6 April 2023

SG AUDIT SOLUTIONS SRL  
Represented by

Stephanie GUEVAR  
Registered auditor

## 4 Additional

The accounting follows cash basis principle except for:

- the expenses of December paid in the beginning of 2023 ;
- the holiday pay payable in June 2023 but already in the accounts at the end of December 2022 as the Belgian law has it foreseen ;
- The deferral of the €80,000 grant received in advance (November 2022) for the 2023 projects.

The starting balance was 8,583.28 € and the outgoing balance is 7,935.60 €.

The grant is well kept in a bank account and continuously reconciled during the agreement period.

The financial report includes a comparison between the actual costs and the budgeted costs in the co-operation agreement (see after)

The financial report contains explanations for any deviations of budget line headings.

The outgoing balance for previous period is the same as incoming balance for the current period.

The organisation has adhered to its internal regulations for procurements

Interests and exchange rate gains from the projects funds are accounted for the supported project.

Staff time charged to the project has been recorded the duration of the year in a systemized way and the salary costs can be verified by sufficient supporting documentation. Only staff costs belonging to activities funded under the supporting project are accounted for and are not cross-funded.

There is no relationship between employees of the organization and its board of directors.

The organisation "C.F.F.A." has followed national laws regarding taxes, social security payment and labour laws.

There are no sub-granting funds to third parties.

Genappe, 6 April 2023

SG AUDIT SOLUTIONS SRL

Represented by

Stephanie GUEVAR

Registered auditor

**Table - Statement of Income and Expenditure (in euros)**

Amount of funding received from SSNC in euros	110,693.04
<i>Amount of funding received from SSNC in SEK</i>	<i>1,200,000.00</i>
Amounts reimbursed at SSNC	-5,509.92
Amount received from Bread for the World in euros	55,000.00
Amounts received from private donors	1,800.00
Other Income	8.20
<b>Total Income</b>	<b>161,991.32</b>
<b>Total Expenditures</b>	<b>162,639.00</b>
<b>RESULT 2022 (Negative)</b>	<b>-647.68</b>

<b>Opening balance from previous reporting period (currency and amount)</b>	8.583,28 €
<b>Amount of funding received from SSNC</b>	110.693,04 €
<i>in foreign currency (currency and amount) - SEK</i>	<i>1.200.000,00</i>
<b>Total costs during the period (currency and amount)</b>	162.639,00 €
<b>Closing balance by the end of the reporting period (currency and amount)</b>	7.935,60 €
<b>For core support: SSNC's share of the total closing balance (NONE - Loss of the Year)</b>	- €

<b>STATEMENT OF EXPENDITURES (details)</b>	<b>Budget 2022</b>	<b>Expenses 2022</b>
<b>Staff/consultants costs</b>		
Coordinator/spokesperson salary	34.500,00	38.503,50
Communication officer salary	34.500,00	38.955,25
Social Security for coordinator and comm. officer (2x13.000 euros)	26.000,00	26.965,04
Social security management costs for coordinator and comm. Officer (Partena)	2.000,00	2.437,31
Trainee for website management (up to 6 months) - or consider outsourcing?	6.000,00	0,00
Research Associates / consultants (Panossian & Standing)	20.000,00	9.000,00
Interpretation Fr/ENG/SP/PT	7.800,00	9.536,65
<b>Activities</b>		
Interactions with EU institutions	1.150,00	1.259,23
lobbying training CAOPA partners in Brussels	10.700,00	0,00
Participation CFFA to international initiatives	5.000,00	12.702,50
Annual Steering Committee meeting	5.340,00	5.705,38
CFFA video/article production	6.500,00	6.672,57
<b>Office costs</b>		
Website FR & ENG	615,00	1.228,29
Winbooks (accounting programme- annual fee)	148,00	268,62
Zoom (video conference - annual fee)	1.720,00	2.437,69
DeepL (translation - annual fee)	80,00	475,10
Bank costs (including bank account fees + 50 international transfers)	1.000,00	667,41
Accounting	867,00	579,39
Auditing	1.400,00	1.492,00
Rent (265 euros/month)	3.180,00	3.035,84
miscellaneous (stamps, copies, computer maintenance, renting meeting rooms)	1.000,00	717,23
<b>Total costs (in euros)</b>	<b>169.500,00</b>	<b>162.639,00</b>



## **Comments on the deviations observed in the expenses for the various activities, compared to the budget**

### **1. Salaries**

The salaries have increased in 2022 for two main reasons: one is the automatic wage indexation of salaries. Automatic wage indexation in Belgium is in place to ensure that employees maintain their purchasing power in line with inflation (which reached over 12% in October 2022). Automatic wage indexation refers to the annual adjustment of minimum wages and pay levels in line with the cost of living.

Another reason why the salaries increased is due to the decision of the Board in 2022 to maintain the teleworking monthly allowance (it was introduced during Covid). In terms of office space, we are paying for one office space for 15 days of work/month (which costs 260 euros/month). However, with both employees working 4 days/week in 2022, we are spending a considerable amount of time working from home, we costs are incurred (heating, electricity, etc). The amount is 143,78 euros per month per employee.

### **2. Trainee for website management (up to 6 months)**

We finally decided not to take a trainee due to a lack of time to supervise him/her. Indeed, during 2022, there were a big number of requests to CFFA team to participate to events, provide interviews etc on the occasion of the International Year of Artisanal Fisheries and Aquaculture.

### **3. Research Associates / consultants (Panossian & Standing)**

There was less research work produced by our associate researchers mainly for family reasons (Andre Standing moved from Kenya to UK with his family) and other work commitments they had.

### **4. Interpretation Fr/ENG/SP/PT**

The costs of interpretation increased mainly because we started to have regular meetings with fishers networks from Central and Latin America after the UN Conference on Ocean, where our partner CAOPA met with them and engaged in a dialogue on joint positions/approaches in international fora, based on the jointly agreed Call to Action.

### **5. lobbying training CAOPA partners in Brussels**

Former lobbying trainings have been organized in Brussels towards the end of the year. But, in 2022, by the end of the year, we realized there would not be enough funds to organize that (because of extra expenses for the participation of fishers to various initiatives). However, the participation of fishers to

these initiatives, thanks to CFFA support, has greatly improved their capacity for lobbying and advocacy at UN level.

## **6. Participation CFFA to international initiatives**

Our budget here increased dramatically, as IYFA has created important opportunities for fishers to influence decision making processes (OACP, UN, FAO). We have made these changes in agreement with our partners as these opportunities and related activities have been discussed and decided during our monthly Steering Committees. SSNC and BFW has been informed during the course of the year of these changes.

## **7. Office costs**

### *7.1 Website FR & ENG*

We have upgraded our communication systems (website in FR/Eng, but also increased our capacity to do mailings and campaigns).

### *7.2 Winbooks (accounting program-annual fee)*

On top of the annual fee, we also paid for one hour of support by telephone in case there is a problem with Winbooks. However, after discussing with our accountant, it is felt this support is not needed (our accountant is a professional user of winbooks), so we have asked the provider to discontinue this support for the next years.

### *7.3 Zoom (video conference-annual fee)*

The annual fee was increased by Zoom for the professional version (with interpretation etc) we use).

### *7.4 Deepl (translation – annual fee)*

We use deepl a lot for translating documents we produce, or documents we use for research. We have upgraded our abonnement with Deepl to be able to translate more documents and to have two users (Joelle Philippe and Béatrice Gorez)

### *7.5 Bank costs (including bank account fees + 50 international transfers)*

We have been able to diminish the bank costs by using whenever possible Western Union (costs 4 euros rather than, on average, 40 euros by transfer). This is made easier as we can now pay directly by internet.