

INTERNATIONAL LAW ASSOCIATION

ACCOUNTS – 31st DECEMBER 2017

INTERNATIONAL LAW ASSOCIATION

ACCOUNTS – 31ST DECEMBER 2017

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INTERNATIONAL LAW ASSOCIATION

Annual Report for the year ended 31 December 2017

The Officers of the Association

Lord Mance	Chair of Executive Council
Professor Torsten Stein	Hon Treasurer
Professor Marcel Brus	Director of Studies
Dr Antonios Tzanakopoulos	Hon Secretary General

present this Report for the year ended 31 December 2017.

The Officers are elected by the Executive Council for a period of four years, unless an affirmative vote by a two-thirds majority at an Executive Council meeting terminates their period of office earlier.

Meetings of the Executive Council are held biennially, usually in Spring and Autumn of each year. The Officers meet separately between the meetings of the Executive Council.

The financial year of the Association runs from 1 January to 31 December of each year.

The Examined Accounts are presented to the Executive Council for approval at the Spring Meeting.

The Association is an unincorporated association and has been a registered Charity under number 249637 since October 1966.

The official seat of the Association is its Headquarters' Office at Charles Clore House, 17 Russell Square, London WC1B 5DR.

The Association enjoys consultative status as an international non-governmental organisation with a number of United Nations organisations, a number of its specialised agencies and other international bodies.

History and Objectives

The Association, founded in Brussels in 1873, is a body for the study, clarification and development of international law both public and private, and the furtherance of international understanding and respect for international law. Membership of the Association, at present around 4000, is spread among branches in every continent.

The Association's objectives are primarily pursued through the work of its international committees. There are currently 22 committees on topics as diverse as International Monetary Law, Feminism and International Law, Global Health Law, Space Law, Human Rights in Times of Emergency and Sea Level Rise. In addition, there are 10 Study/Interest Groups with a less formal structure which encourage the involvement of younger Members in the Association's work. Current areas of study include: Socially Responsible Investment and UN Sanctions & International Law.

Organisation

The activities of the Association are organised by the Executive Council, assisted by the Headquarters Secretariat in London. The members of the Council are elected by the Branches according to the respective size of their membership. The present Chair of the International Law Association is the Rt Hon Lord Mance and there are four Vice-Chairs: Professor James Nafziger (USA), Mr David J C Wyld (UK), Professor Catherine Kessedjian (France) and Professor Yuji Iwasawa (Japan). The Secretary General is Dr Antonios Tzanakopoulos (UK). The Honorary Treasurer is Professor Torsten Stein (Germany). The work programme, in particular that of the international committees, is carried out under the guidance of the Director of Studies, Professor Marcel Brus (Netherlands).

The majority of the administrative work of the Association is carried out by the Secretary, Juliet Fussell, assisted by Natalie Pryer.

Activities

The main events in 2017 were arranged by various ILA Branches, Committees and Study Groups. A selection include the French Branch Conference on the Provisional Application of Treaties – Recent Practice and new Challenges. The Nicaraguan Branch held a lecture entitled: La Importancia de Llamarse Estado En El Orden Internacional Contemporáneo. The New Zealand Branch hosted a lecture on Unpacking the South China Sea Arbitration. The Slovenian Branch held its third Conference on Responsibility to Protect Theory & Practice. The Chinese (Taiwan) Society of International Law held the International Law Association-American Society of International Law (ASIL) Asia-Pacific Research Forum on The Geopolitics of International Law: Contemporary Challenges for the Asia-Pacific. The British Branch Conference in 2017 was on the New International Order in an Isolationist World. The Swedish Branch held a seminar on Neutrality, NATO Partnership & the UN Nuclear Weapons Prohibition Treaty. Details of these and many other events are listed on the ILA website.

2 new Branches were established in 2017, in Slovakia and the Former Yugoslav Republic of Macedonia.

New ILA Committees on Human Rights in Times of Emergency and Participation in Global Cultural Heritage Governance were established as well as a new Study Group on The Role of Cities in International Law.

Finances

The attached accounts show the current state of finances which the Officers consider taking, one year with another, to be sound. As in 2016, the unrestricted funds show a small deficit between the income & expenditure for the year.

Pursuant to provisions in the Charities Act 1993 applying to Charities with a gross annual income or expenditure below £250,000 in an accounting year, the Officers have elected that the accounts be 'examined' rather than 'audited', giving rise to a considerable saving in professional fees.

The Charity's Banks are:

HSBC, 1 Woburn Place, Russell Square, London WC1H 0LQ.

Caf Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

ILA reserves policy

To be able to provide reliable services over a longer period the Association must be able to absorb occasional shortfalls in income.

As the income of the Association comes mainly from its members (branches) from all over the world the annual level of income and the regularity of payment show big fluctuations over the years and as the expenditure in relation to the level of services is already minimal, and no big reductions in expenditure can be made, it is desirable that the Association maintains a reserve at least equal to the expenditure of one calendar year.



Lord Mance
Chair, International Law Association
May 2018

INTERNATIONAL LAW ASSOCIATION

STATEMENT OF RESPONSIBILITIES OF THE EXECUTIVE COUNCIL

INTERNATIONAL LAW ASSOCIATION

The executive council is required under the Charities Act 2011 to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the executive council should follow best practice and:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the applicable Charities SORP;
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- e) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The executive council is responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. It is also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The executive council is responsible for the maintenance and integrity of the charity. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INTERNATIONAL LAW ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

Report of the Independent Examiner to the Trustees on the accounts of the Charity for the year ended 31st December 2017

I report on the accounts of the Association for the year ended 31st December 2017 that are set out on pages 5 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. The charity is preparing accounts in accordance with the accounting policies set out in note 1 on page 8 of the accounts. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

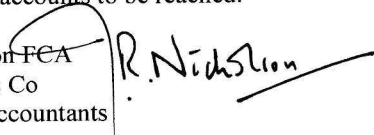
My examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently, no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept in accordance with section 130 of the Charities Act; and
 - accounts are prepared that agree with the accounting records and comply with the accounting requirements of the Charities Act; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J R Nicholson FCA
Nicholson & Co
Chartered Accountants
7 Jardine House
Harrovia Business Village
Bessborough Road
Harrow HA1 3EX



12th May 2018

INTERNATIONAL LAW ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR TO 31st DECEMBER 2017

	Unrestricted Funds £	Restricted Fund £	Total 2017 £	Total 2016 £
Incoming Resources				
Subscriptions				
Branches (Note 2)	109,620	-	109,620	100,578
Headquarters membership	<u>3,812</u>	<u>-</u>	<u>3,812</u>	<u>3,978</u>
	<u>113,432</u>	<u>-</u>	<u>113,432</u>	<u>104,556</u>
Sales				
Publications	<u>9,789</u>	<u>-</u>	<u>9,789</u>	<u>1,610</u>
Deposit interest	66	-	66	225
Contribution towards administration	3,000	-	3,000	3,000
Contribution towards archiving	-	-	-	2,500
Royalties	7,320	-	7,320	7,966
ILA Scholarship Fund	-	4,825	4,825	11,024
Other income	<u>85</u>	<u>-</u>	<u>85</u>	<u>1,711</u>
	<u>10,471</u>	<u>4,825</u>	<u>15,296</u>	<u>26,426</u>
Total Incoming Resources	133,692	4,825	138,517	132,592
Deduct: Total Expenditure (Page 6)	<u>141,465</u>	<u>-</u>	<u>141,465</u>	<u>146,159</u>
Net (Deficit) Income for the year	7,773	4,825	2,948	13,567
Total funds brought forward	<u>187,531</u>	<u>7,881</u>	<u>195,412</u>	<u>208,979</u>
Total funds carried forward	<u>179,758</u>	<u>12,706</u>	<u>192,464</u>	<u>195,412</u>

There were no recognised gains or losses for 2017 or 2016 other than those included in the Statement of Financial Activities.

All amounts relate to continuing activities.

The notes on pages 8 to 11 form an integral part of these accounts

INTERNATIONAL LAW ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR TO 31st DECEMBER 2017


	Unrestricted Funds £	Restricted Fund £	Total 2017 £	Total 2016 £
Expenditure				
Direct Charitable Expenditure:				
Conference report – distribution	911	-	911	-
ILA Scholarship Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,443</u>
	<u>911</u>	<u>-</u>	<u>911</u>	<u>15,443</u>
 Staff Costs:				
Administrative salary, bookkeeping and secretarial services	86,114	-	86,114	84,100
Pension costs	<u>10,977</u>	<u>-</u>	<u>10,977</u>	<u>7,084</u>
	<u>97,091</u>	<u>-</u>	<u>97,091</u>	<u>91,184</u>
 Management and Administration:				
Rent and rates	15,000	-	15,000	13,509
Insurance	574	-	574	551
Postage, stationery and photocopying	378	-	378	770
Telephone, fax and internet	1,388	-	1,388	1,575
Website support, licence and consultancy	8,485	-	8,485	2,160
Archiving	4,306	-	4,306	3,765
Accountants' remuneration	3,560	-	3,560	3,400
Executive Council functions and meetings	1,003	-	1,003	964
Conference expenses	-	-	-	9,442
Office and sundries	249	-	249	119
Officers' expenses and travel	-	-	-	1,379
Bank and credit card charges	1,385	-	1,385	1,190
Depreciation	<u>7,135</u>	<u>-</u>	<u>7,135</u>	<u>708</u>
	<u>43,463</u>	<u>-</u>	<u>43,463</u>	<u>39,532</u>
 Total Expenditure	<u>141,465</u>	<u>-</u>	<u>141,465</u>	<u>146,159</u>

INTERNATIONAL LAW ASSOCIATION
BALANCE SHEET AS AT 31st DECEMBER 2017

	Note	2017 £	2016 £
Fixed Assets			
Tangible fixed assets	3	<u>20,196</u>	<u>1,226</u>
Current Assets			
Debtors	4	435	17,297
Cash at bank and in hand		<u>189,932</u>	<u>191,280</u>
Creditors – amounts falling due within one year	5	190,367 <u>18,099</u>	208,577 <u>14,391</u>
		<u>172,268</u>	<u>194,186</u>
Net Assets	6	<u>192,464</u>	<u>195,412</u>
Funds			
Unrestricted Funds		179,758	187,531
Restricted Fund		<u>12,706</u>	<u>7,881</u>
Total Funds	7	<u>192,464</u>	<u>195,412</u>

Approved and signed on behalf of the Executive Council on 12th May 2018.

The notes on pages 8 to 11 form an integral part of these accounts.


Professor T Stein
Hon. Treasurer

INTERNATIONAL LAW ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31st DECEMBER 2017

1 Accounting Policies

(a) Basis of Accounts Preparation

The financial statements have been prepared under the historical cost convention in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland – Charities SORP (FRS 102) and with the Charities Act 2011. The financial statements have been prepared on a going concern basis.

(b) International Law Association meets the definition of a public benefit entity under FRS 102.

(c) Incoming Resources

The ILA receives a substantial proportion of its income from overseas branch subscriptions. The subscriptions are calculated on the number of members in each overseas branch, the amount and receipt of which is unpredictable. These subscriptions together with individual members' subscriptions, publication sales and royalties are accounted for in the financial statements on a receipts basis.

(d) Expenditure

All expenditure is included in the financial statements on an accruals basis.

(e) Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated at 25% per annum on a straight line basis to write off the assets over their expected lives.

(f) Fund Accounting

Funds held by the ILA are:

Unrestricted Funds - These are general funds which can be used in accordance with the ILA's charitable objects

Restricted Fund - ILA Scholarship Fund
This fund has been established to encourage and facilitate younger persons to participate in the work of the ILA

(g) Pension Costs

The ILA makes defined pension contributions on behalf of its staff. The contributions are charged to staff costs in the Statement of Financial Activities on an accruals basis.

(h) Taxation

The ILA is a registered charity and is, therefore, not liable to corporation tax to the extent that its income is applied to charitable purposes.

INTERNATIONAL LAW ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31st DECEMBER 2017

2 Branch Subscriptions

Received in 2016			Received in 2017	
for 2015 & earlier	for 2016		for 2016 & earlier	for 2017
£	£		£	£
-	-	Albanian	135	105
2,225	8,480	American	300	7,980
1,224	-	Argentine	1,091	-
4,080	-	Australian	3,000	-
-	1,579	Austrian	-	1,644
-	450	Bangladesh	-	-
-	480	Belarusian	-	495
630	2,220	Belgian	-	1,952
-	3,660	Brazilian	-	3,600
-	11,520	British	-	11,520
-	660	Bulgarian	-	-
1,284	-	Canadian	384	-
-	540	Caribbean	450	30
-	660	Chilean	-	570
-	-	Chinese (Taiwan)	870	930
-	-	Colombian	-	627
380	-	Croatian	350	-
-	-	Cypriot	1,005	-
-	618	Czech	-	600
-	1,650	Danish	-	1,680
-	300	East African	-	187
-	-	Egyptian	-	-
-	1,530	Finnish	-	1,710
-	6,210	French	-	6,091
-	8,839	German	-	8,892
1,380	-	Hellenic	1,468	750
-	-	Hong Kong	-	-
-	490	Hungarian	220	400
870	1,506	Indian	840	1,491
-	-	Indonesian	-	-
-	630	Irish	-	750
90	961	Israel	120	210
-	-	Italian	2,730	-
-	9,690	Japan	-	9,750
-	-	Jordanian	330	330
-	1,950	Korean	-	-
840	870	Mexican	30	750
-	-	Nepalese	600	-
-	5,000	Netherlands (Dutch)	3,019	5,000
-	-	New Zealand	974	990
-	-	Nicaraguan	-	600
-	-	Nigerian	-	-
-	2,685	Norwegian	-	-
-	750	Pakistan	-	-
-	<u>1,204</u>	Polish	-	<u>1,216</u>
13,003	75,132	carried forward	17,916	70,850

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31st DECEMBER 2017

2 Branch Subscriptions (continued)

Received in 2016			Received in 2017	
for 2015 & earlier £	for 2016 £		for 2016 & earlier £	for 2017 £
13,003	75,132	brought forward	17,916	70,850
-	1,235	Portuguese	-	1,221
-	1,485	Qatari	-	-
1,620	750	Romanian	-	-
120	123	Russian	485	150
-	660	Serbian	-	570
-	450	Singaporean	-	2,265
-	1,506	Slovene	-	1,620
1,380	-	South African	720	-
1,260	1,254	Spanish	-	1,356
-	-	Swedish	2,844	2,100
-	-	Swiss	3,150	3,053
600	-	Turkish	-	-
-	-	Ukrainian	630	690
<u>17,983</u>	<u>82,595</u>		<u>25,745</u>	<u>83,875</u>
<u>100,578</u>		Total subscriptions received	<u>109,620</u>	

3 Tangible Fixed Assets

	Website Development costs £	Office Equipment £	Total £
At cost at 1 st January 2017	-	18,981	18,981
No longer in use and written off	-	16,760	16,760
Additions in the year	<u>25,008</u>	<u>1,097</u>	<u>26,105</u>
	<u>25,008</u>	<u>3,318</u>	<u>28,326</u>
Deduct: Depreciation			
At 1 st January 2017	-	17,755	17,755
No longer required	-	16,760	16,760
Charge for the year	<u>6,252</u>	<u>883</u>	<u>7,135</u>
	<u>6,252</u>	<u>1,878</u>	<u>8,130</u>
Net Book Value at 31 st December 2017	<u>18,756</u>	<u>1,440</u>	<u>20,196</u>
Net book value at 31 st December 2016	-	1,226	1,226

INTERNATIONAL LAW ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31st DECEMBER 2017

4 Debtors

2017	2016
£	£
Amounts receivable within one year:	
Other debtors	90
Prepayments	1,735
	<u>15,562</u>
	<u>17,297</u>

5 Creditors

Amounts falling due within one year:		
Other creditors	6,875	3,358
Tax and national insurance	2,137	3,202
Accruals and deferred income	<u>9,087</u>	<u>7,831</u>
	<u>18,099</u>	<u>14,391</u>

6 Net Assets by Fund

	Unrestricted Funds £	Restricted Fund £	Total 2017 £	Total 2016 £
Tangible assets	20,196	-	20,196	1,226
Current assets	177,661	12,706	190,367	208,577
Creditors – amounts falling due within one year	<u>18,099</u>	<u>-</u>	<u>18,099</u>	<u>14,391</u>
	<u>179,758</u>	<u>12,706</u>	<u>192,464</u>	<u>195,412</u>

7 Analysis of Funds

	At 1 st January 2017 £	Incoming Resources £	Expen- diture £	At 31 st December 2017 £
Unrestricted funds	187,531	133,692	141,465	179,758
Restricted fund: ILA Scholarship Fund	<u>7,881</u>	<u>4,825</u>	<u>-</u>	<u>12,706</u>
	<u>195,412</u>	<u>138,517</u>	<u>141,465</u>	<u>192,464</u>