

INTERNATIONAL LAW ASSOCIATION

ACCOUNTS – 31st DECEMBER 2018

INTERNATIONAL LAW ASSOCIATION

ACCOUNTS – 31ST DECEMBER 2018

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INTERNATIONAL LAW ASSOCIATION

Annual Report for the year ended 31 December 2018

The Officers and Members of the Management Committee of the Association present this Report for the year ended 31 December 2018.

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. The Management Committee is composed of the Officers and additional persons nominated by the Executive Council from time to time.

Meetings of the Executive Council are held biennially, usually in Spring and Autumn of each year. The Management Committee meets 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 4300, is spread among branches in every continent.

The Association's objectives are primarily pursued through the work of its international committees. There are currently 20 committees on topics as diverse as International Monetary Law, Participation in Global Cultural Heritage Governance, Global Health Law, Space Law, and Sea Level Rise. In addition, there are 8 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: The Role of Cities in International Law and UN Sanctions & International Law.

Organisation

The activities of the Association are organised by the Executive Council, by the Management Committee under powers delegated by the Executive Council and by individual Officers within their respective remits, assisted in each case 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 Yuji Iwasawa (Japan); Professor Catherine Kessedjian

(France); Professor James Nafziger (USA) and Professor Damilola Olawuyi (Nigeria). The Secretary General is Professor Antonios Tzanakopoulos (UK). The Honorary Treasurer is Professor Torsten Stein (Germany). The work programme, in particular that of the international committees and study groups, 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 event in 2018 was the Biennial Conference held in Sydney, Australia from 19-23 August and hosted by the Australian Branch under its President, Dr Christopher Ward SC at which 30 Working Sessions of the ILA Committees & Study Groups were held and at which their Reports were presented and discussed and 9 Resolutions were passed. Other activities were arranged by various ILA Branches, Committees and Study Groups. Details of these and many other events are listed on the ILA website.

A new Branch was established in Mauritius in 2018.

New ILA Committees on Submarine Cables and Pipelines under International Law and Use of Force: Military Assistance on Request were established in 2018 as well as a new Study Group on Asian State Practice of Domestic Implementation of 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 2017, the unrestricted funds show a small deficit between the income & expenditure for the year. The restricted fund provided 6 scholarships to the Sydney Conference in 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:

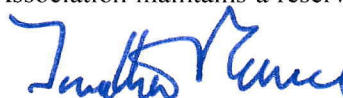
HSBC, 1 Woburn Place, Russell Square, London WC1H 0LQ.

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.



The Rt Hon Lord Mance
Chair, International Law Association
May 2019

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 2018

I report on the accounts of the Association for the year ended 31st December 2018 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.

S Magecha
Financial Visibility Ltd
Chartered Accountants
7 Jardine House
Harrobian Business Village
Bessborough Road
Harrow HA1 3EX

11th May 2019

INTERNATIONAL LAW ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR TO 31st DECEMBER 2018

	Unrestricted Funds £	Restricted Fund £	Total 2018 £	Total 2017 £
Incoming Resources				
Subscriptions				
Branches (Note 2)	116,792	-	116,792	109,620
Headquarters membership	<u>3,198</u>	<u>-</u>	<u>3,198</u>	<u>3,812</u>
	<u>119,990</u>	<u>-</u>	<u>119,990</u>	<u>113,432</u>
Sales				
Publications	<u>1,974</u>	<u>-</u>	<u>1,974</u>	<u>9,789</u>
Deposit interest	80	-	80	66
Contribution towards administration	3,000	-	3,000	3,000
Contribution towards conference travel costs	18,256	-	18,256	-
Royalties	6,940	-	6,940	7,320
ILA Scholarship Fund	-	7,154	7,154	4,825
Other income	<u>-</u>	<u>-</u>	<u>-</u>	<u>85</u>
	<u>28,276</u>	<u>7,154</u>	<u>35,430</u>	<u>15,296</u>
Total Incoming Resources	150,240	7,154	157,394	138,517
Deduct: Total Expenditure (Page 6)	<u>157,772</u>	<u>14,616</u>	<u>172,388</u>	<u>141,465</u>
Net (<i>Deficit</i>) for the year	7,532	7,462	14,994	2,948
Total funds brought forward	<u>179,758</u>	<u>12,706</u>	<u>192,464</u>	<u>195,412</u>
Total funds carried forward	<u>172,226</u>	<u>5,244</u>	<u>177,470</u>	<u>192,464</u>

There were no recognised gains or losses for 2018 or 2017 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 2018

	Unrestricted Funds £	Restricted Fund £	Total 2018 £	Total 2017 £
Expenditure				
Direct Charitable Expenditure:				
Conference report – distribution	262	-	262	911
ILA Scholarship Fund	<u>-</u>	<u>14,616</u>	<u>14,616</u>	<u>-</u>
	<u>262</u>	<u>14,616</u>	<u>14,878</u>	<u>911</u>
Staff Costs:				
Administrative salary, bookkeeping and secretarial services	83,710	-	83,710	86,114
Pension costs	<u>10,901</u>	<u>-</u>	<u>10,901</u>	<u>10,977</u>
	<u>94,611</u>	<u>-</u>	<u>94,611</u>	<u>97,091</u>
Management and Administration:				
Rent and rates	14,405	-	14,405	15,000
Insurance	609	-	609	574
Postage, stationery and photocopying	445	-	445	378
Telephone, fax and internet	1,445	-	1,445	1,388
Website support, licence and consultancy	12,895	-	12,895	8,485
Archiving	-	-	-	4,306
Accountants' remuneration	3,840	-	3,840	3,560
Executive Council functions and meetings	1,463	-	1,463	1,003
Conference expenses	18,580	-	18,580	-
Office and sundries	538	-	538	249
Officers' expenses and travel	259	-	259	-
Bank and credit card charges	1,460	-	1,460	1,385
Depreciation	<u>6,960</u>	<u>-</u>	<u>6,960</u>	<u>7,135</u>
	<u>62,899</u>	<u>-</u>	<u>62,899</u>	<u>43,463</u>
Total Expenditure	<u>157,772</u>	<u>14,616</u>	<u>172,388</u>	<u>141,465</u>

INTERNATIONAL LAW ASSOCIATION
BALANCE SHEET AS AT 31st DECEMBER 2018

	Note	2018 £	2017 £
Fixed Assets			
Tangible fixed assets	3	<u>14,107</u>	<u>20,196</u>
Current Assets			
Debtors	4	975	435
Cash at bank and in hand		<u>172,881</u>	<u>189,932</u>
		173,856	190,367
Creditors – amounts falling due within one year	5	<u>10,493</u>	<u>18,099</u>
		<u>163,363</u>	<u>172,268</u>
Net Assets	6	<u>177,470</u>	<u>192,464</u>
Funds			
Unrestricted Funds		172,226	179,758
Restricted Fund		<u>5,244</u>	<u>12,706</u>
Total Funds	7	<u>177,470</u>	<u>192,464</u>

Approved and signed on behalf of the Executive Council on 11th May 2019.

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 2018

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 2018

2 Branch Subscriptions

Received in 2017			Received in 2018	
for 2016 & earlier	for 2017		for 2017 & earlier	for 2018
£	£		£	£
135	105	Albanian	-	484
300	7,980	American	300	8,300
1,091	-	Argentine	1,137	-
3,000	-	Australian	3,000	-
-	1,644	Austrian	-	1,681
-	-	Bangladesh	450	450
-	495	Belarusian	-	495
-	1,952	Belgian	358	2,280
-	3,600	Brazilian	-	-
-	11,520	British	-	11,220
-	-	Bulgarian	630	630
384	-	Canadian	3,270	-
450	30	Caribbean	-	-
-	570	Chilean	-	660
870	930	Chinese (Taiwan)	-	930
-	627	Colombian	30	444
350	-	Croatian	70	-
1,005	-	Cypriot	-	-
-	600	Czech	-	600
-	1,680	Danish	-	1,230
-	187	East African	30	300
-	-	Egyptian	480	-
-	1,710	Finnish	-	1,740
-	6,091	French	-	5,608
-	8,892	German	-	8,936
1,468	750	Hellenic	-	-
-	-	Hong Kong	-	-
220	400	Hungarian	-	1,225
840	1,491	Indian	450	1,630
-	-	Indonesian	150	666
-	750	Irish	-	570
120	210	Israel	-	90
2,730	-	Italian	2,130	-
-	9,750	Japan	-	9,840
330	330	Jordanian	-	-
-	-	Korean	1,560	1,590
30	750	Mexican	80	1,175
600	-	Nepalese	-	-
3,019	5,000	Netherlands (Dutch)	2,920	8,210
974	990	New Zealand	-	-
-	600	Nicaraguan	-	330
-	-	Nigerian	2,940	-
-	-	Norwegian	2,745	2,625
-	-	Pakistan	750	950
-	1,216	Polish	-	1,200
17,916	70,850	carried forward	23,480	76,089

INTERNATIONAL LAW ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31st DECEMBER 2018

2 Branch Subscriptions (continued)

Received in 2017			Received in 2018	
for 2016 & earlier £	for 2017 £		for 2017 & earlier £	for 2018 £
17,916	70,850	brought forward	23,480	76,089
-	1,221	Portuguese	-	1,124
-	-	Qatari	-	-
-	-	Romanian	810	810
485	150	Russian	210	451
-	570	Serbian	-	570
-	2,265	Singaporean	-	1,830
-	1,620	Slovene	-	2,610
720	-	South African	1,980	-
-	1,356	Spanish	-	1,536
2,844	2,100	Swedish	-	2,070
3,150	3,053	Swiss	12	3,180
-	-	Turkish	-	-
<u>630</u>	<u>690</u>	Ukrainian	<u>-</u>	<u>30</u>
<u>25,745</u>	<u>83,875</u>		<u>26,492</u>	<u>90,300</u>
<u>109,620</u>		Total subscriptions received	<u>116,792</u>	

3 Tangible Fixed Assets

	Website Development costs £	Office Equipment £	Total £
At cost at 1 st January 2018	25,008	3,318	28,326
Additions in the year	<u>-</u>	<u>871</u>	<u>871</u>
	<u>25,008</u>	<u>4,189</u>	<u>29,197</u>
Deduct: Depreciation			
At 1 st January 2018	6,252	1,878	8,130
Charge for the year	<u>6,252</u>	<u>708</u>	<u>6,960</u>
	<u>12,504</u>	<u>2,586</u>	<u>15,090</u>
Net Book Value at 31 st December 2018	<u>12,504</u>	<u>1,603</u>	<u>14,107</u>
Net book value at 31 st December 2017	<u>18,756</u>	<u>1,440</u>	<u>20,196</u>

INTERNATIONAL LAW ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31st DECEMBER 2018

4 Debtors

	2018 £	2017 £
Amounts receivable within one year:		
Other debtors	605	90
Prepayments	<u>370</u>	<u>345</u>
	<u>975</u>	<u>435</u>

5 Creditors

Amounts falling due within one year:		
Other creditors	1,890	6,875
Tax and national insurance	1,889	2,137
Accruals and deferred income	<u>6,714</u>	<u>9,087</u>
	<u>10,493</u>	<u>18,099</u>

6 Net Assets by Fund

	Unrestricted Funds £	Restricted Fund £	Total 2018 £	Total 2017 £
Tangible assets	14,107	-	14,107	20,196
Current assets	168,612	5,244	173,856	190,367
Creditors – amounts falling due within one year	<u>10,493</u>	<u>-</u>	<u>10,493</u>	<u>18,099</u>
	<u>172,226</u>	<u>5,244</u>	<u>177,470</u>	<u>192,464</u>

7 Analysis of Funds

	At 1 st January 2018 £	Incoming Resources £	Expen- diture £	At 31 st December 2018 £
Unrestricted funds	179,758	150,240	157,772	172,226
Restricted fund:				
ILA Scholarship Fund	<u>12,706</u>	<u>7,154</u>	<u>14,616</u>	<u>5,244</u>
	<u>192,464</u>	<u>157,394</u>	<u>172,388</u>	<u>177,470</u>