

FINANCIAL STATEMENTS

AND

REPORT OF THE EXTERNAL AUDITOR

FOR THE FINANCIAL PERIOD ENDING 31 DECEMBER 2004



DOCUMENTATION
for the 36th Session of the Assembly in 2007

INTERNATIONAL CIVIL AVIATION ORGANIZATION



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**FINANCIAL STATEMENTS AND
REPORT OF THE EXTERNAL AUDITOR
FOR THE YEAR ENDED 31 DECEMBER 2004**

INTERNATIONAL CIVIL AVIATION ORGANIZATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2004

FOREWORD BY THE SECRETARY GENERAL

1. The financial statements of the International Civil Aviation Organization for the year ended 31 December 2004 are presented under twelve different Funds or groups of Funds as indicated below. The magnitude of the financial operations, in terms of expenditures incurred, is indicated below against each Fund or group of Funds, and a summary is provided in Figure 1.

	Total Expenditure (in United States dollars)	
	2004	2003
1) Regular Programme (Funds appropriated by the Assembly or by the Council)	60 443 892	58 363 096
2) Joint Financing (Funds for the Joint Support of the Air Navigation Services)	30 052 486	28 239 912
3) Administrative and Operational Services Cost (Fund for the administration and operation of programmes of technical co-operation)	5 754 343	5 387 851
4) United Nations Development Programme (Funds mainly contributed by governments to UNDP under cost-sharing arrangements)*	9 739 106	7 160 327
5) Trust and Management Service Agreements (Funds provided by various contributors for technical co-operation projects executed by ICAO)*	53 354 346	40 468 588
6) Civil Aviation Purchasing Service (Funds provided by various contributors for civil aviation purchases on their behalf)*	15 512 984	50 862 367
7) Aviation Security Trust (Funds provided by various contributors for the improvement of aviation security)	4 427 287	2 592 111
8) ICAO Universal Safety Oversight Audit Programme (Funds provided by various contributors for safety oversight audits)	237	10 752
9) ICAO Objectives Implementation Mechanism (Funds provided by various contributors for technical co-operation)*	112 535	68 902
10) Special Accounts/Funds	1 965 288	1 836 949
11) International Financial Facility for Aviation Security Fund	132 398	97 641
12) Other (Funds not falling under any of the above categories)*	<u>3 444 753</u>	<u>2 672 293</u>
Total	<u>184 939 655</u>	<u>127 760 789</u>

* Excluding the administrative overhead charges.

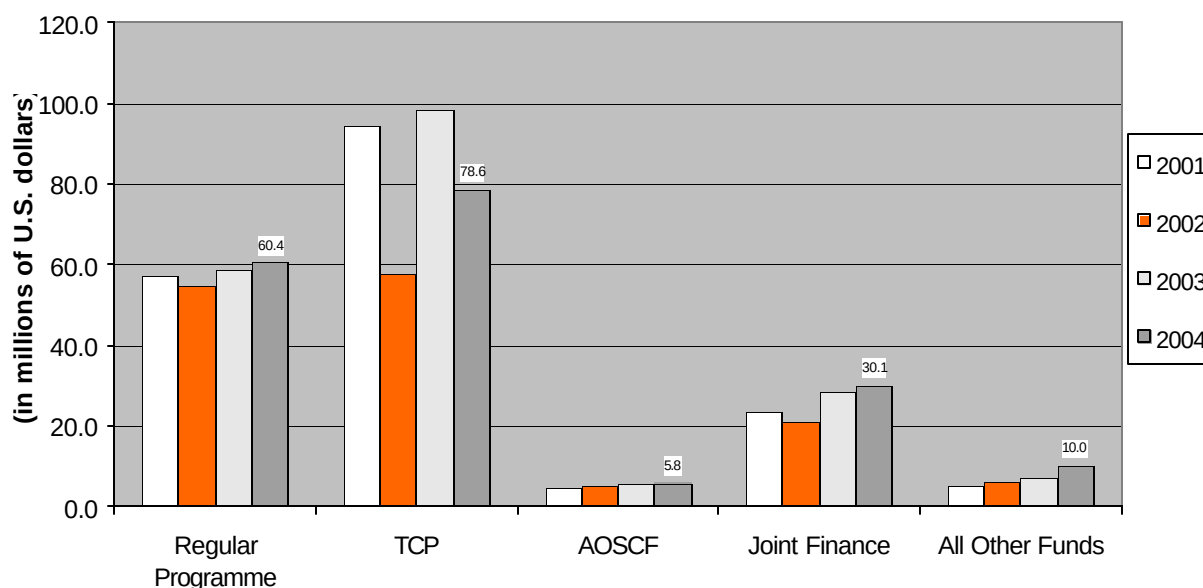


2. Summary information relating to income, expenditures, assets and liabilities on the main ICAO Funds and the combined total of all Funds is shown in Statements I and II.

3. A comparison of overall expenditures, in millions of United States dollars, for all ICAO activities during the last four years is provided in Figure 1 below.

FIGURE 1

**TOTAL EXPENDITURES - ALL FUNDS COMPARISONS
AS AT 31 DECEMBER**



4. REGULAR PROGRAMME

4.1 **Appropriations.** The 33rd Session of the Assembly in 2001, under Resolution A33-23, Clause A 2), voted appropriations in the amount of \$ 60 456 000 for 2004. Details of appropriations, transfers, expenditure and unobligated balances of appropriations by Major Programme are given in Statement IV on page 12. The budgetary results for 2004 may be summarized as follows:

Original appropriations	\$ 60 456 000
Carried over from 2003	2 524 077
Carried over to 2005	<u>(1 978 299)</u>
Revised appropriations	61 001 778
Total expenditure	<u>60 443 892</u>
Unobligated balance of appropriations	<u>\$ 557 886</u>

4.2 **Income.** The appropriations for the year 2004 approved by the 33rd Session of the Assembly were to be financed by assessments on Contracting States in the amount of \$ 50 500 000, Miscellaneous Income estimated at \$ 4 327 000, and cash surplus of \$ 5 629 000. The actual results are given in Statement I on page 9 and the following comments apply:

- a) Assessments on Contracting States for 2004 amounted to \$ 50 530 300, including an assessment of \$ 30 300 from a new Contracting State.
- b) Miscellaneous Income amounted to \$ 5 787 016 compared with the estimate of \$ 4 327 000.

4.3 **Surplus.** The total cumulative surplus as at 31 December 2004, as reflected in Statement V, amounted to \$ 15 773 154, as compared to \$ 14 389 238 in 2003. This is comprised of assessments receivable from Contracting States of \$ 12 790 042 and cash surplus of \$ 2 983 112 as at 31 December 2004 (deficit of \$ 232 015 as at 31 December 2003). A reduction in the assessments receivable by \$ 1 831 211 in 2004 as compared to 2003 as presented in Statement V, and budget savings of approximately \$ 558 000, contributed largely to the cash surplus position of 2004.

4.4 **Cash Balances.** The cash balance held in the General Fund as at 31 December 2004 amounted to \$ 18 521 004 (including the balance in the Working Capital Fund) and is reflected in Statement II.

4.5 **Forward Purchase of Currency.** In order to reduce the effect of currency fluctuations between the United States and Canadian dollars on the budget and to assist in eliminating the issue of forecasting currency exchange rates in the budget, the Organization entered into forward purchase contracts for Canadian dollars. The total value of the contracts amounted to \$ 151 212 000 Canadian dollars (costing U.S.\$ 97 177 403) for delivery during the period 4 January 2002 to 1 December 2004. During 2004, the balance of \$ 50 710 000 Canadian dollars was received at an actual cost of U.S.\$ 32 596 041.

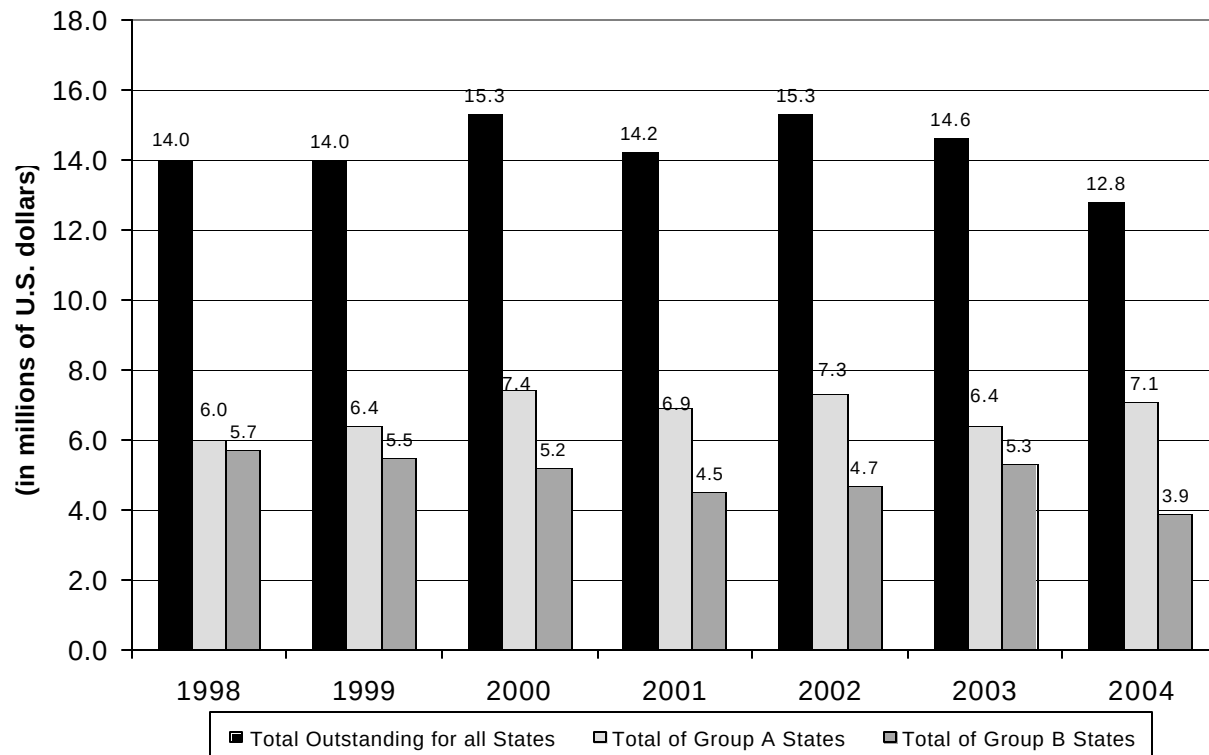
5. **REGULAR PROGRAMME - STATUS OF CONTRIBUTIONS**

5.1 As stated in paragraph 4.2 a) above, assessed contributions for 2004 amounted to \$ 50 530 300; during the course of the year, \$ 48 894 518 was received, and \$ 1 635 782 remained outstanding at the year end against the current year's assessments. At the beginning of the year, \$ 14 621 253 was receivable from States in respect of 2003 and prior years; payment of \$ 3 466 993 was received, leaving a balance outstanding of \$ 11 154 260. The assessments receivable for all years totalled \$ 12 790 042 as at 31 December 2004. Details are provided in Schedules A and B. The percentage of receipts of contributions for the last four years in relation to the amount assessed was in excess of 95 per cent. Figure 2 shows the status of the assessed contributions receivable at the end of each of the years since 1998.

5.2 Of the total outstanding contributions of \$ 12 790 042 as at 31 December 2004, \$ 253 173 pertained to States represented on the Council. As of the same date, outstanding contributions of Group B States, those in arrears for three full years or more, amounted to \$ 3 919 030, representing a marked improvement of \$ 1 366 262 since the end of the year 2003, when the balance was \$ 5 285 292.

5.3 As at 31 December 2004, 37 States had concluded agreements to liquidate their arrears over a period of years. The agreements provide for these States to effect payment of the current year's contribution as well as an annual instalment payment towards the prior years' arrears. The note on Schedule B indicates the States that had not complied with the terms of their agreements at 31 December 2004.

FIGURE 2
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
AS AT 31 DECEMBER



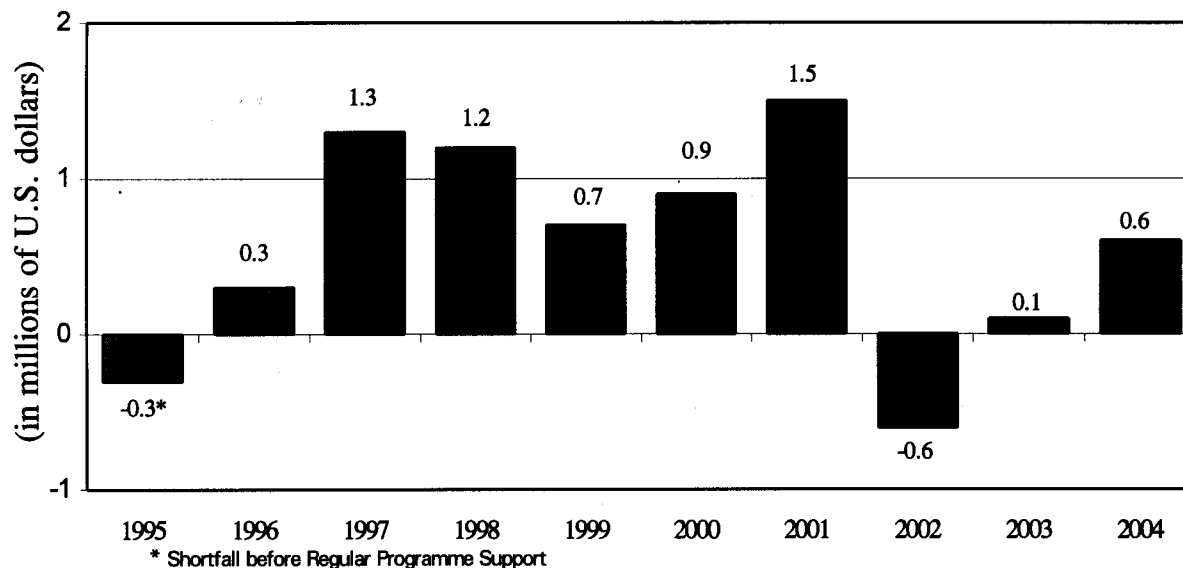
6. ADMINISTRATIVE AND OPERATIONAL SERVICES COST FUND (AOSCF)

6.1 The AOSCF is utilized to meet the costs of administration and operations of the Technical Cooperation Programme (TCP), and is primarily financed from administrative overhead charges on UNDP, CAPS, Trust Fund and MSA projects.

6.2 As shown in Figure 1, total expenditures for the Technical Co-operation Programme (TCP) in 2004 amounted to \$ 78 606 436, compared with \$ 98 491 282 in 2003. There was an increase in the recovery of overhead fees and support costs, which constitute the primary source of income for the AOSCF. During 2004, a significant portion of AOSCF revenue was earned on equipment implementation for which payments are made directly by governments to suppliers and which are therefore not reflected as expenditure in the Technical Cooperation Programme. The AOSCF income for 2004 was \$ 6 310 666, an increase of \$ 806 903 (15%) compared with 2003, and higher than the indicative income budget presented to the 33rd Session of the Assembly by \$ 2 532 666. The actual AOSCF expenditure, on the other hand, amounted to \$ 5 754 343, compared to the indicative budget presented to the 33rd Session of the Assembly of \$ 4 521 000. This amount includes non-budgeted losses on exchange for operational projects of \$ 228 479. The AOSCF fully recovered its costs for the year 2004 and also earned net income of \$ 556 323.

6.3 After taking into consideration the excess income of \$ 556 323, the accumulated surplus of the AOSCF increased from \$ 7 133 973 in 2003 to \$ 7 668 990 in 2004. From this amount, \$ 2.0 million has been reserved for transfer to the ICT Fund to finance part of the cost of modernizing ICAO's financial system, in accordance with Assembly Resolution A35-32.

FIGURE 3
AOSCF SHORTFALLS AND SURPLUS AS AT 31 DECEMBER**



** Note that the above amounts do not include the expenditure for improving the efficiency and effectiveness of TCB.

7. THE INTERNATIONAL FINANCIAL FACILITY FOR AVIATION SAFETY (IFFAS)

Pursuant to Assembly Resolution A33-10, the Council, in the 167th Session held on 4 December 2002, established an International Financial Facility for Aviation Safety (IFFAS) and approved the IFFAS Administrative Charter. IFFAS operates under the purview of the Council, and in accordance with its Administrative Charter and the Assembly Resolution A33-10 (*Establishment of an International Financial Facility for Aviation Safety*).

The balance of funds in IFFAS as at 31 December 2004 amounted to \$ 1 842 481, compared to \$ 1 492 280 at the end of 2003.

8. CERTIFICATION AND APPROBATION:

The Statements included in this annual report are certified:


Salleppan Kandasamy
Chief, Finance Branch

The Statements included in this annual report are approved:


Taïeb Cherif
Secretary General

INTERNATIONAL CIVIL AVIATION ORGANIZATION
FINANCIAL STATEMENTS FOR THE PERIOD ENDING
31 DECEMBER 2004

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Auditor General of Canada
Vérificatrice générale du Canada

OPINION OF THE EXTERNAL AUDITOR

To the Assembly of the
International Civil Aviation Organization

I have audited the statement of assets, liabilities and fund balances of the International Civil Aviation Organization (ICAO) as at 31 December 2004, and the statements of income and expenditure and changes in fund balances, cash flow for ICAO's funds, surplus and appropriations for the regular programme general fund and supporting schedules for the year then ended. These financial statements are the responsibility of the Secretary-General. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with the Common Auditing Standards of the Panel of External Auditors of the United Nations, specialized agencies and the International Atomic Energy Agency and conforming with International Standards on Auditing. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, and as considered by the auditor to be necessary in the circumstances, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Secretary-General, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for the audit opinion.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the International Civil Aviation Organization as at 31 December 2004 and the results of its operations and changes in fund balances, cash flows for the ICAO's funds, surplus and appropriations for the regular programme general fund for the year then ended in accordance with the International Civil Aviation Organization's accounting policies set out in Notes 2 of the financial statements. As required by the Financial Regulations, I report that, in our opinion, these principles has been applied, except for the change in the method of accounting for forward currency purchase contracts as explained in Note 3-regular programme to the financial statements on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the International Civil Aviation Organization that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with the International Civil Aviation Organization's Financial Regulations and legislative authority.

In accordance with Article XIII of the Financial Regulations, I have also issued a long-form report on my audit of the International Civil Aviation Organization.

Sheila Fraser, FCA
Auditor General of Canada
External Auditor of the ICAO

Montreal, Canada
16 May 2005

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***See hard copy for
letter from External Auditor
Statements and Schedules
(pages 9 to 34)***

INTERNATIONAL CIVIL AVIATION ORGANIZATION

STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN FUND BALANCES

FOR THE PERIOD ENDING 31 DECEMBER 2004

(expressed in thousands of United States dollars)

	Regular Programme General Fund and Working Capital Fund		Administrative and Operational Services Cost Fund		Special Accounts/ Funds		Sub-total ICAO Funds		Joint Financing Funds		United Nations Development Programme		Trust Funds and Management Service Agreements		Civil Aviation Purchasing Service Funds		ICAO Mechanisms (1)		Other Funds (2)		Eliminations		Total	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
INCOME																								
Assessed Contributions (Schedules A and E)	50 530	50 360					50 530	50 360	387	436													50 917	50 796
Contributions					125	150	125	150															88 889	105 322
Earmarked Contributions													62 112	55 353	22 772	47 367	3 526	2 075	354	377			1 312	2 040
Other Income																	923	2 040	389					
Sale of publications	4 143	4 109					4 143	4 109															4 143	4 109
Funds received under inter-organization arrangements											14 646	14 259											14 646	14 259
Administrative overhead	8	21	5 940	4 631			5 948	4 652													(5 948)	(4 652)		
Interest income	137	205	84	71	95	81	316	357	15	13			1 202	674	462	221	128	62	61	49			2 184	1 376
User charge / Administrative fee revenues									31 639	26 168									1 267	2 774			32 906	28 942
Other	1 499	1 432	286	802	1 164	1 496	2 949	3 730					1 082	876	119	551	472	303					4 622	5 460
TOTAL INCOME	56 317	56 127	6 310	5 504	1 384	1 727	64 011	63 358	32 041	26 617	14 646	14 259	64 396	56 903	23 353	48 139	5 049	4 480	2 071	3 200	(5 948)	(4 652)	199 619	212 304
EXPENDITURE																								
Salaries and common staff costs	52 284	49 254	5 317	4 609	1 026	825	58 627	54 688									2 551	1 476	539	582			61 717	56 746
General operating expenses	5 942	6 297	45	71	335	485	6 322	6 853											55	50			6 377	6 903
Travel	929	1 551	91	86	104	43	1 124	1 680									1 582	922	61	63			2 767	2 665
Equipment	382	567	14	8	353	116	749	691			4 842	831	24 757	14 075	15 119	50 357	64	79					45 531	66 033
Meetings	770	464					770	464															770	464
Expert and other personnel costs											3 991	4 315	24 962	24 093			29						28 982	28 408
Subcontracts												1 016	714		114	251							2 303	1 981
Training											549	654	892	1 001			79	36					1 520	1 691
Administrative overhead charges											722	521	4 839	2 591	370	1 515	9	4	8	21	(5 948)	(4 652)		
Service costs									29 913	28 031									2 701	1 905			32 614	29 936
Other	137	230	287	69	147	368	571	667	140	209	357	344	555	586	280	254	235	158	221	170			2 359	2 388
SUBTOTAL	60 444	58 363	5 754	4 843	1 965	1 837	68 163	65 043	30 053	28 240	10 461	7 681	58 194	43 060	15 883	52 377	4 549	2 675	3 585	2 791	(5 948)	(4 652)	184 940	197 215
UNUSUAL ITEM																								
Shortfall of Reimbursement from Vietnam (Note 6 - AOSCF)				545				545																545
TOTAL EXPENDITURE	60 444	58 363	5 754	5 388	1 965	1 837	68 163	65 588	30 053	28 240	10 461	7 681	58 194	43 060	15 883	52 377	4 549	2 675	3 585	2 791	(5 948)	(4 652)	184 940	197 760
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	(4 127)	(2 236)	556	116	(581)	(110)	(4 152)	(2 230)	1 988	(1 623)	4 185	6 578	6 202	13 843	7 470	(4 238)	500	1 805	(1 514)	409			14 679	14 544
BALANCE OF FUNDS																								
Adjustment of prior year's unliquidated obligation/expenditure	250	191	8	3	8	6	266	200									47	17					313	217
Transfers to/from other funds (Statement V)	(914)	(1 364)	(29)		943	(746)	(2 110)	(2 110)					102	18	(92)	(18)	(10)	1 055		1 055				
Refund of contributions/transfer of Fund balances													(3 690)	(4 684)	(561)	(271)	(9)	(3)	(308)	(15)			(4 568)	(4 973)
Reserved surplus for derivative asset	10 976						10 976																10 976	
Fund balances, beginning of period	29 611	33 020	7 134	7 015	6 925	7 775	43 670	47 810	(2 440)	(817)	(16 021)	(22 599)	30 762	21 585	(3 674)	853	8 184	5 310	5 526	4 077			66 007	56 219
BALANCE OF FUNDS, END OF PERIOD	35 796	29 611	7 669	7 134	7 295	6 925	50 760	43 670	(452)	(2 440)	(11 836)	(16 021)	33 376	30 762	3 143	(3 674)	8 712	8 184	3 704	5 526			87 407	66 007

(1) The ICAO Mechanisms comprise the Aviation Security Trust Fund (Schedule I), ICAO Universal Safety Oversight Audit Programme Fund (Schedule J) and the ICAO Objectives Implementation Mechanism Fund (Schedule K).

(2) The Other Funds comprise the IFFAS Fund (Schedule L) and Other Funds (Schedule M).

The accompanying notes and schedules are an integral part of the financial statements.

STATEMENT II

INTERNATIONAL CIVIL AVIATION ORGANIZATION
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
AS AT 31 DECEMBER 2004

(expressed in thousands of United States dollars)

	Regular Programme General Fund and Working Capital Fund		Administrative and Operational Services Cost Fund		Special Accounts/ Funds		Sub-total ICAO Funds		Joint Financing Funds		United Nations Development Programme		Trust Funds and Management Service Agreements		Civil Aviation Purchasing Service Funds		ICAO Mechanisms (1)		Other Funds (2)		Eliminations		Total	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
ASSETS																								
Cash and term deposits	18 521	16 320	5 123	5 703	7 774	7 463	31 418	29 486	909	1 429	232	1 690	57 212	44 954	19 260	34 864	9 536	7 048	3 981	5 865			122 548	125 336
Accounts receivable:																								
Assessed contributions receivable from Contracting States (Schedule B)	12 800	14 634					12 800	14 634															12 800	14 634
Inter-fund balances	804	665	1 315	1 661	115	398	2 234	2 724	1	49	5 740	3 706	1 500	943	191	2 490	71	1 701	113	39	(9 850)	(11 652)	10 336	9 253
Receivables and advances	4 430	3 949	533	689	142	398	5 105	5 036	2 586	993	2 394	2 604	165	105		3	68	21	18	491				
Recoverable from Regional Bodies : AFCAC and LACAC (Note 5 - Regular Programme)	1 418	1 651					1 418	1 651															1 418	1 651
Other assets	53	107	1 542				1 595	107															1 595	107
Derivative asset (Note 3 - Regular Programme)	10 976						10 976																10 976	
Land and Buildings, at cost	1 065	1 065					1 065	1 065															1 065	1 065
TOTAL ASSETS	50 067	38 391	8 513	8 053	8 031	8 259	66 611	54 703	3 496	2 471	8 366	8 000	58 877	46 002	19 451	37 357	9 675	8 770	4 112	6 395	(9 850)	(11 652)	160 738	152 046
LIABILITIES																								
Contributions received in advance (Schedule C)	2 995	2 016					2 995	2 016										14					2 995	2 030
Unliquidated obligations	2 054	1 562	46	119	391	28	2 491	1 709			3 170	372	16 665	9 578	4 106	36 295	231	214	26	17			26 689	48 185
Accounts payable	2 971	2 547	260	119	17	91	3 248	2 757			16 943	21 056	4 847	3 071	11 850	3 578	52	52	60	62			37 000	30 576
Due to Regional Bodies : ECAC (Note 5 - Regular Programme)	1 026	358					1 026	358															1 026	358
Inter-fund balances	5 225	2 297	510	661	328	1 215	6 063	4 173	1	41	89	2 593	2 447	2 591	352	1 158	680	306	218	790	(9 850)	(11 652)		
Credits to contracting/servicing Governments (Schedule E)									3 947	4 870									104				4 051	4 870
Other credit balances and provisions			28	20			28	20					1 542										1 570	20
TOTAL LIABILITIES	14 271	8 780	844	919	736	1 334	15 851	11 033	3 948	4 911	20 202	24 021	25 501	15 240	16 308	41 031	963	586	408	869	(9 850)	(11 652)	73 331	86 039
BALANCE OF FUNDS																								
Represented by:																								
Contributed capital relating to land and buildings	1 065	1 065					1 065	1 065															1 065	1 065
Appropriations carried forward (Statement IV)	1 978	2 524					1 978	2 524															1 978	2 524
Cumulative Surplus (Statement V)	15 773	14 389					15 773	14 389															15 773	14 389
Reserved Cash Surplus (Note 10 - Regular Programme)		5 629						5 629																5 629
Working Capital Fund	6 004	6 004					6 004	6 004															6 004	6 004
Reserved Surplus (Note 3 - Regular Programme, Note 3 - Special Accounts / Funds, Note 5 - AOSCF)	10 976		2 000	1 803	1 055		14 779	1 055															14 779	1 055
Balance of Funds			5 669	7 134	5 492	5 870	11 161	13 004	(452)	(2 440)	(11 836)	(16 021)	33 376	30 762	3 143	(3 674)	8 712	8 184	3 704	5 526			47 808	35 341
TOTAL BALANCE OF FUNDS	35 796	29 611	7 669	7 134	7 295	6 925	50 760	43 670	(452)	(2 440)	(11 836)	(16 021)	33 376	30 762	3 143	(3 674)	8 712	8 184	3 704	5 526			87 407	66 007
TOTAL LIABILITIES AND BALANCE OF FUNDS	50 067	38 391	8 513	8 053	8 031	8 259	66 611	54 703	3 496	2 471	8 366	8 000	58 877	46 002	19 451	37 357	9 675	8 770	4 112	6 395	(9 850)	(11 652)	160 738	152 046

(1) The ICAO Mechanisms comprise the Aviation Security Trust Fund (Schedule I), ICAO Universal Safety Oversight Audit Programme Fund (Schedule J) and the ICAO Objectives Implementation Mechanism Fund (Schedule K).
(2) The Other Funds comprise the International Financial Facility for Aviation Safety Fund (Schedule L) and Other Funds (Schedule M).

The accompanying notes and schedules are an integral part of the financial statements.

INTERNATIONAL CIVIL AVIATION ORGANIZATION
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDING 31 DECEMBER 2004

(expressed in thousands of United States dollars)

	Regular Programme General Fund and Working Capital Fund		Administrative and Operational Services Cost Fund		Special Accounts/ Funds	
	2004	2003	2004	2003	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:						
Net excess (shortfall) of income over expenditure (Statement I)	(4 127)	(2 236)	556	116	(581)	(110)
(Increase) decrease in contributions receivable	1 834	705				
(Increase) decrease in other accounts receivable	(248)	(654)	156	(53)	256	(240)
(Increase) decrease in other assets	54	(75)	(1 542)			
(Increase) decrease in inter-fund balances receivable	(139)	426	346	(1 314)	283	3 665
Increase (decrease) in contributions received in advance	979	(1 157)				
Increase (decrease) in unliquidated obligations	492	280	(73)	(50)	363	(111)
Increase (decrease) in accounts payable	1 092	(1 253)	141	43	(74)	(70)
Increase (decrease) in inter-fund balances payable	2 928	(3 253)	(151)	(949)	(887)	733
Less : Interest income	(137)	(205)	(84)	(71)	(95)	(81)
Increase(decrease) in derivative asset (Note 3 - Regular Programme)	10 976					
Other adjustments to reserves and fund balances (Note 3 - Regular Programme)	(10 976)					
NET CASH FLOWS FROM OPERATING ACTIVITIES	2 728	(7 422)	(651)	(2 278)	(735)	3 786
CASH FLOWS FROM INVESTING ACTIVITIES:						
Plus: Interest income	137	205	84	71	95	81
NET CASH FLOWS FROM INVESTING ACTIVITIES	137	205	84	71	95	81
CASH FLOWS FROM FINANCING ACTIVITIES:						
Savings on or cancellation of prior periods' obligations	250	191	8	3	8	6
Transfers (to)/from other funds	(914)	(1 364)	(29)		943	(746)
Other credit balances and provisions			8	10		
NET CASH FLOWS FROM FINANCING ACTIVITIES	(664)	(1 173)	(13)	13	951	(740)
NET INCREASE (DECREASE) IN CASH AND TERM DEPOSITS	2 201	(8 390)	(580)	(2 194)	311	3 127
CASH AND TERM DEPOSITS, BEGINNING OF PERIOD	16 320	24 710	5 703	7 897	7 463	4 336
CASH AND TERM DEPOSITS, END OF PERIOD	18 521	16 320	5 123	5 703	7 774	7 463

The accompanying notes and schedules are an integral part of the financial statements.

INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME GENERAL FUND
STATEMENT OF APPROPRIATIONS
FOR THE PERIOD ENDING 31 DECEMBER 2004

(expressed in thousands of United States dollars)

STATEMENT IV

	Appropriations					Expenditure			Balance
	Original (A33-23A) \a	Carried over from prior year \b	Transfers between Major Programmes	Carried over to following year \c	Revised	Disbursements	Unliquidated obligations	Total	
General Policy and Direction	1 437	494	(193)	(50)	1 688	1 508	53	1 561	127
Air Navigation	8 765	730	(401)	(53)	9 041	8 779	231	9 010	31
Air Transport	4 750	252	(306)	(46)	4 650	4 508	107	4 615	35
Legal	810	8	82		900	851	41	892	8
Regional and Other Programmes	15 411	85	1 133	(12)	16 617	16 177	417	16 594	23
Administrative Support	22 726	180	51		22 957	21 930	1 024	22 954	3
Finance, External Relations / Public Information and Programmes Evaluation, Audit and Management Review	3 479	179	(366)	(140)	3 152	2 769	170	2 939	213
Universal Safety Oversight Audit Programme	1 016	3		(1)	1 018	890	10	900	118
	58 394	1 931		(302)	60 023	57 412	2 053	59 465	558
Universal Safety Oversight Audit Programme funded by cash surplus	2 062	593		(1 676)	979	978	1	979	
TOTAL	60 456	2 524		(1 978)	61 002	58 390	2 054	60 444	558

\a Includes appropriations funded by cash surplus of \$ 5 629 000 (A33-23, A-3(c)).
\b Approved by the Council at its 170th and 172nd Sessions (C-DEC 170/11 and C-DEC 172/18).
\c Approved by the Council at its 173rd Session (C-DEC 173/9).

The accompanying notes and schedules are an integral part of the financial statements.

INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME GENERAL FUND
STATEMENT OF CUMULATIVE SURPLUS
FOR THE PERIOD ENDING 31 DECEMBER 2004

(expressed in thousands of United States dollars)

Cumulative Surplus	2004	2003
Balance of cumulative Surplus at beginning of year	14 389	14 167
i) Excess (shortfall) of income over expenditure	(4 127)	(2 236)
ii) Adjustment to prior year's expenditures	(74)	90
iii) Write-off	(5)	(31)
iv) Cancellation of prior year's unliquidated obligations	329	132
v) Appropriations carried over from prior year	2 524	3 355
vi) Appropriations carried over to following year	(1 978)	(2 524)
vii) Transfer to Special Accounts - Incentive for Settlement of Arrears (A33-27)	(914)	(1 364)
viii) Transfer from/(to)Reserved Cash Surplus (A33-23B) (Note 10 - Regular Programme)	5 629	2 800
Balance of cumulative Surplus at end of year (Statement II)	15 773	14 389

Cash Surplus/(Deficit)	2004	2003
Balance of cumulative Surplus at end of year	15 773	14 389
Non-cash Surplus for balance of outstanding assessed contributions receivable (Schedule B and Note 4 - Regular Programme)	12 790	14 621
Cash Surplus/(Deficit)	2 983	(232)

The accompanying notes and schedules are an integral part of the financial statements.

SCHEDULE A

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INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
ASSESSMENTS ON CONTRACTING STATES FOR THE GENERAL FUND
FOR THE FINANCIAL YEAR 2004 AND BALANCES RECEIVABLE
AS AT 31 DECEMBER 2004

(in United States dollars)				
Contracting States				
<u>Assembly Resolutions A33-26 and A33-23A</u>	<u>2004</u>	<u>Assessments</u>	<u>Contributions Received</u>	<u>Balances Receivable</u>
Afghanistan	0.06	30 300	3 631	26 669
Albania	0.06	30 300	30 300	
Algeria	0.07	35 350	35 350	
Andorra	0.06	30 300	30 300	
Angola	0.06	30 300		30 300
Antigua and Barbuda	0.06	30 300		30 300
Argentina	0.86	434 300	434 300	
Armenia	0.06	30 300		30 300
Australia	1.62	818 100	818 100	
Austria	0.75	378 750	378 750	
Azerbaijan	0.06	30 300	30 300	
Bahamas	0.06	30 300	30 300	
Bahrain	0.06	30 300	30 300	
Bangladesh	0.06	30 300		30 300
Barbados	0.06	30 300	30 300	
Belarus	0.06	30 300		30 300
Belgium	0.92	464 600	464 600	
Belize	0.06	30 300	30 300	
Benin	0.06	30 300	30 300	
Bhutan	0.06	30 300	30 300	
Bolivia	0.06	30 300	30 300	
Bosnia and Herzegovina	0.06	30 300		30 300
Botswana	0.06	30 300	30 300	
Brazil	1.98	999 900	999 900	
Brunei Darussalam	0.06	30 300		30 300
Bulgaria	0.06	30 300	30 300	
Burkina Faso	0.06	30 300	30 300	
Burundi	0.06	30 300	30 300	
Cambodia	0.06	30 300		30 300
Cameroon	0.06	30 300	30 300	
Canada	2.24	1 131 200	1 131 200	
Cape Verde	0.06	30 300		30 300
Central African Republic	0.06	30 300	30 300	
Chad	0.06	30 300	30 300	
Chile	0.29	146 450	10 000	136 450
China	1.52	767 600	767 600	
Colombia	0.24	121 200	121 200	
Comoros	0.06	30 300	30 300	
Congo	0.06	30 300	30 300	
Cook Islands	0.06	30 300	30 300	
Costa Rica	0.06	30 300	30 300	
Côte d'Ivoire	0.06	30 300	30 300	
Croatia	0.06	30 300	30 198	102
Cuba	0.06	30 300	30 300	
Cyprus	0.06	30 300	30 300	
Czech Republic	0.16	80 800	80 800	
Democratic People's Republic of Korea	0.06	30 300	30 300	
Democratic Republic of the Congo	0.06	30 300	30 300	
Denmark	0.55	277 750	277 750	
Djibouti	0.06	30 300		30 300
Dominican Republic	0.06	30 300	30 300	
Ecuador	0.06	30 300	30 300	
Egypt	0.17	85 850	85 850	
El Salvador	0.06	30 300		30 300
Equatorial Guinea	0.06	30 300	30 300	
Eritrea	0.06	30 300	30 300	
Estonia	0.06	30 300	30 300	
Ethiopia	0.06	30 300	30 300	
Fiji	0.06	30 300	30 300	
Finland	0.43	217 150	217 150	
France	5.27	2 661 350	2 661 350	
Gabon	0.06	30 300	30 300	
Gambia	0.06	30 300	30 300	
Georgia	0.06	30 300		30 300
Germany	7.55	3 812 750	3 812 750	

INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
ASSESSMENTS ON CONTRACTING STATES FOR THE GENERAL FUND
FOR THE FINANCIAL YEAR 2004 AND BALANCES RECEIVABLE
AS AT 31 DECEMBER 2004

(in United States dollars)

Contracting States <u>Assembly Resolutions A33-26 and A33-23A</u>	2004	Assessments	Contributions Received	Balances Receivable
Ghana	0.06	30 300	30 300	
Greece	0.44	222 200	222 200	
Grenada	0.06	30 300	30 300	
Guatemala	0.06	30 300	30 300	
Guinea	0.06	30 300	30 300	
Guinea-Bissau	0.06	30 300		30 300
Guyana	0.06	30 300	30 300	
Haiti	0.06	30 300		30 300
Honduras	0.06	30 300	29 038	1 262
Hungary	0.12	60 600	60 600	
Iceland	0.06	30 300	30 300	
India	0.39	196 950	196 950	
Indonesia	0.24	121 200	121 200	
Iran, Islamic Republic of	0.24	121 200	20	121 180
Iraq	0.09	45 450		45 450
Ireland	0.28	141 400	141 400	
Israel	0.47	237 350	237 350	
Italy	3.69	1 863 450	1 863 450	
Jamaica	0.06	30 300	30 300	
Japan	14.22	7 181 100	7 181 100	
Jordan	0.06	30 300	30 300	
Kazakhstan	0.06	30 300	30 300	
Kenya	0.06	30 300	30 300	
Kiribati	0.06	30 300	30 300	
Kuwait	0.17	85 850	85 850	
Kyrgyzstan	0.06	30 300		30 300
Lao People's Democratic Republic	0.06	30 300	30 300	
Latvia	0.06	30 300	30 300	
Lebanon	0.06	30 300	30 300	
Lesotho	0.06	30 300	30 300	
Liberia	0.06	30 300	30 300	
Libyan Arab Jamahiriya	0.06	30 300		30 300
Lithuania	0.06	30 300	30 300	
Luxembourg	0.24	121 200	121 200	
Madagascar	0.06	30 300	30 300	
Malawi	0.06	30 300		30 300
Malaysia	0.54	272 700	272 700	
Maldives	0.06	30 300	30 300	
Mali	0.06	30 300	30 300	
Malta	0.06	30 300	30 300	
Marshall Islands	0.06	30 300	30 300	
Mauritania	0.06	30 300	30 300	
Mauritius	0.06	30 300	30 300	
Mexico	0.92	464 600	464 600	
Micronesia, Federated States of	0.06	30 300		30 300
Monaco	0.06	30 300	30 300	
Mongolia	0.06	30 300	30 300	
Morocco	0.10	50 500		50 500
Mozambique	0.06	30 300	27 300	3 000
Myanmar	0.06	30 300		30 300
Namibia	0.06	30 300		30 300
Nauru	0.06	30 300		30 300
Nepal	0.06	30 300	30 300	
Netherlands	1.92	969 600	969 600	
New Zealand	0.36	181 800	181 800	
Nicaragua	0.06	30 300	30 300	
Niger	0.06	30 300	30 300	
Nigeria	0.06	30 300	30 300	
Norway	0.50	252 500	252 500	
Oman	0.08	40 400	40 400	
Pakistan	0.16	80 800	80 800	
Palau	0.06	30 300		30 300
Panama	0.06	30 300	30 300	
Papua New Guinea	0.06	30 300		30 300
Paraguay	0.06	30 300	30 300	

SCHEDULE A
(continued)

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INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
ASSESSMENTS ON CONTRACTING STATES FOR THE GENERAL FUND
FOR THE FINANCIAL YEAR 2004 AND BALANCES RECEIVABLE
AS AT 31 DECEMBER 2004

(in United States dollars)

Contracting States <u>Assembly Resolutions A33-26 and A33-23A</u>	2004	Assessments	Contributions Received	Balances Receivable
Peru	0.09	45 450	45 450	
Philippines	0.17	85 850	81 644	4 206
Poland	0.31	156 550	156 550	
Portugal	0.40	202 000	202 000	
Qatar	0.06	30 300	30 300	
Republic of Korea	2.36	1 191 800	1 079 339	112 461
Republic of Moldova	0.06	30 300	30 300	
Romania	0.06	30 300	30 300	
Russian Federation	0.82	414 100	414 100	
Rwanda	0.06	30 300	20 851	9 449
Saint Lucia	0.06	30 300	30 300	
Saint Vincent and the Grenadines	0.06	30 300	15 099	15 201
Samoa	0.06	30 300	30 300	
San Marino	0.06	30 300	30 300	
Sao Tome and Principe	0.06	30 300		30 300
Saudi Arabia	0.61	308 050	308 050	
Senegal	0.06	30 300	30 300	
Serbia and Montenegro	0.06	30 300		30 300
Seychelles	0.06	30 300		30 300
Sierra Leone	0.06	30 300	30 300	
Singapore	1.14	575 700	575 700	
Slovakia	0.06	30 300	30 300	
Slovenia	0.06	30 300	30 300	
Solomon Islands	0.06	30 300	30 300	
Somalia	0.06	30 300		30 300
South Africa	0.53	267 650	267 650	
Spain	1.99	1 004 950	1 004 950	
Sri Lanka	0.06	30 300	30 300	
Sudan	0.06	30 300	30 127	173
Suriname	0.06	30 300	30 300	
Swaziland	0.06	30 300		30 300
Sweden	0.76	383 800	383 800	
Switzerland	1.22	616 100	616 100	
Syrian Arab Republic	0.07	35 350		35 350
Tajikistan	0.06	30 300		30 300
Thailand	0.57	287 850	287 850	
The former Yugoslav Republic of Macedonia	0.06	30 300	30 300	
Togo	0.06	30 300	30 300	
Tonga	0.06	30 300	30 300	
Trinidad and Tobago	0.06	30 300	30 300	
Tunisia	0.06	30 300	30 300	
Turkey	0.44	222 200	222 200	
Turkmenistan	0.06	30 300	30 300	
Uganda	0.06	30 300	30 300	
Ukraine	0.06	30 300	30 300	
United Arab Emirates	0.36	181 800	181 800	
United Kingdom	5.26	2 656 300	2 656 300	
United Republic of Tanzania	0.06	30 300	30 300	
United States	25.00	12 625 000	12 625 000	
Uruguay	0.06	30 300	30 300	
Uzbekistan	0.06	30 300	77	30 223
Vanuatu	0.06	30 300		30 300
Venezuela	0.19	95 950		95 950
Viet Nam	0.06	30 300	30 300	
Yemen	0.06	30 300	30 300	
Zambia	0.06	30 300	21 444	8 856
Zimbabwe	0.06	30 300	30 300	
Sub-total	100.00	50 500 000	48 894 518	1 605 482
<u>New Contracting State</u>				
Saint Kitts and Nevis	C-DEC 167/4	0.06	30 300	30 300
TOTAL		50 530 300	48 894 518	1 635 782

INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
IN RESPECT OF ALL FINANCIAL YEARS AS AT 31 DECEMBER 2004

(in United States dollars)

	General Fund			Working Capital	Total Balances
	2004			Fund	Receivable
<u>Contracting States</u>	<u>(Schedule A)</u>	<u>Prior years</u>	<u>Total</u>		
<u>GROUP A (cf.note)</u>					
Belarus (1)	30 300	63 233	93 533		93 533
Benin (1)		152 387	152 387		152 387
Bosnia and Herzegovina (1)	30 300	30 198	60 498		60 498
Burkina Faso		157 573	157 573		157 573
Burundi		38 206	38 206		38 206
Cambodia (1)	30 300	241 659	271 959		271 959
Central African Republic (1)		320 730	320 730		320 730
Chad (1)		364 965	364 965		364 965
Comoros		463 274	463 274		463 274
Congo (1)		364 328	364 328		364 328
Cook Islands		119 053	119 053		119 053
Côte d'Ivoire (1)		122 256	122 256		122 256
Democratic Republic of the Congo		280 053	280 053		280 053
El Salvador (1)	30 300	165 523	195 823		195 823
Gabon		109 112	109 112		109 112
Gambia		292 589	292 589		292 589
Grenada		260 247	260 247		260 247
Guinea (1)		206 833	206 833		206 833
Kazakhstan		331 297	331 297		331 297
Kyrgyzstan (1)	30 300	223 738	254 038		254 038
Liberia (1)		278 753	278 753		278 753
Madagascar (1)		56 741	56 741		56 741
Malawi (1)	30 300	101 990	132 290		132 290
Mali		220 895	220 895		220 895
Mauritania (1)		243 446	243 446		243 446
Nicaragua		697	697		697
Niger		56 881	56 881		56 881
Paraguay		28 237	28 237		28 237
Republic of Moldova		156 594	156 594		156 594
Rwanda (1)	9 449	90 332	99 781		99 781
Sao Tome and Principe (1)	30 300	396 213	426 513		426 513
Seychelles (1)	30 300	90 125	120 425		120 425
Sierra Leone (1)		301 947	301 947		301 947
Solomon Islands		176 248	176 248		176 248
Suriname		89 905	89 905		89 905
Uruguay		114 019	114 019		114 019
Zambia (1)	8 856	100 172	109 028		109 028
Total Group A	260 705	6 810 449	7 071 154		7 071 154
<u>GROUP B (cf.note)</u>					
Antigua and Barbuda	30 300	406 867	437 167	981	438 148
Djibouti	30 300	459 176	489 476	1 080	490 556
Georgia	30 300	341 668	371 968	3 600	375 568
Guinea-Bissau	30 300	520 007	550 307	1 080	551 387
Iraq	45 450	1 132 298	1 177 748	2 400	1 180 148
Nauru	30 300	263 918	294 218		294 218
Somalia	30 300	477 384	507 684	1 080	508 764
Tajikistan	30 300	60 162	90 462		90 462
Total Group B	257 550	3 661 480	3 919 030	10 221	3 929 251

SCHEDULE B
(continued)

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INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
IN RESPECT OF ALL FINANCIAL YEARS AS AT 31 DECEMBER 2004

(in United States dollars)

	General Fund			Working Capital Fund	Total Balances Receivable
<u>Contracting States</u>	<u>2004 (Schedule A)</u>	<u>Prior years</u>	<u>Total</u>		
<u>GROUP C (cf.note)</u>					
Angola	30 300	284	30 584		30 584
Armenia	30 300	30 198	60 498		60 498
Cape Verde	30 300	30 198	60 498		60 498
Libyan Arab Jamahiriya	30 300	14 518	44 818		44 818
Micronesia, Federated States of	30 300	33 554	63 854		63 854
Myanmar	30 300	2 837	33 137		33 137
Saint Kitts and Nevis	30 300	29 998	60 298		60 298
Vanuatu	30 300	29 862	60 162		60 162
Total Group C	242 400	171 449	413 849		413 849
<u>GROUP D (cf.note)</u>					
Afghanistan	26 669		26 669		26 669
Bangladesh	30 300		30 300		30 300
Brunei Darussalam	30 300		30 300		30 300
Chile	136 450		136 450		136 450
Croatia	102		102		102
Haiti	30 300		30 300		30 300
Honduras	1 262		1 262		1 262
Iran, Islamic Republic of	121 180		121 180		121 180
Morocco	50 500		50 500		50 500
Mozambique	3 000		3 000		3 000
Namibia	30 300		30 300		30 300
Palau	30 300		30 300		30 300
Papua New Guinea	30 300		30 300		30 300
Philippines	4 206		4 206		4 206
Republic of Korea	112 461		112 461		112 461
Saint Vincent and the Grenadines	15 201		15 201		15 201
Serbia and Montenegro	30 300		30 300		30 300
Sudan	173		173		173
Swaziland	30 300		30 300		30 300
Syrian Arab Republic	35 350		35 350		35 350
Uzbekistan	30 223		30 223		30 223
Venezuela	95 950		95 950		95 950
Total Group D	875 127		875 127		875 127
-former Socialist Federal Republic of Yugoslavia *		510 882	510 882		510 882
TOTAL	1 635 782	11 154 260	12 790 042	10 221	12 800 263

Note (1) : States which had not met their obligations according to the terms of their agreements at 31 December 2004

Group A : These States have concluded agreements with the Council to liquidate their arrears over a period of years

Group B : States with contributions in arrears of three full years or more which have not concluded agreements with the Council to liquidate their arrears

Group C : States with contributions in arrears for less than three full years.

Group D : States with contributions outstanding only for the year 2004.

* The devolution of the amount owing by the former Socialist Federal Republic of Yugoslavia is to be ascertained

INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME GENERAL FUND
CONTRIBUTIONS RECEIVED IN ADVANCE
AS AT 31 DECEMBER 2004

(in United States dollars)

Argentina	12 077
Bahamas	4 497
Belgium	247
Brazil	1
Canada	1 448 872
Cuba	349
Equatorial Guinea	130
Finland	263 882
Guyana	614
Kenya	3 430
Marshall Islands	1 199
Mauritius	41 555
Peru	9 555
Senegal	23 023
Singapore	740 338
Sweden	443 453
Switzerland	500
Togo	130
Tonga	1 040
	<u>2 994 892</u>