



## **Report**

to the Executive Committee of  
Stichting Treasury International Association of Prosecutors,  
The Hague

on the 2012 financial statements

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The Executive Committee of  
Stichting Treasury International Association of Prosecutors  
THE HAGUE

Groningen, 20 May 2015

Dear Executive Committee,

Please find enclosed the financial statements for 2012 of Stichting Treasury International Association of Prosecutors.

## **Compilation report**

### *Introduction*

In accordance with your instructions we have compiled the financial statements of Stichting Treasury International Association of Prosecutors, The Hague, for the year 2012 (as set out on pages 4 to 16), which comprise the balance sheet as at 31 December 2012, the profit and loss account for the year then ended and the notes.

### *Management's responsibility*

The distinctive feature of a compilation engagement is that we compile financial information based on information provided by management of the entity. Management is responsible for the accuracy and completeness of the information provided and the financial statements based thereon.

### *Accountant's responsibility*

Our responsibility as accountant is to perform our engagement in accordance with Dutch law, including professional and ethical requirements issued by the professional institute.

In accordance with the professional standard applicable to compilation engagements, our procedures were limited primarily to gathering, processing, classifying and summarizing financial information. Furthermore we have evaluated the appropriateness of the accounting policies which are used to compile the financial statements, based on the information provided by management. The nature of our procedures does not enable us to express any assurance on the true and fair view of the financial statements.

### *Confirmation*

Based on the information provided to us, we have compiled the financial statements using the accounting policies as included in Part 9 of Book 2 of the Dutch Civil Code.

We trust we have been of service. If you have any questions, please do not hesitate to contact us.

Yours faithfully,  
Ernst & Young Accountants LLP



R. Nijholt

## Financial ratio's 2012

	<u>2012</u>	<u>2011</u>	<u>2010</u>
	€	€	€
<b>Solvency</b>			
Accumulated fund (A)	215,413	188,260	164,919
Liabilities (B)	<u>26,372</u>	<u>46,878</u>	<u>164,538</u>
Total balance sheet (C)	<u>241,785</u>	<u>235,138</u>	<u>329,457</u>
Solvency (A / C)	89%	80%	50%

Solvency is a measurement of the ability of an entity to meet its debts and financial obligations as they mature (long term measurement). A higher ratio indicates a higher ability to meet its debts and financial obligations.

	<u>2012</u>	<u>2011</u>	<u>2010</u>
	€	€	€
<b>Liquidity</b>			
Cash (D)	189,244	205,166	290,933
Other current assets (E)	<u>52,541</u>	<u>29,972</u>	<u>38,524</u>
Total current assets (F)	<u>241,785</u>	<u>235,138</u>	<u>329,457</u>
Quick ratio (F / B)	9.17	5.02	2.00
Cash ratio (D / B)	7.18	4.38	1,77

Liquidity is a measurement of the ability of an entity to meet its debts and financial obligations on a short term, using cash and other current assets (current assets can easily be converted to cash with incurring minimum cost). A higher ratio indicates a higher ability to meet its debts and financial obligations on the short term.

## **2012 financial statements**

of

Stichting Treasury International Association of Prosecutors

Registered office:  
Address:

The Hague  
Hartogstraat 13  
2514 EP The Hague

## Balance sheet at 31 December 2012

(after proposed result appropriation)

### A s s e t s

	<u>2012</u>	<u>2011</u>
	€	€
Current assets		
Securities (1)	-	2,561
Debtors (2)	52,541	27,049
Pre-paid expenses	-	362
Cash (3)	189,244	205,166
<b>Total assets</b>	<b><u>241,785</u></b>	<b><u>235,138</u></b>

### L i a b i l i t i e s

	<u>2012</u>	<u>2011</u>
	€	€
Accumulated fund (4)	215,413	188,260
Creditors (5)	23,939	23,732
Payments received in advance (6)	2,433	23,146
<b>Total liabilities</b>	<b><u>241,785</u></b>	<b><u>235,138</u></b>

## Profit and loss account for the year ended 2012

	2012	2011	Budget 2012
	€	€	€
<b>Profit</b>			
Membership fees (7)	234,848	196,922	185,000
Conferences (8)	4,196	21,793	27,000
Subsidies (9)	10,800	7,000	17,000
Other income (10)	23,146	33,146	-
Total profit	272,990	258,861	229,000
<b>Loss</b>			
Salaries (9)	103,411	103,858	85,000
Rent (9)	14,608	14,156	14,000
Granting and Prosecutor Of The Year (11)	14,948	33,429	-
Travel costs (12)	26,701	18,581	25,000
Other business expenses (13)	84,704	59,945	88,000
Total loss	244,372	229,969	212,000
<b>Financial gains/(losses)</b>			
Financial gains (14)	3,127	2,116	7,000
(Financial losses (15))	(4,592)	(7,667)	-
Total financial gains/(losses)	(1,465)	(5,551)	7,000
Surplus/(deficit)	27,153	23,341	24,000



## **Accounting policies used for the company's financial statements**

### **General**

The company's financial statements have been prepared in conformity with reporting requirements for associations.

The financial statements have been prepared under the historical cost convention. Unless stated otherwise, assets and liabilities are carried at face value.

### **Foreign currencies**

Assets and liabilities are converted to euros as per balance sheet date, using the exchange rate on that date. Resulting exchange gains or losses are reported in the income and expenditure account. Gains and losses in foreign currencies are converted to euros using the average exchange rate during the year.

### **Securities**

Securities are valued at the lower of cost and market.

### **Receivables**

Receivables are carried net of a provision for doubtful debts.

### **Cash at bank and in hand**

Cash and cash equivalents are carried at their face value.

### **Accounting principles for profit and loss recognition**

Expenses are determined in accordance with the accounting policies described above and allocated to the financial year to which they relate. Profits are accounted for in the year in which the goods are delivered and the services rendered. Losses are recognized in the year in which they are foreseen.

Interest income and interest expense represent interest received and paid on account of loans granted and taken out respectively relating to the financial year.

## Notes to the balance sheet

	2012	2011
	€	€
<b>Securities (1)</b>		
CBp Carbon Industries Inc. Stock	2,561	3,549
Revaluation	(2,561)	(988)
	-	2,561

In 2012, CBp Carbon performed a reverse-split with regard to her outstanding shares. After the reverse split, IAP owns 95 shares CBp Carbon. According to the Redemption Agreement, these 95 shares CBp Carbon are eligible to conversion to the following number of shares of Hunt Global Resources Inc. (HGR):

- ▶ 8,831 HGR Common Shares;
- ▶ 32,469 shares of HGR Series A Convertible Preferred Stock (convertible to 6,753 HGR Common Shares);
- ▶ 32,469 shares of HGR Series B Convertible Preferred Stock (convertible to 8,053 HGR Common Shares).

In September 2012, IAP received a letter from Bacchus Corporate and Securities Law regarding relevant developments with regard to CBp Carbon. According to the letter from Bacchus, all of the assets and business of CPp Carbon Green have been transferred to Hunt Global Resources Inc. (HGR) in April 2011. Subsequently, HGR became financially distressed in the course of 2012. In May 2012, the (former) CEO of CBp Carbon Green (John Novak) gave notice of default to HGR.

It is not possible to give a reliable measurement of the value of the above mentioned securities due to the low level of trading activities. Therefore, these shares were revalued at € 0,-.

	2012	2011
	€	€
<b>Debtors (2)</b>		
Organizational membership fees	44,811	30,005
Less: provision doubtful debtors	(5,403)	(6,132)
Interest	761	1,943
Current account Secretary-General	402	-
Annual conference	11,500	660
Other	470	573
	52,541	27,049
 <b>Cash (3)</b>		
Cash in hand	36,351	1,328
ABN AMRO Bank N.V., granting account	898	126
ABN AMRO Bank N.V., EUR account	-	27,710
ABN AMRO Bank N.V., USD account	26,123	-
ABN AMRO Bank N.V., USD account	4,327	40,252
ABN AMRO Bank N.V., deposit account	90,116	-
ABN AMRO Bank N.V., deposit account	12,452	-
ABN AMRO Bank N.V., other	1,795	-
Board savings account	1,598	63,100
Van Lanschot, deposit account	15,584	71,977
Van Lanschot, other accounts	-	673
	189,244	205,166

	2012	2011
	€	€
<b>Accumulated fund (4)</b>		
Accumulated fund 1 January	188,260	164,919
Surplus/(deficit)	27,153	23,341
Accumulated fund 31 December	215,413	188,260

### **Creditors (5)**

Compilation fee	7,014	6,000
Other financial services and advisory fee	8,192	7,875
Annual conference 2010	-	84
Wage tax and social security charges	689	716
Leave days and vacation fee E.C. Sardeman <sup>1</sup>	6,552	4,309
Insurance	552	-
American Express	940	4,748
	23,939	23,732
	23,939	23,732

### **Payments received in advance (6)**

Prosecutor of the Year Grant - South Korea	-	23,146
Other payments received in advance	2,433	-
	2,433	23,146

### **Rights and commitments not shown in the balance sheet**

IAP has committed itself to a bank guarantee for the amount of € 2,804.

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<sup>1</sup> E.C. Sardeman has a right of 17 leave days on 31 December 2012. These days have been valued based on her salary. Furthermore, she has a right of a vacation fee comprising of 8% of her salary received in the period June 2012 up to and including December 2012.

## Notes to the profit and loss account

	2012	2011
	€	€
<b>Membership fees (7)</b>		
Individual membership fees	14,270	12,714
Organizational membership fees	220,578	230,500
Mistakenly recorded Organizational membership fee 2010	-	(46,292)
	234,848	196,922

In 2010 The Supreme Prosecutor's Office of South Korea paid an amount of US\$ 60.000 (€ 46,292) to support The Prosecutor Of The Year Program 2011 and 2012. This amount was mistakenly recorded as an Organizational membership fee 2010. In 2011, this error was corrected and subtracted from the Organizational membership fees 2011.

	2012	2011
	€	€
<b>Conferences (8)</b>		
<b>Annual conference</b>		
Surplus/(Deficit)	11,354	19,346
<b>Regional conferences</b>		
Surplus/(Deficit)	(7,158)	2,447
	4,196	21,793

### Subsidies, salaries and rent (9)

	2012			2011		
	Rent	Salaries	Subsidies	Rent	Salaries	Subsidies
	€	€	€	€	€	€
Secretary-General	-	1,400	-	-	7,550	-
Secretary office The Hague	-	32,360	-	-	29,459	-
General Counsel fees	-	25,000	-	-	32,563	-
Advisory fees	-	31,910	-	-	30,206	-
Special advisor fees	-	7,324	-	-	2,245	-
Payments court sessions	-	-	-	-	-	-
Other personnel costs	-	5,417	-	-	1,835	-
Office The Hague	14,608	-	10,800	14,298	-	7,000
Flat The Hague	-	-	-	(142)	-	-
	<u>14,608</u>	<u>103,411</u>	<u>10,800</u>	<u>14,156</u>	<u>103,858</u>	<u>7,000</u>

The (monthly) salaries of the Secretary-General have been fully paid by the court in The Hague. The salaries of the General Counsel have been partially paid by the Crown Prosecution Service. These amounts have not been recorded in the income and expenditure account 2012.

	2012	2011
	€	€
<b>Other income (10)</b>		
GPEN development	-	10,000
Prosecutor of the Year Grant - South Korea	23,146	23,146
	<u>23,146</u>	<u>33,146</u>

	2012	2011
	€	€
<b>Granting and Prosecutor Of The Year (11)</b>		
Granting Program	11,598	23,078
Prosecutor Of The Year Award Program	3,350	10,351
	14,948	33,429

### ***IAP Granting Program***

The Secretary-General has since 1996 been responsible for the running of what is now known as the *IAP Granting Program*. The IAP has a Protocol which governs the operation of the Program. Since the first Annual Conference in 1996 11 countries, Australia, Canada, China, Denmark, Finland, Ireland, Korea, Norway, Sweden, the Netherlands, the United Kingdom and the Organisation Internationale de la Francophonie have supported the Program.

In 2012 and 2011 the Granting Program was paid with IAP funds.

### ***IAP Prosecutor Of The Year Award***

The Secretary-General has since 2011 been responsible for the running of the *Prosecutor Of The Year Award Program*.

The Supreme Prosecutor's Office of South Korea has supported The Prosecutor Of The Year Program 2012 and 2011 with US\$ 30,000 (€ 23,146). This amount is noted under Other income (10). As of 31 December 2012 an amount of € 32,591 is available with regards to the Prosecutor Of The Year Award. This amount is comprised as follows:

	2012	2011
	€	€
In total added to accumulated fund 1 January	12,795	-
Revenue (10)	23,146	23,146
Cost (11)	(3,350)	(10,351)
In total added to accumulated fund 31 December	32,591	12,795

The revenues and cost were included in the surplus 2011/2012 (as stated in the profit and loss account) and added to the accumulated fund (4). Therefore, as of 31 December 2012, a total amount of € 32,591 is included in the accumulated fund.

	2012	2011
	€	€
<b>Travel costs (12)</b>		
Secretary General	8,327	6,327
General Counsel	11,632	12,254
President	3,297	-
Communications manager	3,445	-
	<u>26,701</u>	<u>18,581</u>
 <b>Other business expenses (13)</b>		
Equipment and utilities	6,779	5,364
Supplies	2,490	4,595
Printing	14,847	9,709
Postage	4,925	602
Telephone/fax	3,007	2,166
Bank costs	2,876	2,222
Insurance	1,427	1,547
Business entertainment expenses	3,671	2,800
Executive committee meeting expenses	6,353	8,499
Merchandising	4,543	4,338
Compilation fee	6,000	6,000
Other financial services and advisory fee	3,317	4,775
GPEN	6,208	2,269
Provision doubtful debtors	(729)	3,814
Website	9,135	-
Memberships	1,491	-
International justice perception survey	6,150	-
Other costs	2,214	1,245
	<u>84,704</u>	<u>59,945</u>



	2012	2011
	€	€
<b>Financial gains (14)</b>		
Interest gains	3,127	2,116
	3,127	2,116
 <b>Financial losses (15)</b>		
Unrealized capital losses	2,561	988
Exchange losses	2,005	6,624
Interest losses	26	55
	4,592	7,667

Exchange losses of € 2,005 are the result of the fact that different exchange rates are used for the translation of balance sheet items and for the translation of income and expenditure account items. The unrealized capital losses are related to devaluation of CBp Carbon shares.

## **Other information**

### **Result allocation**

The board proposes to add the surplus for 2012 to the accumulated fund.