

**INTERNATIONAL HYDROGRAPHIC
ORGANISATION
HYDROGRAPHIQUE INTERNATIONALE**



**ANNUAL REPORT
2002**

***RAPPORT ANNUEL
2ème PARTIE - FINANCES - PART 2***

Traditionnal and International Presentations
Présentations traditionnelle et internationale

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Foreword to the Finance Report for 2002

The Directing Committee has the pleasure of presenting the IHO Finance Report for the year 2002. Both the International accounting standards format and the traditional format are included. The Directing Committee will continue presenting in the Finance Reports both formats. Your comments on the need to continue providing both formats are welcome.

The developments with the Internal Retirement Fund (IRF) continue as analysed in FCCL No. 2/2003 dated 4 April 2003. Considering the comments received by Member States on this issue, the Directing Committee is working very closely with the Chairman of the Finance Committee and the Investment Company, to most appropriately transition from the current holdings in equities to investments in more conservative instruments. Note also the comments of the Auditor on the IRF developments as presented in the second part of his report on the accounts of the IHB for 2002.

Member States responded to the efforts of the Directing Committee and most of them paid promptly their contributions. In 2002 two MS that were in arrears paid their contributions and their rights were restored and another three became new Members. In total 86% of the contributions was paid, which can be considered as an encouraging development for the financial situation of the Organization.

The Directing Committee will continue to monitor the payment of the contributions and take the appropriate actions for the timely and full payment by Member States. Member States are invited to ensure that their contributions are paid on time.

Note 10 of the international format shows the actual end of the year net available cash is slightly higher than last year. This level of cash is sufficient to cover three months' of operation and insure the financial viability of the Bureau. The Directing Committee will strive to maintain this level of end of year cash.

The report indicates that the financial situation of the Organization is progressing smoothly and appropriate actions are in progress, in order to improve the IRF developments and the operation of the budget. The Directing Committee will continue monitoring the finance of the Organization and implement procedures and actions, when is needed, that will improve the effectiveness of the budget.

Avant-propos sur le Rapport financier annuel pour l'année 2002

Le Comité de direction a l'honneur de vous présenter le Rapport financier de l'OHI pour l'année 2002. Vous pourrez y noter qu'aussi bien la présentation internationale que la présentation traditionnelle y sont incluses. Le Comité de direction poursuivra la communication du rapport financier selon ces deux présentations. Vos commentaires sur la nécessité de continuer à fournir les deux présentations sont les bienvenus.

Les développements relatifs au Fonds de retraite interne (FRI) se poursuivent tels que relatés dans la lettre FCCL 2/2003 datée du 4 avril 2003. Tenant compte des commentaires reçus de la part des Etats membres sur le sujet, le Comité de direction traite cette question en étroite collaboration avec le Président de la Commission des finances ainsi qu'avec l'organisme gestionnaire des fonds, afin de procéder de la façon la plus appropriée à la conversion d'actifs comprenant des actions vers des supports d'investissement plus traditionnellement orientés vers les obligations.

Vous êtes également invités à prendre connaissance des commentaires du Commissaire aux comptes, exposés dans la seconde partie de son rapport sur les comptes de 2002, qui traite de cette question.

Les Etats membres ont bien réagi aux efforts du Comité de direction, et la plupart d'entre eux ont réglé leurs contributions annuelles avec promptitude. Deux Etats qui se trouvaient suspendus ont réglé l'arriéré de contribution et leurs avantages et prérogatives ont été pleinement rétablis, alors que trois nouveaux Etats ont adhéré à l'OHI, en 2002. Ainsi, 86% des contributions totales ont été réglé, ce qui sera considéré comme un élément favorable à la santé financière de l'Organisation. Toutefois, le Comité de direction continuera à surveiller cette question essentielle et prendra les mesures de relance appropriées pour s'assurer que l'ensemble des Etats membres s'acquittent pleinement, et dans les délais, de leurs obligations financières.

Votre attention est également attirée sur la note 10 contenue dans la présentation internationale qui indique que les disponibilités financières nettes réelles en fin d'année ont légèrement progressé par rapport à l'année précédente. Ce niveau de disponibilité est suffisant pour poursuivre l'activité du Bureau durant trois mois, et assurer ainsi sa viabilité. Le Comité de direction s'efforcera de continuer à respecter ce niveau de disponibilités en fin d'année.

En conclusion, ce rapport indique que la situation financière de l'Organisation progresse lentement et des actions appropriées sont actuellement prises afin d'améliorer la situation du Fonds de retraite interne, ainsi que l'utilisation des moyens budgétaires. Le Comité de direction va continuer à gérer les finances de l'Organisation en engageant les procédures et les actions nécessaires, lesquelles devraient permettre d'améliorer l'efficacité budgétaire d'ensemble.

INTERNATIONAL PRESENTATION

International Hydrographic Organisation

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for the year ended 31st December 2002

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International Hydrographic Organisation
Income and Expenditure
for the year ended 31st December 2002
(expressed in Thousands of Euros)

	2002	2001
<i>Income</i>	2 480	2 439
<i>Operating costs</i>	-2 028	-1 968
Operating surplus	452	471
<i>Interest receivable</i>	69	57
<i>Office equipment</i>	-49	-39
<i>Financial operations</i>	-23	6
<i>Transfert from retirement fund</i>	-128	-102
Surplus for the year	Euros 322	393

Statement of changes in reserves

	Accumulated surplus	Revaluation Reserve	Other reserve (note 9)	Total
Reserves brought forward	1 249	457	509	2 214
Surplus for the year	322	-		322
<i>Allocate to dedicated funds :</i>				
- complementary to budget	-13			
Spent from dedicated funds			-182	-182
<i>Movement in the year (provisions) :</i>				
- Depreciation of IRF assets	-430			-430
- Member State reintroduction	2			2
Reserve carried forward	1 130	457	327	1 914

International Hydrographic Organisation
Balance Sheet
for the year ended 31st December 2002
(expressed in Thousands of Euros)

	<i>Notes</i>	2002	2001
Fixed asset			
<i>Net Tangible assets</i>	4	161	125
<i>Financial Investments</i>	5	0	0
Curent assets			
<i>Debtors</i>	6	495	669
<i>Cash at bank & in hand :</i>			
<i>IHB balances</i>	10-11	2 008	1 674
		2 503	2 343
<i>Creditors - amounts falling due within one year</i>	7	-1 207	-711
		1 296	1 632
Working capital			
<i>Designated balances</i>	1(f)	2 820	2 662
Provision for retirement fund		-2 820	-2 662
 <i>Net assets</i>		Euros 1 457	Euros 1 757
Reserves			
<i>Accumulated surplus</i>		1 130	1 249
<i>Other reserves</i>	9	327	509
		Euros 1 457	Euros 1 757

International Hydrographic Organisation
Cash Flow Statement
As at 31st december 2002
(expressed in Thousands of Euros)

	<i>2002</i>	<i>2001</i>
Cash Flows from operating activities		
Surplus for the year	322	393
Adjustments for :		
Depreciation	36	29
Sale of fixed assets	0	0
Retirement fund provision	0	0
Reserve movements	0	0
Bank interest	-20	-34
Interest expense	0	0
	<u>16</u>	<u>-5</u>
Surplus before working capital changes	337	388
Increase in trade and other receivables	174	-170
Increase in trade payables	494	-155
	<u>668</u>	<u>-325</u>
Cash generated from operations	1 005	63
Interest paid	0	0
Retirement fund adjustment	-271	-64
	<u>-271</u>	<u>-64</u>
<i>Net cash from operating activities</i>	<u>734</u>	<u>-1</u>
Cash flows from investing activities		
Purchase of fixed assets	-71	-35
Proceeds from sale of fixed assets	0	0
Interest received	20	34
	<u>-51</u>	<u>-1</u>
<i>Net cash movement in investing activities</i>	<u>-51</u>	<u>-1</u>
Net increase in cash and cash equivalents	682	-1
Cash and cash equivalents at 1st January of the year	<u>4 387</u>	<u>4 389</u>
Cash and cash equivalents at 31st December of the year	Euros <u><u>5 070</u></u>	Euros <u><u>4 387</u></u>

International Hydrographic Organisation
Notes to the Financial Statements
As at 31st december 2002
(expressed in Thousands of Euros)

1 Accounting Policies

(a) Basis of accounting

The financial statement are prepared under the historical cost convention and in accordance with applicable International Accounting Standards.

(b) Income

Income principally represents contributions receivable from member states.

(c) Overdue contributions

In accordance with its Articles the IHO has the right to charge interest on overdue contributions, during the year interest was charged at the rate of 1% per month. Members are suspended when contributions are two years in arrears. Any amounts owing from suspended members are provided for in the year of suspension.

(d) Depreciation of tangible assets

Provision is made for depreciation on all tangible assets (over 762 Euros per articles) at rates calculated to write off the cost or valuation over its expected useful life as follows :

Furniture	- 20 % per annum on cost (5 years)
IT Equipment	- 33.33 % per annum on cost (3 years)

(e) Foreign currencies

Transactions denominated in foreign currencies are translated into french franc at the rate of exchange ruling at the date of the transaction.

Current assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Profit and losse on exchange are dealt with in the profit and loss account.

(f) Retirement fund

The Organisation operates a partially unfunded benefit pension sheme know as the Internal Retirement Fund (IRF). A proportion of the assets held to meet the pension liability are held in designated bank accounts.

The Organisation makes full provision for the estimated liability based on actuarial valuation (see note 8).

(g) Investments and investments income

Marketable securities wich are intended to be held for a number of years are included in long-term investments and are stated at market value. Unrealised gains on long-term investments are dealt with in the reserve. Realised gains and losses and unrealised losses are dealt with the profit and loss account. Gains and losses are recognized on a portfolio basis.

2 Employee Information

2002

2001

Personnel costs :

Directing committee	211	174
Salaries to Staff Members	915	906
Payment to retirement fund	203	182
Medical insurance costs	109	97
Pensions to retirees (1)	117	102
Allowances	81	62
Other staff expenses	7	8
Temporary staff & secondment	2	6
Training	11	7
Euros	<u>1 656</u>	<u>1 544</u>

(1) Paid from the year 2000, to support IRF situation

The average weekly number of employees during the year was made up as follows :

Directing Committee	3	2
Hydrographic Specialists	5	5
Administration and support Staff	12	13
	<u>20</u>	<u>20</u>

3 Taxation

By agreement between the International Hydrographique Organization and H.S.H the Prince of Monaco, the Organization is exempt from all forms of direct taxation.

4 Tangible Fixed Assets

	Furniture & Instruments	Library	Total
Cost			
At 1st January 2002	176	37	213
Acquisitions for the year	71		71
At 31st December 2002	<u>247</u>	<u>37</u>	<u>284</u>
Depreciation			
At 1st January 2002	-87	0	-87
Charge for the year	-36		-36
At 31st December 2002	<u>-123</u>	<u>0</u>	<u>-123</u>
Net book value			
At 31st December 2001	Euros 89	37	126
At 31st December 2002	Euros <u>125</u>	<u>37</u>	<u>161</u>

5 I.H.O Financial Investments

Marketing securities	0
Any other holdings	0
Euros	<u>0</u>

<u>6 Debtors</u>		2002	2001
Overdue contributions less provision	Schedule 1	384	517
VAT recoverable		65	111
Prepayments and staff advances		46	41
	Euros	<u>495</u>	<u>669</u>

<u>7 Creditors : amounts falling due within one year</u>		2002	2001
Prepaid contributions	Schedule 2	747	614
Guaranty to the IRF		379	0
Creditors and accruals	Schedule 2	81	98
	Euros	<u>1 207</u>	<u>713</u>

<u>8 Pension Commitments</u>		2002	2001
IRF Assets			
- Investments		1 372	1 612
- Bank deposits		1 069	1 050
	Euros	<u>2 441</u>	<u>2 661</u>
- IHB Guaranty		379	0
- Estimated net liabilities to IRF staff members	Euros	<u>2 820</u>	<u>2 661</u>

<u>9 Reserves</u>		2002	2001
Statutory Reserve Fund		122	122
Reserve following Conf. Decision :			
- Conference organisation		88	188
- Directors' relocation		0	94
- Printing equipment fund		61	56
- Renovation fund		8	4
- Gebco Centenary funding		12	0
Other reserves :			
- Ablos Fund		0,5	0,5
- Presentation library fund		36	44
	Euros	<u>327</u>	<u>509</u>

10 End of Year Cash Reserve

2002

2001

The end-of-year cash reserve is a very useful indicator of the liquidity of the Organisation, and its ability to continue operations in the new year. It should be sufficient for 3 months operations (or 13 weeks).

Company Cash Balances		2 008 *	1 675
Less			
- Advance contributions for next year		-747	-614
- Emergency Reserve Fund		-122 * *	-122
- Special purpose reserves and funds		-205	-387
	Euros	<u>934</u>	<u>552</u>
- Guaranty to the IRF		-379	0
Net available Cash i.e.	Euros	<u>555</u>	<u>552</u>
			<u>14 weeks of operations</u>
Cost of Operations for the current year		-2 028	
- Cost of operations for	13 weeks	-507	
Available for operations	Euros	<u>48</u>	

* * In accordance with the articles of the Organization, the reserve fund of K.Euros 122, being an amount fixed by the the Conference, is maintained. This fund is only to be used to meet extraordinary expenditure (for example, restructuring of activities of the Bureau, etc.)

11 Foreign Exchange Holdings

2002

2001

The Company Cash balances still includes financial availabilites held in Foreign currencies. For information, the value of foreign currencies held at the end of the year was :

- USD Holdings	Euros	110	41
- GBP holdings	Euros	4	5

These holdings are liable to re-valuation, according to exchange rates fluctuation.

International Hydrographic Organisation
Detailed Income and Expenditure
As at 31st december 2002
(expressed in Thousands of Euros)

	Notes	2002	2001
Income			
<i>Contributions from Member States</i>		2 338	2 273
<i>Internal tax</i>		115	110
<i>Sales of publications</i>		20	26
<i>GEBCO Grant</i>		7	7
<i>Exceptionnal income</i>		0	23
		<u>2 480</u>	<u>2 439</u>
Interest received			
<i>bank interest</i>		20	34
<i>Profit on monetary funds</i>		29	0
<i>Interest on overdue contributions</i>		20	23
		<u>69</u>	<u>57</u>
Operating costs			
		2 549	
<i>Personnel costs</i>	(2)	1 656	1 545
<i>Travel</i>		103	119
<i>Maintenance</i>		59	74
<i>Postage telephone telex and facimile</i>		42	51
<i>Technical assistance</i>		42	29
<i>Consultancy</i>		48	78
<i>Other publications</i>		11	9
<i>I.H Review</i>		8	11
<i>Papers and printing materials</i>		3	7
<i>Other operating costs</i>		9	9
<i>Office stationery</i>		14	19
<i>Public relations</i>		25	13
<i>Exceptionnel cost</i>		8	5
<i>Reserves movement</i>		0	0
		<u>-2 028</u>	<u>-1 968</u>
Office equipment			
<i>Depreciation</i>		36	29
<i>Other purchase and repairs</i>		13	9
		<u>-49</u>	<u>-39</u>
Financial costs			
<i>Profit or loss on exchange operations</i>		19	-6
<i>Bad debts</i>		4	0
		<u>-23</u>	<u>6</u>
Dotation to dedicated funds			
		-128	-102
Surplus for the year		Euros <u><u>322</u></u>	Euros <u><u>393</u></u>

International Hydrographic Organisation
Overdue Contributions
As at 31st december 2002
(expressed in Thousands of Euros)

	2002	2001	2000	Interest	Total
ARGENTINA	31				31
COLOMBIA	8				8
CUBA	19	4		0,34	23
CROATIA	12	12		1,41	25
FIDJI	4		0,3	0,07	4
GUATEMALA	3				3
IRAN	51	6		0,54	58
ITALY	62	1		0,07	63
JAMAIQUE	8				8
KOWEIT	18				18
MOROCCO	16	16		1,89	34
NIGERIA	12				12
PHILIPPINES	30				30
PORTUGAL	19				19
D.P.R OF KOREA.	18				18
URUGUAY	12	12	4	1,77	30
	323	51	4	6	384

<i>Suspended Member States</i>	Outstanding Contributions	Depreciations	Interests due	Balance
DOMINICAN REPUBLIC	6	-7	0,7	0
REP DEMOCRATIQUE DU CONGO	9	-10	1,0	0
SURINAME	9	-10	1,0	0
	24	-26	3	0

International Hydrographic Organisation
Creditors
As at 31st december 2002
(expressed in Thousands of Euros)

<u>Prepaid Contributions</u>	<i>2002</i>	<i>2001</i>
Australia	35	39
Bangladesh	0	8
Brazil	51	70
Cyprus	102	102
Denmark	59	4
Estonia	16	0
Finland	31	31
Germany	0	55
Iceland	12	0
Mozambique	0	8
Netherlands	55	51
New Zealand	16	16
Norway	94	0
Papua New Guinea	16	24
Poland	0	27
Singapore	90	90
Sweden	39	39
Thailand	43	39
United Kingdom	86	0
Unidentified contribution received	4	13
	Euros <u>747</u>	<u>614</u>

Creditors and accruals

Pensions plan payments	26	19
Accruals	52	64
Other	3	14
	Euros <u>81</u>	<u>97</u>

International Hydrographic Organisation
Budget Report
As at 31st december 2002
(expressed in Thousands of Euros)

	Budget	2002 Actual	Variance
Income			
<i>Contributions from members states</i>	2 250	2 338	-88
<i>Internal tax</i>	119	115	4
<i>Sales of publications</i>	8	20	-12
<i>Bank interest</i>	18	20	-2
<i>Interest on overdue contributions</i>	0	20	-20
<i>Other income (Gebco subvention)</i>	7	7	0
	2 402	2 520	-118
Operating costs			
<i>Personnel costs</i>	1 692	1 656	36
<i>Travel</i>	92	103	-11
<i>Maintenance</i>	75	59	16
<i>Postage telephone telex and facimile</i>	63	42	21
<i>Techical assistance</i>	53	42	11
<i>Publications</i>	24	14	10
<i>I.H Review</i>	8	8	0
<i>Consultancy</i>	122	48	74
<i>Other operating costs</i>	7	9	-2
<i>Office stationery</i>	14	14	0
<i>Public relations</i>	14	25	-11
<i>Exceptionnel costs</i>	0	8	-8
<i>Reserves movement</i>	0	0	0
	2 164	2 028	136
Capital costs expended			
<i>Depreciation</i>	0	36	-36
<i>Other purchase and repairs</i>	54	13	41
	54	49	5
Financial costs			
<i>Retirement Fund</i>	0	23	-23
	0	0	0
	184	466	-282

TRADITIONNAL PRESENTATION

COMPARED BALANCE SHEETS AS OF 31 DECEMBER 2002 AND 2001

ASSETS	EUR 2002	EUR 2001
I. CASH INVESTED FOR RETIREMENT FUND		
. Long term IRF investments (NSM & HSBC)	1 582 565,72	1 733 378,95
. Unrealized profit (losses) on investment	-210 125,05	-121 285,20
. Retirement cash invested	1 068 957,01	1 049 967,01
. Long term guaranty from IHB funds	379 028,61	0,00
	2 820 426,29	
II. VARIOUS DEBTORS		
Purchases made in advance	3 621,33	24 158,64
Outstanding bills	3 618,50	4 192,71
Deposits	0,00	0,00
Advance to staff	18 066,66	12 576,38
Claim for refunding of VAT	64 844,75	111 356,67
Expenses for Gebco Centenary	20 518,88	0,00
	110 670,12	
III. OUTSTANDING CONTRIBUTIONS		
Contributions for the year	322 808,55	389 961,73
Contributions for previous years	55 308,78	113 985,99
Contributions for suspended MS	24 019,43	25 843,00
Interest remaining due on contributions	8 894,83	15 793,10
	411 031,59	
IV. FURNITURES AND INSTRUMENTS	247 464,42	175 639,20
Depreciation of assets	-122 716,40	-87 212,59
V. LIBRARY	36 663,99	36 663,99
VI. STOCKS OF PUBLICATIONS	1,15	1,15
	161 413,16	
VII. CASH IN BANK AND ON HAND		
IHB - Bank current accounts	725 140,89	183 435,77
IHB - Bank deposit accounts	1 276 209,89	1 485 000,00
Petty cash	6 523,44	6 223,85
	2 007 874,22	
	5 511 415,38	5 159 680,34

LIABILITIES	EUR 2002	EUR 2001
I. STAFF INTERNAL RETIREMENT FUND		
Internal Retirement Reserve fund	698 671,75	577 386,55
Staff retirement fund	428 439,68	821 175,41
Provision to ensure lump sums to active staff		
Provision to ensure pensions to active staff	508 786,00	78 969,94
Provision to ensure pensions to retirees	1 184 528,86	1 184 528,86
Actuarial Requirements	2 820 426,29	2 662 060,76
II. VARIOUS CREDITORS		
Personalized pension plans	0,00	0,00
A.M.R.R Complementary Retirement Scheme	25 834,28	19 515,36
Eagle Star Funds	0,00	0,00
Accruals (outstanding bills, telex, telephone)	52 298,96	63 662,94
Travel claims & wages	2 817,99	6 149,24
Deposits received for Conference (stand)	0,00	8 247,14
Provision for doubtful contributions	26 810,20	28 633,76
Garanty to the IRF	379 028,61	0,00
	486 790,04	
III. LH CONFERENCE FUNDS		
Organization of Conferences	88 221,50	188 255,92
Removal of Directors	0,00	94 134,01
Ablos conference fund	473,88	473,88
GEBCO Centenary funding	12 000,00	0,00
IV. PRINTING EQUIPMENT FUND	60 706,77	55 797,08
V. RENOVATION FUND	7 519,15	4 052,21
VI. PRESENTATION LIBRARY FUND	36 487,35	44 010,16
	205 408,65	
VII. CONTRIBUTIONS RECEIVED IN ADVANCE		
Received in advance or in excess	746 928,61	614 112,72
VIII. CAPITAL		
Reserve fund	121 959,21	121 959,21
Reserves for revaluation		
- financial holding	410 588,84	410 588,84
- physical assets	46 091,78	46 091,78
Profits for Conf. Decisions	0,00	0,00
Provisions for risks	-1 720 125,06	-1 292 132,56
Net yearly operating profit	321 279,12	394 736,12
Net Members Fund	2 072 067,90	1 689 331,77
	1 251 861,79	1 370 575,16
	5 511 415,38	5 159 680,34

Table 1

I. INCOME - EUR**BUDGETARY STATEMENT FOR 2002****TABLEAU BUDGETAIRE POUR 2002**

Tableau 1

I. REVENUS - EUR

CHAPTERS CHAPITRES	Unit Value of one share EUR 3 906,35	Estimates Prévisions	Modif. to Estimates Modif. des prévisions		Adjusted Estimates Prévisions révisées	Amount (a) received or (b) remaining due Montant reçu ou restant dû		100%	Differences with adjusted Estimates Différences avec les prévisions révisées	
			Excess Excédent	Deficit Déficit		Excess Excédent	Deficit Déficit			
A. Contributions for the year (576 parts) Contributions de l'année (576 parts)		2 250 057,60			2 337 950,48	2 015 141,93 (a)	86,19%		0,00	
- <i>Modification of tonnage :</i> . Ukraine	1		3 906,35			322 808,55 (b)	13,81%			
- <i>Restored Member States :</i> . Papua New Guinea	2		7 812,70							
. Guatemala	2		7 812,70							
- <i>New Member State :</i> . Bangladesh	2		7 812,70							
. Jamaica	2		7 812,70							
. Mexico	7		27 344,45							
. Slovenia	2		7 812,70							
. Koweit	4,5		17 578,58							
B. Sales of publications Ventes de publications		7 622,45			7 622,45	20 306,48	266,40%		12 684,03	0,00
C. Advertisements in publications Annonces dans les publications		0,00			0,00	0,00			0,00	0,00
D. Interest on monies in bank intérêts sur comptes en banque (part for the Retirement Fund)		18 293,88			18 293,88	48 983,77 (c)	267,76%		30 689,89	0,00
E. Extraordinary income Revenus exceptionnels		7 165,10			7 165,10	7 400,00	103,28%		234,90	0,00
F. Internal Tax - Taxe interne		119 534,51			119 534,51	115 106,87	96,30%		0,00	4 427,64
		-----	-----	-----	-----	-----	-----	-----	-----	-----
		2 402 673,54	87 892,88	0,00	2 490 566,42	2 529 747,60			43 608,82	4 427,64

Excess on Income - Excédent de revenu

. compared with budget estimates

. compared with revised estimates

127 074,06

.....

.....

(c) Interest on monies at banks - Intérêts sur comptes à terme

.....

39 181,18

.....

comparé aux prévisions budgétaires initiales

comparé aux prévisions budgétaires révisées

Table 2

Tableau 2

II. EXPENDITURE - Year 2002

(EURO)

PRELIMINARY FIGURES**II. DEPENSES - Année 2002**

(EURO)

CHAPTERS AND ITEMS CHAPITRES & ARTICLES	Amounts originally approved Montants prévus à l'origine	Modifications to original provisions Increase Decrease Modifications aux prévisions originales En plus En moins		Final provisions Prévisions finales	Expenditure paid Dépenses payées	100 %	Remaining available Excédent
I - PERSONNEL COSTS DEPENSES DE PERSONNEL							
a) Salaries - Directing Committee	256 945,00		45 700,00	211 245,00	211 207,54	100,0	37,46
b) Salaries - Category A	335 960,00	2 000,00		337 960,00	337 873,74	100,0	86,26
- Category B & C	464 024,00	26 500,00		490 524,00	490 133,79	99,9	390,21
<i>(Costs dependent on Salaries)</i>							
c) Annual Bonus	88 077,00			88 077,00	87 286,13	99,1	790,87
d) Payment to Retirement Funds	135 997,00	67 000,00		202 997,00	202 754,86	99,9	242,14
e) Insurances based on staff wages	18 233,00		7 000,00	11 233,00	8 560,49	76,2	2 672,51
f) Medical (GAN premiums)	85 615,00		26 500,00	59 115,00	57 920,82	98,0	1 194,18
g) Family Allowances	31 100,00			31 100,00	22 020,40	70,8	9 079,60
h) Education Grants	30 490,00	10 000,00		40 490,00	40 053,47	98,9	436,53
<i>(Costs independent of Salaries)</i>							
i) Medical claims paid	89 335,00		21 300,00	68 035,00	67 896,72	99,8	138,28
Medical claims - refunds from GAN	-19 818,00			-19 818,00	-17 396,31	87,8	-2 421,69
j) Home rental	8 484,00			8 484,00	4 228,41	49,8	4 255,59
k) Home Leave	11 365,00			11 365,00	6 583,21	57,9	4 781,79
l) Pensions to retired staff	123 759,00			123 759,00	117 326,10	94,8	6 432,90
m) Miscellaneous Personnel Expenses	13 126,00			13 126,00	6 915,38	52,7	6 210,62
<i>(Controllable Personnel costs)</i>							
n) Salaries - Temporary staff	11 434,00		8 500,00	2 934,00	2 397,51	81,7	536,49
o) Training	7 622,00	3 500,00		11 122,00	10 659,25	95,8	462,75
I. TOTAL CHAPTER	1 691 748,00	109 000,00	109 000,00	1 691 748,00	1 656 421,51	97,9	35 326,49
II - CURRENT OPERATING COSTS DEPENSES DE FONCTIONNEMENT <i>(Maintenance, communications, etc...)</i>							
a) Maintenance of building	52 917,00			52 917,00	43 088,88	81,4	9 828,12
Multirisk insurance	2 041,00			2 041,00	1 261,76	61,8	779,24
Maintenance of IT equipments	19 818,00			19 818,00	15 286,98	77,1	4 531,02
b) Office Stationery	14 234,00			14 234,00	13 994,14	98,3	239,86
c) Postage, telephone, telex, telefax	62 809,00		15 500,00	47 309,00	41 823,84	88,4	5 485,16
d) Customs	1 384,00			1 384,00	0,00	0,0	1 384,00
e) Local Travel	1 099,00	1500		2 599,00	2 444,87	94,1	154,13
f) Bank Charges	2 410,00	2500		4 910,00	4 436,57	90,4	473,43
g) Consultancy and temping staff expenses	114 337,00			114 337,00	40 704,58	35,6	73 632,42
h) Auditors	12 196,00			12 196,00	7 249,43	59,4	4 946,57
i) Public Relations	14 132,00	11 000,00		25 132,00	24 930,99	99,2	201,01

CHAPTERS AND ITEMS CHAPITRES & ARTICLES	Amounts originally approved Montants prévus à l'origine	Modifications to original provisions Increase Decrease Modifications aux prévisions originales En plus En moins		Final provisions Prévisions finales	Expenditure paid Dépenses payées	100 %	Remaining available Excédent
j) Miscellaneous Operating Expenses <i>(Travel costs)</i>	2 703,00			2 703,00	2 164,28	80,1	538,72
k) Technical Assistance (prog 2.1 & 2.3)	53 357,00		11 000,00	42 357,00	41 804,56	98,7	552,44
l) Long Distance Travel	85 371,00	11 000,00		96 371,00	96 009,52	99,6	361,48
m) GEBCO & Int. Bathymetric Charts (prog 3.4) <i>(Publications costs)</i>	6 708,00			6 708,00	5 889,02	87,8	818,98
n) I.H. Review	7 851,00	500,00		8 351,00	8 282,36	99,2	68,64
o) Publications	16 968,00			16 968,00	14 422,57	85,0	2 545,43
II - TOTAL CHAPTER	470 335,00	26 500,00	26 500,00	470 335,00	363 794,35	77,3	106 540,65
III - CAPITAL EXPENDITURE DEPENSES DE CAPITAL							
a) Purchase of IT equipments	38 112,00		28 000,00	10 112,00	9 684,68	95,8	427,32
Purchase of furniture & other equipments	10 671,00		7 600,00	3 071,00	2 012,20	65,5	1 058,80
Depreciation of furniture & equipment		35 600,00		35 600,00	35 503,81	99,7	96,19
b) Purchase Publications & binding	4 878,00			4 878,00	2 122,88	43,5	2 755,12
c) GEBCO	0,00			0,00	0,00		0,00
III. TOTAL CHAPTER	53 661,00	35 600,00	35 600,00	53 661,00	49 323,57	91,9	4 337,43
ANNUAL OPERATING COSTS	2 215 744,00	171 100,00	171 100,00	2 215 744,00	2 069 539,43	93,4	146 204,57
IV - PRINTING FUND ALLOCATION FONDS D'IMPRESSION	10 671,00	55 797,06		66 468,06	* 5 761,31	8,7	60 706,75
V - RENOVATION FUND ALLOCATION FONDS DE RENOVATION	7 622,00	4 052,21		11 674,21	* 4 155,06	35,6	7 519,15
VI - I.H. CONFERENCE FUND FONDS POUR LA CONFERENCE H.I.	60 980,00	181 382,43		242 362,43	* 154 140,93	63,6	88 221,50
VII - REMOVAL OF DIRECTORS ALLOCATION	48 784,00	94 134,01		142 918,01	* 142 918,01	100,0	0,00
TOTAL	2 343 801,00	506 465,71	171 100,00	2 679 166,71	2 376 514,74		302 651,97

* Including balance brought forward on 1st January 2002

Table 3.a

EXTRAORDINARY INCOME AND EXPENDITURES*REVENUS ET DEPENSES EXTRAORDINAIRES*

	INCOME <i>REVENUS</i>	EXPENDITURES <i>DEPENSES</i>
A. Interest due on overdue contributions : <i>Intérêts échus sur les contributions non payées</i>	19 586,09	
B. IHB Cheque not cashed (expired validity) : <i>Chèque BHI non encaissé (date de validité expirée)</i>	95,73	
C. Royalties on publications : <i>Royalties sur publications</i>	478,72	
D. VAT not recoverable <i>TVA non récupérable</i>		1 764,67
E. Unrecoverable debts : <i>Créances irrécouvrables</i>		3 540,50
F. Exceptionnal directors allowance : <i>Dépense de personnel exceptionnelle (Commodore Leech)</i>		6 347,60
	20 160,54	11 652,77

Table 3.b

GAINS AND LOSSES ON EXCHANGE OPERATIONS*PERTES ET PROFITS SUR OPERATIONS DE CHANGE*

	INCOME <i>REVENUS</i>	EXPENDITURES <i>DEPENSES</i>
<u>Exchange of currencies - Opérations de change</u>		
A. Gains on exchange : <i>Profits de change</i>	6 336,50	
B. Losses on exchange : <i>Pertes de change</i>		4 587,99
<u>Valuation of holdings - Valorisations des avoirs</u>		
C. Gains on valuation : <i>Profits d'évaluation</i>	2,20	
D. Losses of valuation : <i>Pertes d'évaluation</i>		21 130,53
	6 338,70	25 718,52
Net losses on exchange operations : <i>Pertes nettes sur opérations de changes :</i>	19 379,82	0,00
	25 718,52	25 718,52

STATEMENT OF CURRENT YEAR CONTRIBUTIONS

As of 31 December 2002

ETAT DES CONTRIBUTIONS DE L'ANNEE

A la date du 31 décembre 2002

State - Etat	Contribution in EUR	Received EUR	Contribution remaining due in EUR	
<u>Contributions for the year :</u>	322 808,55			
ALGERIA	Algérie	23 438,10	23 438,10	0,00
ARGENTINA	Argentine	31 250,80	0,00	31 250,80
AUSTRALIA	Australie	39 063,50	39 063,50	0,00
BAHREIN	Bahrein	11 719,05	11 719,05	0,00
BANGLADESH	Bengladesh	7 812,70	7 812,70	0,00
BELGIUM	Belgique	11 719,05	11 719,05	0,00
BRAZIL	Brésil	66 407,95	66 407,95	0,00
CANADA	Canada	46 876,20	46 876,20	0,00
CHILE	Chili	23 438,10	23 438,10	0,00
CHINA	Chine	97 658,75	97 658,75	0,00
COLOMBIA	Colombie	7 812,70	0,00	7 812,70
CROATIA	Croatie	11 719,05	0,00	11 719,05
CUBA	Cuba	19 531,75	0,00	19 531,75
CYPRUS	Chypre	101 565,10	101 565,10	0,00
DENMARK	Danemark	54 688,90	54 688,90	0,00
D.P.R OF KOREA	Rép. Démocratique de Corée	19 531,75	1 231,72	18 300,03
ECUADOR	Equateur	15 625,40	15 625,40	0,00
EGYPT	Egypte	27 344,45	27 344,45	0,00
ESTONIA	Estonie	19 531,75	19 531,75	0,00
FEDERATION OF RUSSIA	Fédération de Russie	62 501,60	62 501,60	0,00
FIDJI	Iles Fidji	7 812,70	3 885,00	3 927,70
FINLAND	Finlande	31 250,80	31 250,80	0,00
FRANCE	France	50 782,55	50 782,55	0,00
GERMANY	Allemagne	54 688,90	54 688,90	0,00
GREECE	Grèce	105 471,45	105 471,45	0,00
GUATEMALA	Guatemala	7 812,70	5 208,47	2 604,23
ICELAND	Islande	11 719,05	11 719,05	0,00
INDIA	Inde	58 595,25	58 595,25	0,00
INDONESIA	Indonésie	42 969,85	42 969,85	0,00
IRAN	Iran	50 782,55	0,00	50 782,55
ITALY	Italie	62 501,60	0,00	62 501,60
JAMAICA	Jamaïque	7 812,70	0,00	7 812,70
JAPAN	Japon	82 033,35	82 033,35	0,00
KUWAIT	Koweït	17 578,58	0,00	17 578,58
MALAYSIA	Malaisie	46 876,20	46 876,20	0,00
MEXICO	Mexique	27 344,45	27 344,45	0,00
MOROCCO	Maroc	15 625,40	0,00	15 625,40
MOZAMBIQUE	Mozambique	7 812,70	7 812,70	0,00
NETHERLANDS	Pays-Bas	50 782,55	50 782,55	0,00
NEW ZEALAND	Nouvelle Zélande	15 625,40	15 625,40	0,00
NIGERIA	Nigeria	11 719,05	0,00	11 719,05
NORWAY	Norvège	93 752,40	93 752,40	0,00
OMAN SULTANATE	Sultanat d'Oman	7 812,70	7 812,70	0,00

PAKISTAN	Pakistan	19 531,75	19 531,75	0,00
PAPUA NEW GUINEA	Papouasie Nouvelle Guinée	7 812,70	7 812,70	0,00
PERU	Pérou	11 719,05	11 719,05	0,00
PHILIPPINES	Philippines	39 063,50	8 671,89	30 391,61
POLAND	Pologne	27 344,45	27 344,45	0,00
PORTUGAL	Portugal	19 531,75	0,00	19 531,75
SOUTH AFRICA	Afrique du Sud	15 625,40	15 625,40	0,00
REPUBLIC OF KOREA	République de Corée	50 782,55	50 782,55	0,00
SINGAPORE	Singapour	89 846,05	89 846,05	0,00
SLOVENIA	Slovénie	7 812,70	7 812,70	0,00
SPAIN	Espagne	31 250,80	31 250,80	0,00
SRI LANKA	Sri Lanka	11 719,05	11 719,05	0,00
SWEDEN	Suède	39 063,50	39 063,50	0,00
SYRIA	Syrie	19 531,75	19 531,75	0,00
THAILAND	Thaïlande	39 063,50	39 063,50	0,00
TONGA	Iles Tonga	7 812,70	7 812,70	0,00
TRINIDAD & TOBAGO	Trinité & Tobago	7 812,70	7 812,70	0,00
TUNISIA	Tunisie	7 812,70	7 812,70	0,00
TURKEY	Turquie	54 688,90	54 688,90	0,00
UKRAINE	Ukraine	39 063,50	39 063,50	0,00
UNITED ARAB EMIRATES	Emirats Arabes Unis	23 438,10	23 438,10	0,00
UNITED KINGDOM	Royaume-Uni	70 314,30	70 314,30	0,00
UNITED STATES OF AMERICA	Etats Unis d'Amérique	89 846,05	89 846,05	0,00
URUGUAY	Uruguay	11 719,05	0,00	11 719,05
VENEZUELA	Venezuela	19 531,75	19 531,75	0,00
YUGOSLAVIA	Yougoslavie	7 812,70	7 812,70	0,00
		2 337 950,48	2 015 141,93	322 808,55

STATEMENT OF CONTRIBUTIONS
As of 31 december 2002

SITUATION DES CONTRIBUTIONS
A la date du 31 décembre 2002

State - Etat	Year	Contribution in EUR	Received EUR	Outsanding contributions	Date of application for interest	Interest to be received	Contribution remaining due in EUR
<i>Contributions for the year :</i>		322 808,55					
	2002	2 337 950,48	2 015 141,93	322 808,55			322 808,55
<i>Contributions for the previous years :</i>		61 412,84					
(including interest due)							
CROATIA	2001	11 719,06	0,00	11 719,06	janv-02	1 418,01	13 137,07
CUBA	2001	19 531,77	15 363,32	4 168,45	mai-02	337,64	4 506,09
IRAN	2001	50 782,60	44 836,91	5 945,69	avr-02	541,06	6 486,75
ITALY	2001	62 501,66	61 121,70	1 379,96	août-02	69,46	1 449,42
MOROCCO	2001	15 625,41	0,00	15 625,41	janv-02	1 890,67	17 516,08
URUGUAY	2001	11 719,06	0,00	11 719,06	janv-02	1 418,01	13 137,07
FIJI - FIDJI	2000	7 515,74	7 241,33	274,41	janv-01	66,59	341,00
URUGUAY	2000	11 273,60	6 796,86	4 476,74	mai-02	362,62	4 839,36
		190 668,90	135 360,12	55 308,78		6 104,06	61 412,84
<i>Suspended Member States :</i>		26 810,20					
DOMINICAN REPUBLIC - REP DOMINICAINE	1981	3 049,70	0,00	3 049,70		548,94	3 598,64
DOMINICAN REPUBLIC - REP DOMINICAINE	1982	3 353,92	0,00	3 353,92		201,24	3 555,16
REP DEMOCRATIQUE DU CONGO	1981	3 809,66	0,00	3 809,66		685,74	4 495,40
REP DEMOCRATIQUE DU CONGO	1982	5 031,51	0,00	5 031,51		301,89	5 333,40
SURINAME	1989	4 387,33	0,00	4 387,33		789,72	5 177,05
SURINAME	1990	4 387,33	0,00	4 387,33		263,24	4 650,57
		24 019,43	0,00	24 019,43		2 790,77	26 810,20
		2 552 638,81	2 150 502,05	402 136,76		8 894,83	411 031,59

Table 8.a

**DISTRIBUTION OF INVESTMENTS AND CASH AS OF 1st JANUARY 2002 AND
on 31 December 2002**

The following tables give the distribution of investments and cash in the respective currencies.
The equivalent of each sum in EUR is shown in the last column to allow comparison.

on 1st January 2002

	U.s. dollars	Pound Sterling	French francs	Canadian Dollars	E.U.R	Swedish Krona	Spanish Pesetas	Equivalent in EUR
Rates in EUR	0,881300	0,608500	6,559570	1,409710	1,000000	9,308900	166,386000	
- in Dollars	36 119,10							40 983,89
- in Sterling		2 777,80						4 565,00
- in French frs			11 614 700,21					1 770 649,63
- in Canadian dollars				735,00				521,38
- in Swedish Krona						1 400,00		150,39
- in Spanish pesetas							110 000,00	661,11
- in E.U.R.					2 519 131,38			2 519 131,38
	36 119,10	2 777,80	11 614 700,21	735,00	2 519 131,38	1 400,00	110 000,00	4 336 662,79

on 31 December 2002

	U.s. dollars	Pound Sterling	French francs	Canadian Dollars	E.U.R	Swedish Krona	Spanish Pesetas	Equivalent in EUR
Rates in EUR	1,048100	0,653200	6,559570	1,652120	1,000000	9,161500	166,386000	
- in Dollars	114 881,14							109 608,95
- in Sterling		2 745,82						4 203,64
- in French frs			0,00					0,00
- in Spanish Pesetas							0,00	0,00
- in Swedish krona						1 270,00		138,62
- in Canadian dollars				735,00				444,88
- in E.U.R					4 334 875,80			4 334 875,80
	114 881,14	2 745,82	0,00	735,00	4 334 875,80	1 270,00	0,00	4 449 271,90

Valuation at :

31st december EUR rate	109 608,95	4 203,64	0,00	444,88	4 334 875,80	138,62	0,00	
1st Jan. EUR rate	130 354,18	4 512,44	0,00	521,38	4 334 875,80	136,43	0,00	
Gains on holdings	0,00	0,00	0,00	0,00	0,00	2,20	0,00	2,20
Losses on holdings	20 745,23	308,80	0,00	76,50	0,00	0,00	0,00	21 130,53

Table 8.c

CASH IN BANK AND ON HAND
on 31 December 2002

	U.s. dollars	Pound Sterling	French francs	Canadian Dollars	E.U.R	Swedish Krona	Spanish Pesetas	Equivalent in EUR
on 31 December 2002	1,048100	0,653200	6,559570	1,652120	1,000000	9,161500	166,386000	
I - GESTION DU FOND DE RETRAITE PAR NSM :								
Placement Actions								
5042642					208 510,80			208 510,80
5097024					61 158,00			61 158,00
Placement Obligataire								
5042640					490 816,80			490 816,80
5098602					64 456,70			64 456,70
OPCVM Divers								
5008414					64 699,00			64 699,00
5007366					28 396,80			28 396,80
5094645					72 199,17			72 199,17
Placement Monétaire								
5009826					113 778,00			113 778,00
5098572					197 535,40			197 535,40
Total :	0,00	0,00	0,00	0,00	1 301 550,67	0,00	0,00	1 301 550,67
5046848					70 890,00			70 890,00
II. RETIREMENT ACCOUNTS :								
513360					432,77			432,77
513572					588 801,58			588 801,58
513571					479 722,66			479 722,66
Total :	0,00	0,00	0,00	0,00	1 068 957,01	0,00	0,00	1 068 957,01
TOTAL RETIREMENT ASSETS :	0,00	0,00	0,00	0,00	2 441 397,68	0,00	0,00	2 441 397,68
III. DEPOSIT ACCOUNTS :								
1. HSBC Republic								
516370					175 000,00			175 000,00
516371					140 000,00			140 000,00
2. CMB								
5278091					961 209,89			961 209,89
Total :	0,00	0,00	0,00	0,00	1 276 209,89	0,00	0,00	1 276 209,89
TOTAL I - II - III :	0,00	0,00	0,00	0,00	3 717 607,57	0,00	0,00	3 717 607,57

	US Dollars	Pound Ster.	French Francs	Canadian \$	E.U.R	Swedish K.	Pesetas	Equivalent in EUR
I - CURRENT ACCOUNTS								
<u>1. BARCLAYS BANK</u>								
5123	Monte Carlo (c/a)				46 111,82			46 111,82
51221	London (c/a)	2 147,09						3 287,03
<u>2. SWISS BANK CORPORATION</u>								
51214	New York (c/a)	29 437,16						28 086,21
<u>3. HSBC Republic</u>								
51237	Monte Carlo (c/a)				28 813,28			28 813,28
51227	Monte Carlo (c/a)	33,73						51,64
51217	Monte Carlo (c/a)	1 790,98						1 708,79
512171	Monte Carlo CALL	80 000,00						76 328,59
<u>4. COMPAGNIE MONEGASQUE DE BANQUE</u>								
51239	Monte Carlo (c/a)				540 753,52			540 753,52
		-----	-----	-----	-----	-----	-----	-----
	111 228,14	2 180,82	0,00	0,00	615 678,62	0,00	0,00	725 140,89
<u>IV - PETTY CASH</u>								
5311	- in U.S. Dollars	3 653,00						3 485,35
5312	- in U.K. Pounds		565,00					864,97
5314	- in C.A.D Dollars			735,00				444,88
5315	- In Swedish Krona					1 270,00		138,62
5313	- in Euros				1 589,61			1 589,61
		-----	-----	-----	-----	-----	-----	-----
	3 653,00	565,00	0,00	735,00	1 589,61	1 270,00	0,00	6 523,44
<u>TOTAL</u>								
	114 881,14	2 745,82	0,00	735,00	4 334 875,80	1 270,00	0,00	4 449 271,90
In EUR								
	109 608,95	4 203,64	0,00	444,88	4 334 875,80	138,62	0,00	4 449 271,90

Table 10

PROFIT AND LOSS ACCOUNT
(budgeted and actual income and expenditure)

EXPENDITURES		ACTUAL	BUDGETED
<i>table 2</i>			
<i>Chapter I</i>	- Personnal costs <i>Expended</i> <i>Budgeted</i>	1 656 421,51	1 691 748,00
<i>Chapter II</i>	- Current operating expenses <i>Expended</i> <i>budgeted</i>	363 794,35	470 335,00
<i>Chapter III</i>	- Capital expenditures <i>Expended</i> <i>Depreciation of fixed assets</i> <i>budgeted</i>	13 819,76 35 503,81	53 661,00
		2 069 539,43	2 215 744,00
	- Payments to funds : 128 057		
<i>Chapter IV</i>	<i>Printing fund</i>	10 671,00	10 671,00
<i>Chapter V</i>	<i>Renovation fund</i>	7 622,00	7 622,00
<i>Chapter VI</i>	<i>I.H Conference fund</i>	60 980,00	60 980,00
<i>Chapter VII</i>	<i>Removal fund</i>	48 784,00	48 784,00
		2 197 596,43	2 343 801,00
	Unexpended budget	0,00	146 204,57

INCOME			
<i>Table 1</i>	- Total income		
	<i>Budgeted</i>		2 490 566,42
	<i>Actual</i>	2 529 747,60	
	Excess on income	0,00	39 181,18

RESULTS

		EXPENDITURES	INCOME
<i>Table 1</i>	Income budgeted		2 490 566,42
	<i>Excess on income</i>	0,00	39 181,18
<i>Table 2</i>	Expenditures budgeted	2 215 744,00	
	<i>Unexpended budget</i>		146 204,57
<i>Table 3.a</i>	Extraordinary incomes & expenditures	11 652,77	20 160,54
		2 227 396,77	2 696 112,71
	GROSS OPERATING GAIN FOR 2002	468 715,94	
		2 696 112,71	2 696 112,71
<i>Table 3.b</i>	Net Operating Profit	0,00	468 715,94
	Losses on exchange of currencies	25 718,52	6 338,70
		25 718,52	475 054,64
	Allocation to funds	128 057,00	
	NET PROFIT FOR 2002		321 279,12

AUDITOR'S REPORT ON THE INTERNATIONAL HYDROGRAPHIC BUREAU'S ACCOUNTS FOR 2002

I am pleased to submit herewith my report, in accordance with the task entrusted to me and in application of the General Regulations of the International Hydrographic Organization.

As part of this task, during the year 2002 I conducted various spot checks and verifications of the Bureau's bookkeeping and registering of accounting documents as well as the quarterly balance sheets.

I have thoroughly checked the accounts and the justification of their balances at 31 December 2002. I also ascertained that the entries were well backed up by probative documents. I was thus able to note that the accounting principles applied conformed with generally acknowledged standards.

The bank balances were thoroughly checked at 31.12.2002 by examining the bank statements supplied by the banks and comparing these with parallel statements drawn up by the Bureau's accounts department. I also verified the accounting of the exchange differences resulting therefrom on the basis of computer listings provided by the accounts department.

I ensured that the figures appearing in the various tables which make up the Annual Report, Part 2 - Finance are correct and agree with those appearing in the general balance sheet at the close of accounts on 31 December 2002.

Moreover, as in previous years, the report for 2002 is available in two different presentations:

- usual presentation of the Annual Report, Part 2
- international presentation (financial statements).

I verified that these two documents had been prepared based on the same figures which had been used for the preparation of the Annual Report, Part 2 and that the only difference between them was one of presentation.

I note with satisfaction that the comments and reservations noted in my last report concerning the Retirement Fund have been followed up. A Finance Committee Officers Meeting provided clarification and further explanations resulting in the following measures:

- Strong reaction on the part of the Directing Committee as regards the fund investment manager;
- modification of the investment management policy;
- the setting up of an internal actuarial monitoring system adapted to the particular case of IHB.

Now that the most urgent measures have been taken, a medium-term fund investment policy needs to be envisaged which will probably not be the easiest of tasks.

Upon completion of the verifications mentioned above, I consider that the finance documents submitted for your consideration accurately reflect the financial position of the International Hydrographic Bureau as at 31 December 2002, and all the operations carried out during the year under consideration, and that they have been prepared and are submitted in accordance with the General and Financial Regulations of the International Hydrographic Organization.

Monaco, 30 May 2003
Jean POZZI, Auditor