



Financial Statement for FY2023

Agenda item: 4
IPHC-2024-FAC100-04
(D. Wilson)



Purpose

- To provide the Commission with an end of year financial statement for FY2023 (financial period: 1 October 2022 to 30 September 2023).

Changes implemented in FY2023

Changes implemented to finalise the transition to US GAAP basis of accounting:

- Implementation of ASC 842, which is a new accounting standard requiring leases to be reported as 'right of use' assets and liabilities on the Balance Sheet instead of rent and lease expense on the Income Statement.
- Time value of money is considered in the calculation and amortized over the life of the lease.
- This creates more expense reported at the beginning of the lease and less expense reported toward the end of the lease. Historically, lease expenses have been equal payment per the lease agreements.

Changes implemented in FY2023

- Period cut off for matching income and expense of grants.
- Historically, the Commission reported grant funds as revenue when the cash was received in the bank account.
- For FY2023, grant revenue has been accrued for when the criteria was met, which is when costs covered under the grant agreement are expended.
- Due to the conversion to GAAP financial reporting, cash received during FY2023 would have been reported as revenue in prior years instead of FY2023.
- The timing of the AK Cost Recovery grant from NOAA is the primary factor.
- Cash amounts expected to be received in FY2025 (1 Oct 2024) have been accrued as of FY2023 when the costs were expended.

Statement of Financial Position

The total Assets at year-end closing totaled: **US\$6,126,082.29**

The total equity or combined fund balance at year-end closing totaled:
US\$3,417,407.34

Fund equity balances at year end:

- General Fund (10): **US\$706,071.80**
- Research Fund (20): **US\$39,686.72**
- Statistics Fund (30): **-US\$141,010.08**
- AK Cost Recovery (35): **US\$1,491,412.83**
- FISS Fund (40): **-US\$115,997.85**
- Reserve Fund (50): **US\$1,437,243.92**

FY2023 – Balance Sheet (All Funds)

Appendix I



Account Number	Account Name	Amount
Assets		
10000	Cash in Bank (Wells Fargo)	\$2,827,913.14
11000	Accounts Receivable	\$1,456,358.77
11200	Grants Recievable	\$854,741.94
13000	Prepaid Expenses	\$88,449.26
14000	Deposits	\$6,380.77
15000	Furniture, Fixtures and Equipment	\$40,859.00
15100	Work in progress	\$31,320.00
15700	Lease Assets	\$1,219,097.26
15888	Accumulated Amortization	\$-394,223.28
15999	Accumulated Depreciation	\$-4,814.57
Total Assets		\$6,126,082.29
Liabilities		
20000	Purchase Card - US Bank	\$17,395.97
20100	Travel Card - US Bank	\$13,349.92
20200	AK Airlines Card - Bank of America	\$587.06
21000	Accounts Payable	\$507,239.77
21001	Accrued expenses	\$15,066.69
21002	Deferred revenue	\$72,371.00
22000	Payroll Tax Liabilities	\$-12,357.43
22100	Payroll Benefit Liabilities	\$1,238,990.49
22300	Payroll Reimbursement Clearing	\$2,117.86
23300	Lease Liabilities	\$850,921.21
23500	Interest Payable	\$2,992.41
Total Liabilities		\$2,708,674.95
Equity		
30100	10 - General	\$706,071.80
30200	20 - Research	\$39,686.72
30300	30 - Statistics	\$-141,010.08
30350	35 - AK Cost Recovery	\$1,491,412.83
30400	40 - FISS	\$-115,997.85
30500	50 - Reserve	\$1,437,243.92
Total Equity		\$3,417,407.34
Total Liabilities + Total Equity		\$6,126,082.29

FY2023 – Income Statement (All Funds)

Appendix II Income Statement and Budget to Actuals (FY2023)

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

International Pacific Halibut Commission
Income Statement
for the period of 10/01/2022 to 09/30/2023

Account Number	Account Name	Amount	Annual Budget
Income			
40000	Contracting Party Contributions	\$5,172,167.00	\$5,058,167.00
40055	Headquarters (Lease & Maintenance)	\$489,250.00	\$489,250.00
40060	Other Income	\$71,292.26	\$170,200.00
40100	Grants, Contracts & Agreements	\$2,582,339.55	\$853,849.30
40200	Interest Income	\$15,315.52	\$772.50
40350	Fish Sales	\$4,127,213.30	\$4,335,000.00
42000	Gain/Loss	\$-370.22	\$0.00
4998	Fund Transfer	\$88,745.00	\$88,745.00
Total Income		\$12,545,952.41	\$10,995,983.80

FY2023 – Income Statement (All Funds)

Appendix II

The total expenditures were **US\$10,862,976.33** which provided for a surplus in revenue over expenditures totaling **US\$1,682,976.08**.



International Pacific Halibut Commission
Income Statement
for the period of 10/01/2022 to 09/30/2023

Account Number	Account Name	Amount	Annual Budget
Expense			
50000	Salaries & Wages	\$4,483,693.18	\$4,437,665.82
50100	Benefits	\$1,298,980.11	\$1,681,928.37
50200	Training & Education	\$56,627.36	\$120,527.00
50300	Personnel Related Expenses	\$10,827.43	\$21,965.00
51000	Publications	\$5,166.48	\$13,100.00
51100	Mailing and Shipping	\$110,617.16	\$133,650.00
51200	Travel	\$198,453.60	\$301,819.73
51300	IPHC Meetings	\$163,885.15	\$128,500.00
51400	Technology	\$106,240.10	\$165,050.00
52000	Professional Fees	\$152,150.50	\$222,058.48
52100	Vessel Expenses	\$428,328.88	\$544,000.00
52200	Other Fees and Charges	\$80,138.24	\$87,500.57
52300	Leases and Contracts	\$2,116,428.52	\$1,770,183.00
54000	Communications	\$37,670.95	\$38,890.00
53000	Equipment Expense	\$26,372.87	\$42,100.00
53100	Supplies Expense	\$880,003.91	\$905,985.00
53200	Maintenance and Utilities	\$51,818.95	\$131,285.00
53300	Facility Rentals	\$549,725.67	\$476,062.64
55100	Other Expenses	\$396.53	\$0.00
55400	Capitalized Fixed Assets	\$-6,493.00	\$0.00
55410	Depreciation Expense	\$3,847.31	\$0.00
5998	Fund Transfer	\$88,745.00	\$88,745.00
56444	AR Adjustments	\$19,351.43	\$0.00
Total Expense		\$10,862,976.33	\$11,311,015.61
Net Income (Loss)		\$1,682,976.08	\$-315,031.81

Carryover by Fund

- The total carryover from FY2022 to FY2023 (included in income on the audited Statement of Activities: IPHC-2023-FAC099-05) was **US\$1,728,916.00**
- The total carryover from FY2023 to FY2024 is **US\$3,417,407.34**

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

International Pacific Halibut Commission
Income Statement by Fund
for the period of 10/01/2022 to 09/30/2023

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	35 - AK Cost Recovery	40 - FISS	50 - Reserve	Amount
Summary								
	Beginning Fund Balance	\$ 789,516.16	\$ (17,113.02)	\$ (175,332.57)	\$ 0.00	\$ 202,928.06	\$ 928,918.35	\$ 1,728,916.98
	+ Other Fund Balance Movements	\$ (414,089.83)	\$ (122,768.53)	\$ (87,910.62)	\$ 6,204.23	\$ 27,008.46	\$ 597,070.57	\$ 5,514.28
	+ Net Income / (Loss)	\$ 330,645.47	\$ 179,568.27	\$ 121,998.75	\$ 1,485,442.96	\$ (345,934.37)	\$ (88,745.00)	\$ 1,682,976.08
	= Ending Fund Balance	\$ 706,071.80	\$ 39,686.72	\$ (141,244.44)	\$ 1,491,647.19	\$ (115,997.85)	\$ 1,437,243.92	\$ 3,417,407.34

Recommendation

That the FAC:

- **NOTE** paper IPHC-2024-100-04 that includes the Financial Statement and supporting documentation for the financial period 01 October 2022 to 30 September 2023 (FY2023);
- **RECOMMEND** that the Commission **NOTE** the Financial Statements for FY2023, as detailed in paper IPHC-2024-FAC100-04.

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100 years
HALIBUT COMMISSION