Summary of the 1994 annual accounts

Initial situation

At the General Assembly in Gibraltar the budget was increased at short notice by SFr. 20 000.- for the special tasks of the "Extended Standing Commission" and allocated as follows: SFr. 4 000.- to account 4.1, SFr. 10 000.- to account 5.1, and SFr. 6 000.- to account 6.7. Obviously this increase will not affect the annual contribution until 1995.
The expenses involved in the revision of the trade descriptions and especially in the presentation of new trades, had been underestimated. Technological development is undergoing radical changes, which dramatically affect trade descriptions. Nevertheless we must point out that these expenses were not only justified, but also satisfied an urgent need. It will be necessary in the future to increase the amount allocated to this item.
For the same reason translation expenses have also increased. Technical translations are very demanding and are not always successful the first time, sometimes due to the difficulty of deciphering the handwritten revisions of the trade descriptions made by the experts.
In addition, the revision of the Constitution, the Standing Orders and the Competition Rules, has given way to extraordinary expenses at the Secretariat and for translations.
Income increased due to the admission of two new mwmbers; losses were therefore clearly below those of 1993. We hope to break even in the future.
Fortunately, our members are very punctual in their payments, outstanding payments are moderate or are announced in due time.

Comments on each account

4.1
The fees are as budgeted although expenditure has clearly increased, particularly due to the new papers produced by the "Extended Standing Commission".

4.2
Costs for social insurance fall within the budget, but in reality are higher. The firm Sommer has taken charge of the difference.

4.3
Additional personnel has been necessary, especially for the trade descriptions, for the bulletins (Public Relations) and

for writing up the Constitution, Standing Orders and Competition Rules in the different languages. The expense falls within the budget, but does not include any costs for social insurance. See point 4.2.

5.1
Translation costs have increased, also due to the bulletins and to the final report from Mrs. Dorien de Haan, of Amsterdam.

5.2
The costs of the meetings in Gibraltar and Madeira were lower than expected. This is due in part to the excellent cooperation from the office of Ernst Rupprecht, of Solihull.

5.3
No competition year

6.1
No comment

6.2
The software was revised in 1993 and the costs were included in the 1994 accounts. They will be partially recuperated by way of licences sold, to be included in the 1995 accounts. (See also the 1993 summary).

6.3
Trade descriptions were not sent out in a file; mailing was therefore cheaper and easier.

6.4
No comment (See also 6.3)

6.5
Costs for the development of the information board are included here. The board has been in constant use and in addition one has been sold in Austria and another in the Netherlands. Also included are costs for bulletins and reports, as well as part of the travelling expenses arising from meetings with the new members.

6.5.1
Additional expenditure has already been explained (See also "Initial situation").

6.5.2
It is difficult to plan future action. Too many changes have been introduced into the trade descriptions since the last competition and at present it is not in the Organisation's

interest to continue this process. It must be pointed out that hardware and software generate no (rent or leasing) costs to the Organisation, because they have been paid for by the firm Sommer.

6.6
Expenses were reduced, because there are no hardware or software costs, and reminders could be cut out substantially.

6.7
No comment. The expenditure was reduced because members paid the costs for meetings with the President.

6.8
No comment.

6.9
The President receives no fee (costs paid by himself or by the NL Government). He only charges travelling, lodging and meeting expenses reimbursed against invoices.

Comments on the results
The following members had payments outstanding as at 31.12.1994:

Bermuda	10 854.-	Proposal for exclusion
India	13 728.-	
Canada	14 554.-	
Luxemburg	2 312.-	
USA	1 912,30	
Total	43 360,30	

An urgent solution has to be found to Luxemburg's debt. On admission this member was given the choice of paying the admission fee of SFr. 5 000.- or cancelling the debt of the former member. At the time this debt amounted to some SFr. 1 800.- and the interest on arrears was last calculated at SFr. 2 312.- Luxemburg's standpoint is that it is not obliged to cancel former debts, much less interests on arrears. This position is contrary to the agreement.

Comments on the balance sheet
The SFr. 20 000.- loan has been paid back to the Secretary General.
"Transitory liabilities" are advanced payments from FL and SG.
Own resources are for accounting purposes.

1.5.1995/So/eb