

# Financial Statement 2015

# Financial Statement

The International Chemical Secretariat (ChemSec)  
802412-7717

The board of Directors of the International Chemical Secretariat (ChemSec) hereby presents its annual accounts for the financial year 2015-01-01 – 2015-12-31.

The currency is in Swedish crowns (SEK)

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## Directors Note

The board of Directors of the International Chemical Secretariat (ChemSec) hereby submits its annual report for the financial year 2015.

In January 2015 the director of ChemSec, Anne Sofie Andersson, was the only external speaker invited to the CEO Summit of the International Council of Chemicals Associations during the World Economic Forum in Davos. This is clear recognition of our position as an important and influential stakeholder in global chemicals policy. During the year we were also consulted by several chemical producers and other companies that are keen to hear our opinions on future developments in the chemicals sector.

In the political arena our focus has been on REACH and its authorisation process. We have pushed for the denial of authorisation for continued use of especially hazardous substances where there are viable alternatives. In discussions with the Commission, member states and the ECHA we have pointed out various proposals for improvement. By collaborating with companies we have highlighted the importance of substituting dangerous chemicals as a driving force for innovation. Our work has helped to persuade many countries to share these views and make the EU Commission more willing to revise its decisions when alternatives are available.

In 2015 we were also accepted as an accredited stakeholder on one of the ECHA committees, SEAC, which makes decisions on the authorisation process for specific chemicals. We also continued to contribute to the MSC committee and attended CARACAL meetings. In each of these situations we expressed our views on the authorisation process and alternative chemicals through written and oral contributions, and by highlighting quotations and examples from progressive companies.

Our involvement with endocrine-disrupting chemicals was greater than expected in 2015. There has been intense debate on the desired shape of criteria for endocrine-disrupting chemicals and on the Commission's approach to formulating these criteria. At the end of the year the European Court of Justice ruled against the Commission for failing to set up criteria within the legally specified time frame. We have had meetings and discussions with the Commission, the EU parliament, some member states, other environmental organisations and with researchers, to find acceptable ways forward. We have also issued two publications. At the start of the year we published *Cry Wolf*, a report that shows how industry often greatly exaggerates the negative impact of proposed legislation. This report was written with the authorisation process for endocrine disruptors in mind, but has proved useful in a much wider context. We also published a folder on endocrine-disrupting chemicals and the SIN List.

One factor that is critical for the success of our political efforts and is unique to our organisation in Europe is our active engagement with companies. Two new companies joined our Business Group during the year: COOP Denmark and Adidas. In October we held our annual meeting with the Business Group in Copenhagen, which led to interesting discussions and showed that the new members clearly help to strengthen the group. In addition to the Business Group we have had detailed, in-depth discussions with a number of companies.

A key element of our work is also to offer concrete solutions, assistance and tools to companies that want to improve the way they use chemicals. In 2015 we launched a unique new online guide specifically aimed at the textile industry: the Textile Guide. We promoted this heavily in both the EU and USA, with consider-

able impact. The Textile Guide is now seen by the majority of companies and networks as one of the most important tools for managing chemicals, and is widely recommended by them.

Our SINimilarity tool has been refined and separated from the SIN List. The SINimilarity database is used more widely than expected by stakeholders who want to survey their chemicals to avoid unfortunate substitution with substances that are equally harmful.

Our work also involves engaging with financial investors, to make them aware of the issues associated with chemicals and the financial risks of producing chemicals that are about to be phased out, either by law or due to consumer pressure. During the year we developed and launched the SIN Producers List, a gateway to the SIN List that is tailored for investors and allows them to find information about the production and producers of substances on the SIN List. We have also involved investors in the Chemical Footprint project, in partnership with the US organisation CPA. In addition we were contacted by several major stakeholders who asked us for information and advice on how to work with endocrine-disrupting chemicals.

During the year ChemSec changed its logo to create a consistent look for its tool-related web pages and databases, which can also be adapted to accommodate new tools in the future. Our aim is that this change will reinforce the brand image of ChemSec. ChemSec staff have also been improving their presentation and meeting skills.

The political situation in the EU has hampered environmental legislation activities, and we expect this situation to persist in the coming years. Meanwhile, REACH and a decision on a hazard-based system for chemicals management will continue to be dominant issues that will demand our attention. We expect that the development of tools and partnerships with companies will continue to be received positively by our target audience in the future. ChemSec is expected to continue working on political issues and on guiding the voluntary chemical substitution efforts of companies.

Due to overstaffing, the workforce was reduced by one person and now totals six employees.

The year-end equity of the organisation was SEK 590,985 and will be allocated as reserve capital. The organisation's finances and current standing are shown in the following income and balance sheet disclosures.

# Finance Statement

	Note	2015-01-01 2015-12-31	2014-01-01 2014-12-31
OPERATING INCOME			
Operating Income	1	8 248 974	6 301 228
<b>TOTAL OPERATING INCOME</b>		<b>6 844 300</b>	<b>8 248 974</b>
OPERATING EXPENSES			
Operating expenses	2	-7 401 551	-8 945 384
<b>TOTAL OPERATING EXPENSES</b>		<b>-7 401 551</b>	<b>-8 945 384</b>
<b>OPERATING RESULT</b>		<b>-557 251</b>	<b>- 696 410</b>
FINANCIAL POSTS			
Interest income		24	55
Exchange rate fluctuations		19 786	60 530
Interest expenses		-457	-553
Change in value fund		2 511	14 099
Other financial expenses		-	-271
<b>TOTAL FINANCIAL POSTS</b>		<b>21 864</b>	<b>73 860</b>
<b>RESULT AFTER FINANCIAL POSTS</b>		<b>-535 387</b>	<b>-622 550</b>
<b>RESULT BEFORE TAX</b>		<b>-535 387</b>	<b>-622 550</b>
<b>RESULT OF THE YEAR</b>		<b>-535 387</b>	<b>-622 550</b>

# Balance Sheet

	Note	2015-12-31	2014-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Tangible assets			
Equipment		0	0
Total tangible assets		0	0
<b>Financial assets</b>			
Other long-term receivables		85 800	85 800
Total financial assets		85 800	85 800
<b>TOTAL FIXED ASSETS</b>		<b>85 800</b>	<b>85 800</b>
<b>Current assets</b>			
Current receivables			
Account Receivables		162 826	–
Other current receivables		– 9 648	37 863
Interim claims		77 690	967 918
<b>TOTAL CURRENT RECEIVABLES</b>		<b>230 868</b>	<b>1 005 781</b>
<b>Cash and bank</b>			
Cash and bank	3	1 496 869	1 108 134
<b>TOTAL CASH AND BANK</b>		<b>1 496 869</b>	<b>1 108 134</b>
<b>TOTAL CURRENT ASSETS</b>		<b>1 727 737</b>	<b>2 113 915</b>
<b>TOTAL ASSETS</b>		<b>1 813 537</b>	<b>2 199 715</b>
		<b>2015-12-31</b>	<b>2014-12-31</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Retained earnings		1 748 922	785 579
Result from previous year		–622 550	963 342
Result of the year		–535 387	–622 550
<b>TOTAL EQUITY</b>		<b>590 985</b>	<b>1 126 371</b>
<b>Current liabilities</b>			
Accounts payable-trade		345 536	300 705
Employee withholding taxes		66 555	75 806
Accrued social security charges		83 751	87 719
Accrued special salary taxes		142 073	118 665
Other current liabilities		100 938	54 153
Accrued expenses and deferred income		483 699	436 296
<b>TOTAL CURRENT LIABILITIES</b>		<b>1 222 552</b>	<b>1 073 344</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 813 537</b>	<b>2 199 715</b>

## Supplementary Disclosures

NOTE 1	OPERATING INCOME		2015
	Swedish Government	-	5 000 000
	The John Merck Fund	-	845 730
	European Environmental Health Initiative	-	464 990
	Koop	-	37 509
	Marisla Foundation	-	410 945
	German FMR	-	46 048
	Other remuneration ( conference fees etc)	-	39 078
		-	<b>6 844 300</b>
NOTE 2	OPERATING EXPENSES		2014
	Salaries and other staff costs	-	4 872 946
	Non-project related travel expenses	-	36 180
	Expenses for consultants and organisation fees	-	181 307
	Expenses for board	-	77 205
	Premises (rent, phone, internet etc)	-	469 068
	Program: Tools development	-	947 657
	Policy: REACH and hormon disruptors	-	449 853
	Business and investors	-	188 909
	General communications	-	178 426
		-	<b>7 401 551</b>
NOTE 3	CASH AND BANK		
	Cash and bank	-	724 874
	USD-account	-	8 072
	EUR-account	-	212 106
	Savings capital	-	551 817
		-	<b>1 496 869</b>