

FINANCIAL STATEMENTS

AND

REPORT OF THE EXTERNAL AUDITOR

FOR THE FINANCIAL PERIOD ENDING 31 DECEMBER 2005



DOCUMENTATION
for the 36th Session of the Assembly in 2007

INTERNATIONAL CIVIL AVIATION ORGANIZATION

**FINANCIAL STATEMENTS AND
REPORT OF THE EXTERNAL AUDITOR
FOR THE YEAR ENDED 31 DECEMBER 2005**

INTERNATIONAL CIVIL AVIATION ORGANIZATION

FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2005

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INTERNATIONAL CIVIL AVIATION ORGANIZATION

PART I: REPORT OF THE SECRETARY GENERAL, CERTIFICATION, APPROBATION AND SUBMISSION OF THE FINANCIAL STATEMENTS FOR THE YEAR 2005

1. The financial statements of the International Civil Aviation Organization for the year ended 31 December 2005 reflect the results of operations of ICAO and the financial performance of projects and activities managed by ICAO on behalf of third parties. The format and presentation of this report and the accompanying financial statements have changed significantly as compared to previous years. The Funds reported in the financial statements have been grouped differently to distinguish between those used for ICAO's operational activities and those that are administered on behalf of third parties. Some information that was previously presented in the accompanying working paper to the Assembly and in Schedules to the financial statements are presented in Annexes in Part IV. Significant changes are planned in the future as the United Nations organizations move towards the adoption of the International Public Sector Accounting Standards (IPSAS).

2. The magnitude of ICAO's 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. Summary information relating to income, expenditures, assets and liabilities on the main ICAO Funds and the combined total of all Funds are shown in Statements I and II. Statement IV presents appropriations and expenditure by major programmes for the Regular Programme General Fund. Statements III and V reflect the movement in cash flow and surplus for all Fund groups. The report also provides highlights of ICAO's financial activities in 2005. All amounts in this report, the financial statements and Notes to the financial statements, are reported in thousands of United States dollars unless otherwise specified.

	Total Expenditure excluding administrative overhead (in thousands of United States dollars)	
	2005	2004
The expenditure relating to ICAO Funds comprises:		
1) Regular Programme Funds appropriated by the Assembly or by the Council;	60 458	60 444
2) Other Proprietary Funds, including Aviation Security Plan of Action, Special Accounts for revenue-generating and cost recovery activities, and other Funds/Special Accounts;	14 118	12 273
3) The Technical Cooperation Programme comprises:		
a) Trust Funds and Management Service Agreements Funds provided by various contributors for technical co-operation projects executed by ICAO;	63 565	53 355
b) Civil Aviation Purchasing Service Funds provided by various contributors for civil aviation purchases on their behalf;	7 141	15 513
c) United Nations Development Programme Funds, mainly contributed by governments to UNDP under cost-sharing arrangements; and	5 181	9 739
d) ICAO Objectives Implementation Mechanism; and	140	112
4) ICAO maintains funds for the activities managed or administered on behalf of third parties, including Joint Financing Agreements, Preparatory Commission of the International Registry, the International Financial Facility for Aviation Security Fund and the Public Key Directory.	35 064 *	33 504
Total	185 667	184 940

* Excludes grants from IFFAS given to Trust Funds and Management Service Agreements



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

FIGURE 1: TOTAL EXPENDITURES - ALL FUND GROUPS

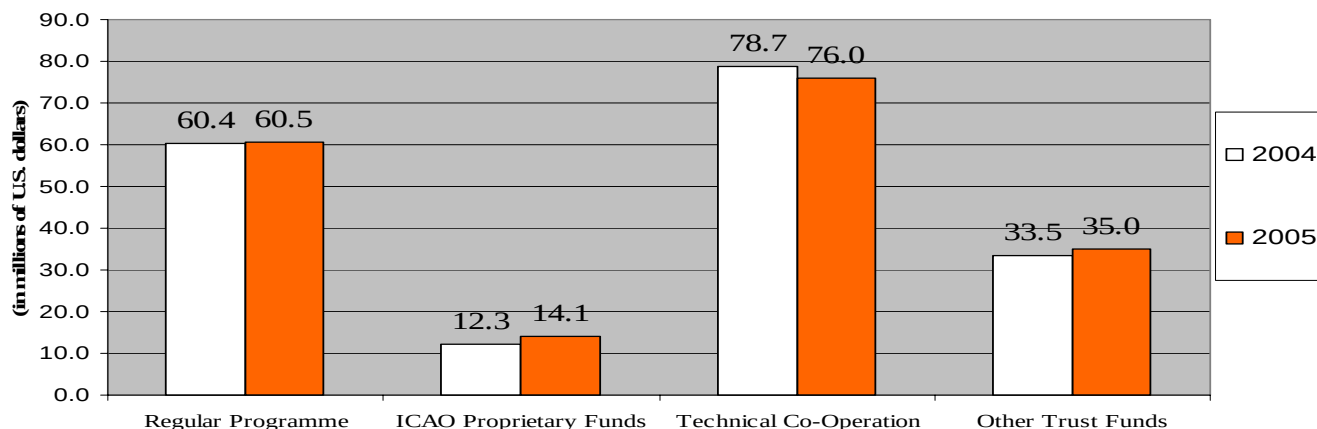


FIGURE 2: TECHNICAL CO-OPERATION PROGRAMME FUNDS

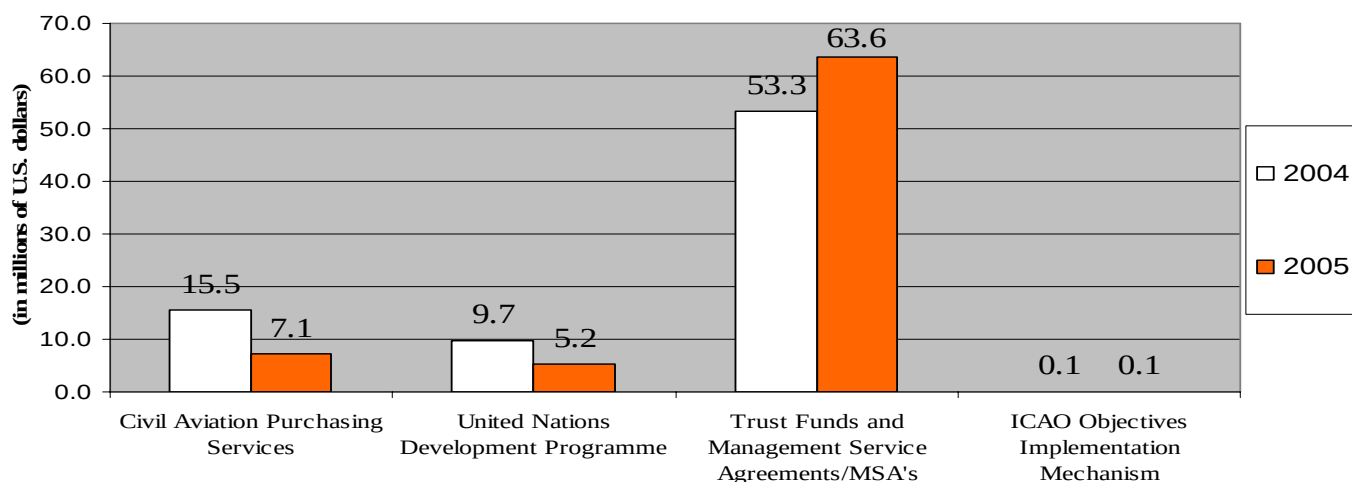
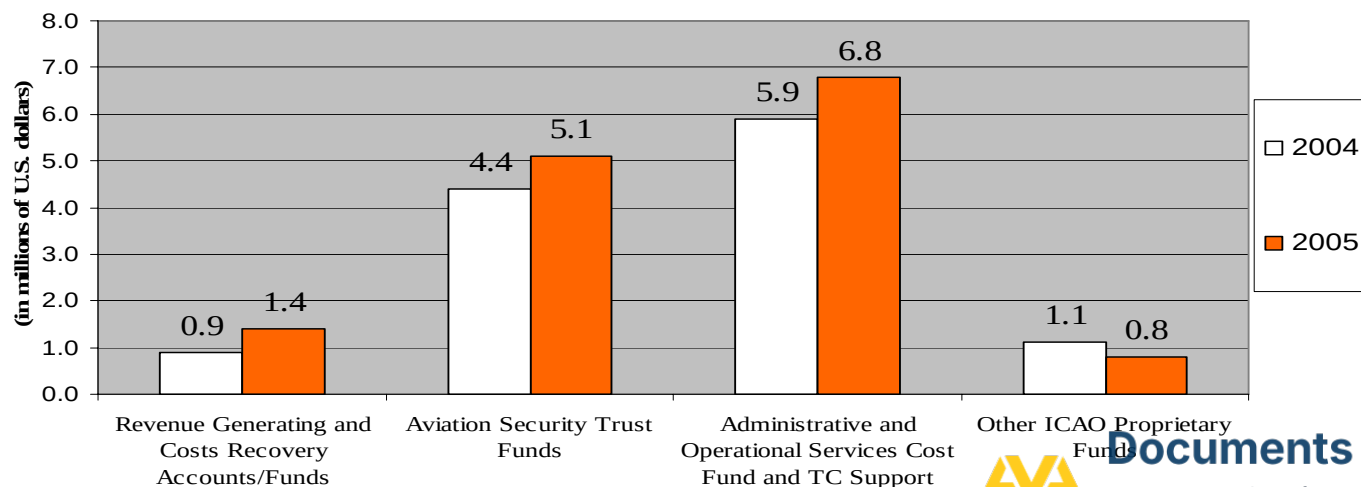


FIGURE 3: SUMMARY OF ICAO PROPRIETARY FUNDS



4. REGULAR PROGRAMME

4.1 Appropriations

4.1.1 The 35th Session of the Assembly in 2004, under Clause C of Resolution A35-22, voted appropriations in the amount of \$ 64 669 for the year 2005. Details of appropriations, transfers, actual expenditure and unobligated balances of appropriations by Major Programme are given in Statement IV on page III-4. Actual expenditure is stated at the forward exchange rate of the forward contracts entered into for Canadian dollars and EUROS and at the United Nations operational rate of exchange for transactions in other currencies. The budgetary result for 2005, in thousands of dollars, is summarized as follows:

Original appropriations	\$ 64 669
Carried over from 2004	1 978
Increase in appropriations	460
Carried over to 2006	<u>(6 400)</u>
Revised appropriations	60 707
Total expenditure	<u>60 458</u>
Unobligated balance of appropriations	\$ <u>249</u>

4.1.2 Pursuant to Financial Regulation 5.11, the Council approved the carry-over of unobligated appropriations amounting to \$ 1 978 from financial year 2004 to financial year 2005 (C-DEC 173/9).

4.1.3 During the year, the Council approved additional appropriations of \$1 460 under Financial Regulation 5.2 c) by the use of 2004 excess miscellaneous income, representing excess of actual 2004 income over estimated 2004 income approved by the Assembly (C-DEC 176/14). Of this amount approved, \$ 460 relates to the 2005 financial year, for various projects under Major Programme II: Air Navigation and Major Programme III: Air Transport. The balance of \$1 000 will be used in 2006 and 2007, for Major Programme III: Air Transport, to facilitate the integration of the Universal Security Audit Programme (USAP) into the Regular Programme, at the rate of \$ 500 per year.

4.1.4 During the year, pursuant to Financial Regulation 5.10, the Secretary General approved the transfer of appropriations totalling \$ 260 from Major Programmes: Air Transport, Administrative Support, and Finance, External Relations/Public Information and Programmes Evaluation, Audit and Management Review to the following Major Programmes: Legal - \$ 60, and Air Navigation - \$ 200.

4.1.5 Pursuant to Financial Regulation 5.6, the Council approved a carry-over of the appropriation totalling \$ 6 400 from 2005 to 2006 with regards to deferred programme elements/activities (C-DEC 176/14). The transfer of \$ 1 130 for the Major Programme Universal Safety Oversight Audit Programme was a result of the transfer of unobligated balances from 2004 due to the introduction of a comprehensive systems approach for the conduct of safety oversight audits. A large part of the transfers in respect of the other Programmes related to renovation of Regional Office buildings, which could not be implemented during the year. Similarly, funds provided for certain meetings that have been deferred to a future date had to be carried over. In addition, as 2005 was the first year of the triennial cycle, some expenditures such as those related to the acquisition of hardware, software and equipment were deferred as part of the overall effort to contain costs in order to finance likely cost increases in the budget for the work programme of 2006. An amount of \$ 419 of the appropriations carried over relate to the Excess of Miscellaneous Income projects approved in 2005 (C-DEC 176/14) which are on-going.

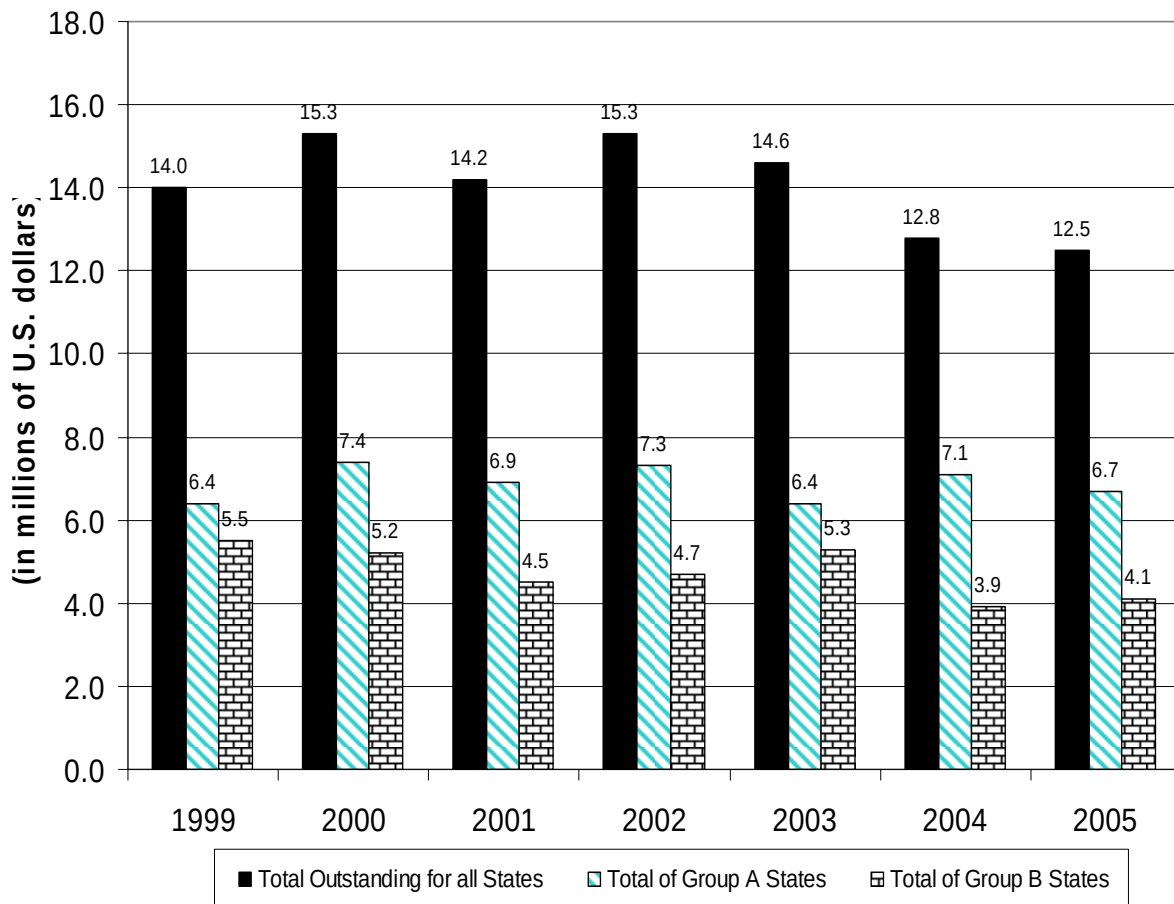
4.1.6 As a result of the increases and transfers outlined above, the final approved appropriation for the year amounted to \$ 60 707.

4.2 Income

4.2.1 The appropriations for the year 2005 approved by the 35th Session of the Assembly were to be financed by assessments on Contracting States of \$ 58 507, miscellaneous income of \$ 5 162 and by a transfer from the Incentive Scheme for Long-Outstanding Arrears Account of \$1 000 for a total of \$ 64 669.

4.2.2 **Assessments.** During the year 2005 assessments totalling \$ 56 847 were received and a balance of \$ 1 669 remained outstanding at the year end against the current year's assessments. At the beginning of the year, \$ 12 790 was receivable from States in respect of 2004 and prior years; payment of \$ 1 929 was received, leaving a balance outstanding of \$ 10 861. The assessments receivable for all years totalled \$ 12 530 as at 31 December 2005. Details are provided in Schedule A. 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 4 shows the status of the assessed contributions receivable at the end of each year since 1999.

FIGURE 4
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
AS AT 31 DECEMBER



4.2.3 Of the total outstanding contributions of \$ 12 530 as at 31 December 2005, \$ 45 pertained to States represented on the Council.

	<u>Number of States 2005</u>	<u>Amount outstanding as at 31 December 2005</u>	<u>Number of States 2004</u>	<u>Amount outstanding as at 31 December 2004</u>
Group A: States that have concluded agreements with the Council to liquidate their arrears over a period of years	34	\$ 6 719	37	\$ 7 071
Group B: States with contributions in arrears of three full years or more that have not concluded agreements with the Council to liquidate their arrears	8	\$ 4 104	8	\$ 3 919
Group C: States with contributions in arrears for less than three full years	10	\$ 616	8	\$ 414
Group D: States with contributions outstanding only for the year 2005	<u>20</u>	<u>\$ 580</u>	<u>22</u>	<u>\$ 875</u>
Sub-total	<u>72</u>	<u>\$ 12 019</u>	<u>75</u>	<u>\$ 12 279</u>
The Former Socialist Federal Republic of Yugoslavia	-	<u>\$ 511</u>	-	<u>\$ 511</u>
Total Outstanding Contributions	<u>72</u>	<u>\$ 12 530</u>	<u>75</u>	<u>\$ 12 790</u>

4.2.4 As at 31 December 2005, 34 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 A indicates the States that had not complied with the terms of their agreements at 31 December 2005.

4.2.5 **Miscellaneous income** budgeted for the period amounted to \$ 5 162 when compared to actual income of \$ 6 306 and comprised the following:

(in thousands of United States Dollars)

	Budget 2005	Actual 2005	Difference
Sales of Publications	3 600	4 494	894
Publications Royalties	375	380	5
Investment Income - Interest	300	335	35
Rental on Premises	569	495	(74)
Journal Advertisements	88	72	(16)
Other Income	230	530	300
Total	5 162	6 306	1 144

4.2.6 Major contributions received for the Regular Programme Fund and the Proprietary Funds for 2005 are summarized as follows:

(in thousands of United States dollars)

Contracting State	Regular Fund		Proprietary Funds			Total	
	Assessment Received	Contributions In-Kind (Premises)	AVSEC	Contributions			
				Others	In-Kind		
United States of America	14 627	11 413	1 352		95	16 074	
Canada	1 439				33	12 885	
Japan	8 525			721	6	9 252	
Germany	4 178	554	360		13	4 551	
France	2 996		468	143	196	4 357	
United Kingdom	3 300		121		71	3 492	
Italy	2 106		187	111	13	2 417	
Spain	1 217		379		5	1 601	
Republic of Korea	1 422				110	4	1 536
Netherlands	1 100					11	1 111
Total	40 910		11 967	3 588	364	447	57 276

4.3 Miscellaneous Income Projects

Financial Regulations 5.2 c) gives authority to the Council to approve appropriations in excess of the budget voted by the Assembly using the excess of actual miscellaneous income over budgeted income. In 2005, the Council (C-DEC 176/14) approved the use of excess miscellaneous income of \$ 1 460 from 2004 to finance the following projects:

- i) \$ 500 for 2006 and \$ 500 for 2007, under Major Programme III – Air Transport to facilitate the integration of the Universal Security Audit Programme (USAP) into the Regular Programme; and
- ii) \$ 400 for Major Programme II – Air Navigation, and \$ 60 for Major Programme III – Air Transport for implementing projects in accordance with C-WP/12522.

4.4 Expenditure at Budget Rate Compared to Budget

4.4.1 Annex E reports on the final approved appropriations compared to the expenditure. The expenditure in the Annex E differs from that reported in Statement of Appropriations, Statement IV, to the extent that transactions in Canadian dollars are reported in Annex E at the budget rate of exchange for the Canadian dollars of CAD\$ 1.32 to US\$ 1.00.

4.5 Meetings Expenditure

4.5.1 The approved budget for meetings in 2005 amounted to \$ 809, and the actual expenditure on meetings in 2005, as shown in Annex F, amounted to \$ 359.

4.6 **Surplus**

4.6.1 The total cumulative surplus, as at 31 December 2005, as reflected in Statement V, amounted to \$ 16 264, as compared to \$ 15 773 in 2004. This is comprised of assessments receivable from Contracting States of \$ 12 530 and cash surplus of \$ 3 734 as at 31 December 2005 (\$2 983 as at 31 December 2004). A reduction in the assessments receivable by \$ 259 in 2005 as compared to 2004 as presented in Statement III, and budget savings of approximately \$ 249 (Statement IV), contributed largely to the increased cash surplus position of 2005.

4.7 **Cash Balances**

4.7.1 The cash balance held in the General Fund as at 31 December 2005 amounted to \$ 22 609 (including the balance in the Working Capital Fund) and is reflected in Statement II. The Council did not change the level of the Working Capital Fund during the triennium under the authority granted by the Assembly under Assembly Resolution A35-28.

4.8 **Forward Purchase of Currency**

4.8.1 ICAO's budget appropriations and the assessed contributions of Contracting States to finance the appropriations are approved in United States dollars, but a large proportion of expenditure is either incurred in, or impacted by, Canadian dollars and Euros. The budget and the assessed contributions for the 2005 to 2007 triennium were established at a rate of CAD\$ 1.32 to US\$ 1.00. In order to minimize risks and insulate the budget against the consequence of potential exchange rate fluctuations, Canadian dollars as well as EUROS, were forward purchased with the approval of the Council.

5. **OTHER ICAO PROPRIETARY FUNDS**

5.1 **Administrative Operational Services Cost Fund (AOSC Fund)**

5.1.1 The AOSC Fund 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. The financial results for the AOSC Fund are reported in Annex C and the budgetary comparison is presented in the following table:

FIGURE 5
TABLE OF TECHNICAL CO-OPERATION ADMINISTRATIVE AND
OPERATIONAL SERVICES COST OF APPROVED BUDGET,
EXPENDITURE AND UNENCUMBERED BALANCE OF APPROVED
BUDGET FOR 2005

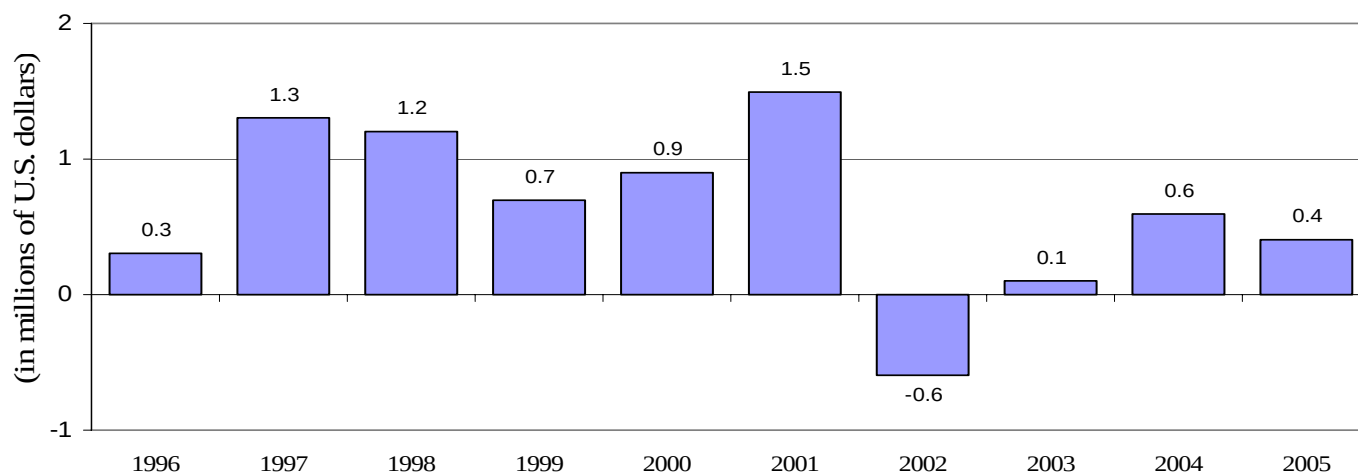
	Approved by the Assembly	Revised Budget 2005 ¹	Expenditure/ Income 2005	Unencumbered Balance of Approved Budget
Appropriation/Expenditure Major Programme XI	6 299	7 124	6 747	377
Income	6 075	7 262	7 153	
Excess/(Deficit) of Income over Expenditure	(224)	138	406	

¹ Noted by Council at its 176th Session (C-DEC 176/2).

5.1.2 As indicated in Figure 5, the Assembly approved the Indicative Budget Estimates (expenditure) of the AOSC Fund amounting to \$ 6 299 for the financial year 2005 and estimated income for the year of \$ 6 075. During the year, pursuant to Financial Regulation 9.5, the Secretary General submitted to the Council an update of the 2005 Budget Estimates (expenditure) for 2005 in C-WP/12510. The revised estimated expenditures for 2005 amounted to \$7 124 and the estimated income to \$ 7 262.

5.1.3 Total expenditures for the Technical Co-operation Programme (TCP) in 2005 amounted to \$ 76 027 compared with \$ 78 719 in 2004. There was an increase in the recovery of overhead fees and support costs, which constitute the primary source of income for the AOSC Fund. During 2005 as in 2004, a significant portion of AOSC Fund 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 AOSC Fund income for 2005 was \$ 7 153 representing an increase of \$ 843 (13%) compared with 2004, and, therefore, higher than the indicative income budget presented to the 35th Session of the Assembly by \$ 1 078. The actual AOSC Fund expenditure, on the other hand, amounted to \$ 6 747, compared to the indicative budget presented to the 35th Session of the Assembly of \$ 6 299. This amount includes non-budgeted gains on exchange for operational projects of \$ 384. The AOSC Fund fully recovered its costs for the year 2005 and also earned net income of \$ 406. Figure 6 reports on the trend in the annual surplus/(deficit) over the last ten years.

FIGURE 6
AOSC FUND SURPLUS AND SHORTFALL AS AT 31 DECEMBER**



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

5.1.4 During the 35th Session of the Assembly, the Administrative Commission recommended that the question of sharing of costs between the Regular Programme and the Technical Cooperation Programme be reported to the Council for review. The Council considered this issue during the 175th Session and instructed the Secretary General to progressively allocate the identifiable costs to the AOSC Fund and the Regular Programme, as appropriate, in order to minimize the amount of cross-funding that was occurring between these funds. During 2005, costs of \$ 286 relating to Regular Programme support that had in previous years been charged to the AOSC Fund were charged to the Regular Programme, while an amount of \$ 332 of Technical Cooperation Programme support costs previously charged to Regular Programme were charged to the AOSC Fund.

5.1.5 It should be noted that \$ 2 000 of the AOSC Fund surplus 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.

5.2. **The Aviation Security Plan of Action**

5.2.1 In Resolving Clause 5 of Assembly Resolution A35-10, the Assembly urged the Council to ensure the long term sustainability of the Aviation Security Plan of Action by progressively, and as soon as possible, incorporating the funding requirements within the Regular Programme. During 2005, various proposals and initiatives were presented to the Council by the Secretary General, including integration of a P-5 (ASA, Programme Administrator) post, the re-organization of various units in the Air Transport Bureau, and the creation of a new aviation security coordinated assistance and development programme.

6. **TECHNICAL CO-OPERATION PROGRAMME FUNDS (NON-PROPRIETARY FUNDS)**

6.1 The Technical Co-Operation Programme Funds are reported in Schedule C.

6.2 The Financial Regulations and Rules of the United Nations Development Programme (UNDP) provide that executing agencies, which are organizations of the United Nations system, transmit to the UNDP Administrator the accounts of funds allocated to them by the UNDP Administrator and the Report of the External Auditor thereon for submission to the UNDP Executive Board. The accounts for 2005 in respect of the UNDP projects executed by ICAO are included in Schedule C.1 of the Financial Statements of the Organization and the Report of the External Auditor accordingly encompasses the UNDP project accounts. These accounts are submitted for approval by the Assembly and subsequent submission to the Administrator of the UNDP.

7. **OTHER TRUST FUNDS (NON-PROPRIETARY FUNDS)**

7.1 **The International Financial Facility for Aviation Safety (IFFAS)**

The balance of funds in IFFAS as at 31 December 2005 amounted to \$ 2 185, compared to \$ 1 842 as at the end of 2004. During 2005, five grants amounting to \$ 516 were approved by the Governing Body of IFFAS. A loan of \$298 approved in 2005 is pending acceptance.

7.2 **The Public Key Directory Fund (PKD)**

The Fund was established by the Council in 2005 (C-DEC 174/1). ICAO will be responsible for supervision of the development of a project to support interoperability of electronic-enhanced machine readable passports, which includes the establishment of a public key directory under the aegis of ICAO to manage exchange of electronic keys for decryption of the digital signatures imbedded in the 'e-passports'. During 2005, a supplier was selected as the operator of the PKD, and the Secretariat prepared a proposed schedule of fees and a Memorandum of Understanding for consideration by participating States.

7.3 **Joint Financing Agreements**

ICAO supervises the operation of air navigation services provided by the Governments of Denmark and Iceland, the costs of which are recovered by user charges and assessments on Contracting governments. In addition, ICAO is responsible for the administration of the funds, related to services, provided by the United Kingdom to monitor vertical separation minimum in the North Atlantic Regions, the costs of which are recovered through user charges. Funds are received from the United Kingdom and distributed by ICAO for the North Atlantic Height Monitoring System Fund and for the Administrative Fee for Joint Financing Fund whereas for the Danish Joint Financing Agreement and the Icelandic Joint Financing Agreement the funds are received directly to parties involved. In 2005 revenues ceased to be reported on cash basis and are now reflected on an accrual basis and include a restatement of 2004 figures. In the 2005 financial statements, the revenue reported includes the balance of user charges receivable with respect to the Danish Joint Financing Agreement of \$ 1 270 (\$ 1 036 for 2004) and for the North Atlantic Height Monitoring System Fund equivalent to \$ 78 (\$ 86 for 2004).

8. CERTIFICATION, APPROBATION AND SUBMISSION OF THE FINANCIAL STATEMENTS FOR THE YEAR 2005:

The Secretary General is required by the Financial Regulations to maintain such accounting records as are necessary and to submit financial statements showing the income and expenditure of all the International Civil Aviation Organization Funds during the financial year and their respective financial positions at the end of the year, as well as the status of appropriations (Regular Programme General Fund) and credits not budgeted for by the Assembly. He is also required to give such other information as may be appropriate to indicate the current financial position of the Organization.

Management is responsible for the preparation and integrity of the financial statements in this report. These statements have been prepared in accordance with United Nations System Accounting Standards (UNSAS), and necessarily include certain amounts that are based on management's best estimate and judgement. Financial information contained throughout the report is consistent with that in the financial statements. Management considers that the financial statements present fairly the financial position of the Organization, the results of its operations and its cash flows and the information disclosed in this report is presented in accordance with the provisions of the ICAO Financial Regulations.

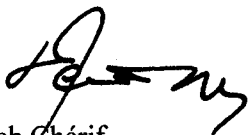
To fulfil its responsibility, the Organization maintains systems of internal controls, policies and procedures to ensure the reliability of financial information and the safeguarding of assets. The internal control systems are subject to both internal and external audit. The External Auditor has audited the financial statements, including the schedules and notes, and her report indicates the scope of her audit and her opinion on the financial statements.

The financial statements included in this annual report are certified.



Richard J. Barr
Chief, Finance Branch

As the Secretary General of the International Civil Aviation Organization, I hereby approve and submit the financial report of ICAO, accompanied by the Financial Statements, the Schedules and the Annexes for the year 2005.



Taïeb Chérif
Secretary General

Montreal, Canada
12 May 2006

PART II: OPINION OF THE EXTERNAL AUDITOR



AUDITOR'S REPORT

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 2005, and the statements of income and expenditure and changes in fund balances, cash flow, cumulative 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, 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 2005 and the results of its operations and changes in fund balances, cash flow, cumulative surplus and appropriations for the Regular Programme General Fund for the year then ended in accordance with the United Nations System Accounting Standards. As required by the Financial Regulations, I report that, in my opinion, these principles have been applied, after giving retroactive effect to the change in the method of accounting for user charges as explained in Note 3 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

Montreal, Canada
12 May 2006

PART III: FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

INTERNATIONAL CIVIL AVIATION ORGANIZATION

STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING 31 DECEMBER 2005

(expressed in thousands of United States dollars)

	Regular Programme General Fund and Working Capital Fund		Other ICAO Proprietary Funds (Refer Schedule B)		Sub-total ICAO Funds		Technical Co-operation Programme Funds (Refer Schedule C)		Other Trust Funds (Refer Schedules D and E)		Eliminations		Total	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004*	2005	2004	2005	2004*
INCOME														
Assessed Contributions (Schedules A and D)	58 516	50 530			58 516	50 530			489	387			59 005	50 917
Contributions			3 713	3 381	3 713	3 381	88 536	85 029	1 579	479			93 828	88 889
Earmarked Contributions			1 105	1 206	1 105	1 206	516		128	106	(516)		1 233	1 312
Other Income														
Sales of publications	4 494	4 143			4 494	4 143							4 494	4 143
Funds received under inter-organization arrangements							13 433	14 646					13 433	14 646
Administrative fee revenue/user charges	4	8	6 196	5 940	6 200	5 948			36 156	33 567	(6 200)	(5 948)	36 156	33 567
Interest income	335	137	639	307	974	444	3 208	1 665	197	75			4 379	2 184
Miscellaneous	1 473	1 499	2 914	1 922	4 387	3 421	1 673	1 201	150				6 210	4 622
TOTAL INCOME	64 822	56 317	14 567	12 756	79 389	69 073	107 366	102 541	38 699	34 614	(6 716)	(5 948)	218 738	200 280
EXPENDITURE														
Salaries and common staff costs	52 651	52 284	11 206	9 026	63 857	61 310			574	407			64 431	61 717
General operating expenses	5 556	5 942	876	351	6 432	6 293			34	84			6 466	6 377
Travel	1 394	929	1 762	1 790	3 156	2 719			44	48			3 200	2 767
Equipment	330	382	62	428	392	810	38 809	44 721					39 201	45 531
Meetings	350	770			350	770							350	770
Expert and other personnel costs							32 599	28 982					32 599	28 982
Subcontracts							2 121	2 303					2 121	2 303
Training							1 472	1 520					1 472	1 520
Administrative overhead charges			4	8	4	8	6 196	5 940			(6 200)	(5 948)		
Service costs									33 984	32 614			33 984	32 614
Grants									516		(516)			
Other	177	137	212	678	389	815	1 026	1 193	428	351			1 843	2 359
TOTAL EXPENDITURE	60 458	60 444	14 122	12 281	74 580	72 725	82 223	84 659	35 580	33 504	(6 716)	(5 948)	185 667	184 940
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	4 364	(4 127)	445	475	4 809	(3 652)	25 143	17 882	3 119	1 110			33 071	15 340
BALANCE OF FUNDS														
Adjustment of prior year's unliquidated obligation/expenditure	172	250	16	63	188	313							188	313
Transfers to/from other funds (Statement V)	377	(914)	(377)	904		(10)		10						
Refund of contributions/transfer of Fund balances			(11)	(308)	(11)	(308)	(3 963)	(4 260)					(3 974)	(4 568)
Adjustment to reserved surplus for derivative asset	(367)	10 976			(367)	10 976							(367)	10 976
Fund balances, beginning of period	35 796	29 611	23 578	22 444	59 374	52 055	24 726	11 094	9 065	7 955			93 165	71 104
BALANCE OF FUNDS, END OF PERIOD	40 342	35 796	23 651	23 578	63 993	59 374	45 906	24 726	12 184	9 065			122 083	93 165

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

* Restated - refer to Note 3

INTERNATIONAL CIVIL AVIATION ORGANIZATION
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
AS AT 31 DECEMBER 2005

(expressed in thousands of United States dollars)

	Note	Regular Programme General Fund and Working Capital Fund		Other ICAO Proprietary Funds (Refer to Schedule B)		Sub-total ICAO Funds		Technical Co-operation Programme Funds (Refer to Schedule C)		Other Trust Funds (Refer to Schedules D and E)		Eliminations		Total	
		2005	2004	2005	2004	2005	2004	2005	2004	2005	2004*	2005	2004	2005	2004*
ASSETS															
Cash and term deposits	4	22 609	18 521	20 868	22 318	43 477	40 839	94 712	76 789	7 530	4 920			145 719	122 548
Accounts receivable:															
Assessed contributions receivable from Contracting States (Schedule A)	5	12 541	12 800			12 541	12 800							12 541	12 800
Inter-fund balances		1 298	804	3 871	1 513	5 169	2 317	6 381	7 432	39	101	(11 589)	(9 850)		
Receivables and advances	6	3 481	4 430	1 761	741	5 242	5 171	3 129	2 561	7 712	8 362			16 083	16 094
Recoverable from Regional Bodies : AFCAC and LACAC	7	1 110	1 418			1 110	1 418							1 110	1 418
Other assets		112	53	1 313	1 542	1 425	1 595							1 425	1 595
Derivative asset	9	10 609	10 976			10 609	10 976							10 609	10 976
Land and Buildings, at cost		1 065	1 065			1 065	1 065							1 065	1 065
TOTAL ASSETS		52 825	50 067	27 813	26 114	80 638	76 181	104 222	86 782	15 281	13 383	(11 589)	(9 850)	188 552	166 496
LIABILITIES															
Contributions received in advance (Schedule A)		3 477	2 995			3 477	2 995							3 477	2 995
Unliquidated obligations		1 352	2 054	273	690	1 625	2 744	29 125	23 945	3				30 753	26 689
Accounts payable		4 677	2 971	982	305	5 659	3 276	21 541	33 664	74	60			27 274	37 000
Due to Regional Bodies : ECAC		950	1 026			950	1 026							950	1 026
Inter-fund balances	7	2 027	5 225	2 866	1 513	4 893	6 738	6 337	2 905	359	207	(11 589)	(9 850)		
Credits to contracting/servicing Governments (Schedule D)										2 661	4 051			2 661	4 051
Other credit balances and provisions				41	28	41	28	1 313	1 542					1 354	1 570
TOTAL LIABILITIES		12 483	14 271	4 162	2 536	16 645	16 807	58 316	62 056	3 097	4 318	(11 589)	(9 850)	66 469	73 331
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)		6 400	1 978			6 400	1 978							6 400	1 978
Cumulative Surplus (Statement V)		16 264	15 773	21 308	19 775	37 572	35 548	45 906	24 726	11 872	8 728			95 350	69 002
Working Capital Fund		6 004	6 004			6 004	6 004							6 004	6 004
Reserved Surplus	9	10 609	10 976	2 343	3 803	12 952	14 779			312	337			13 264	15 116
TOTAL BALANCE OF FUNDS		40 342	35 796	23 651	23 578	63 993	59 374	45 906	24 726	12 184	9 065			122 083	93 165
TOTAL LIABILITIES AND BALANCE OF FUNDS		52 825	50 067	27 813	26 114	80 638	76 181	104 222	86 782	15 281	13 383	(11 589)	(9 850)	188 552	166 496

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

* Restated, refer to Note 3

INTERNATIONAL CIVIL AVIATION ORGANIZATION
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDING 31 DECEMBER 2005

(expressed in thousands of United States dollars)

	Regular Programme General Fund and Working Capital Fund		Other ICAO Proprietary Funds		Sub-total ICAO Funds		Technical Co-operation Programme Funds		Other Trust Funds		Total	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004*	2005	2004*
CASH FLOWS FROM OPERATING ACTIVITIES:												
Net excess (shortfall) of income over expenditure (Statement I)	4 364	(4 127)	445	475	4 809	(3 652)	25 143	17 882	3 119	1 110	33 071	15 340
(Increase) decrease in contributions receivable	259	1 834			259	1 834					259	1 834
(Increase) decrease in other accounts receivable	1 257	(248)	(1 020)	365	237	117	(568)	154	650	(1 782)	319	(1 511)
(Increase) decrease in other assets	(59)	54	229	(1 542)	170	(1 488)					170	(1 488)
(Increase) decrease in inter-fund balances receivable	(494)	(139)	(2 358)	2 229	(2 852)	2 090	1 051	(293)	62	5	(1 739)	1 802
Increase (decrease) in contributions received in advance	482	979		(14)	482	965					482	965
Increase (decrease) in unliquidated obligations	(702)	492	(417)	319	(1 119)	811	5 180	(22 307)	3		4 064	(21 496)
Increase (decrease) in accounts payable	1 630	1 092	677	58	2 307	1 150	(12 123)	5 926	14	16	(9 802)	7 092
Increase (decrease) in inter-fund balances payable	(3 198)	2 928	1 353	(703)	(1 845)	2 225	3 432	(3 469)	152	(558)	1 739	(1 802)
Less : Interest income	(335)	(137)	(639)	(307)	(974)	(444)	(3 208)	(1 665)	(197)	(75)	(4 379)	(2 184)
Other credit balances and provisions			13	8	13	8	(229)	1 542	(1 390)	(819)	(1 606)	731
(Increase) decrease in derivative asset	367	(10 976)			367	(10 976)					367	(10 976)
Other adjustments to reserves and fund balances	(367)	10 976			(367)	10 976					(367)	10 976
NET CASH FLOWS FROM OPERATING ACTIVITIES	3 204	2 728	(1 717)	888	1 487	3 616	18 678	(2 230)	2 413	(2 103)	22 578	(717)
CASH FLOWS FROM INVESTING ACTIVITIES:												
Interest income	335	137	639	307	974	444	3 208	1 665	197	75	4 379	2 184
NET CASH FLOWS FROM INVESTING ACTIVITIES	335	137	639	307	974	444	3 208	1 665	197	75	4 379	2 184
CASH FLOWS FROM FINANCING ACTIVITIES:												
Savings on or cancellation of prior periods' obligations	172	250	16	63	188	313					188	313
Transfers (to)/from other funds	377	(914)	(377)	904		(10)		10				
Refund of contributions			(11)	(308)	(11)	(308)	(3 963)	(4 260)			(3 974)	(4 568)
NET CASH FLOWS FROM FINANCING ACTIVITIES	549	(664)	(372)	659	177	(5)	(3 963)	(4 250)			(3 786)	(4 255)
NET INCREASE (DECREASE) IN CASH AND TERM DEPOSITS	4 088	2 201	(1 450)	1 854	2 638	4 055	17 923	(4 815)	2 610	(2 028)	23 171	(2 788)
CASH AND TERM DEPOSITS, BEGINNING OF PERIOD	18 521	16 320	22 318	20 464	40 839	36 784	76 789	81 604	4 920	6 948	122 548	125 336
CASH AND TERM DEPOSITS, END OF PERIOD	22 609	18 521	20 868	22 318	43 477	40 839	94 712	76 789	7 530	4 920	145 719	122 548

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

* Restated - Refer Note 3

INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME GENERAL FUND
STATEMENT OF APPROPRIATIONS
FOR THE PERIOD ENDING 31 DECEMBER 2005

(expressed in thousands of United States dollars)

STATEMENT IV

	Appropriations						Expenditure			Balance
	Original (A35-22 and SL 04/106)	Carried over from prior year \a	Increase of Appropriations \b	Transfers between Major Programmes \c	Carried over to following year \d	Revised	Disbursements	Unliquidated obligations	Total	
General Policy and Direction	1 082	50			(145)	987	970	7	977	10
Air Navigation	9 024	53	400	200	(707)	8 970	8 639	250	8 889	81
Air Transport	5 325	46	60	(50)	(535)	4 846	4 778	23	4 801	45
Legal	1 163			60	(260)	963	952	2	954	9
Regional and Other Programmes	16 966	12			(1 937)	15 041	14 616	407	15 023	18
Administrative Support	25 262			(130)	(1 229)	23 903	23 438	391	23 829	74
Finance, External Relations / Public Information and Programmes Evaluation, Audit and Management Review	3 840	140		(80)	(457)	3 443	3 253	190	3 443	
Universal Safety Oversight Audit Programme	2 007	1 677			(1 130)	2 554	2 460	82	2 542	12
TOTAL	64 669	1 978	460		(6 400)	60 707	59 106	1 352	60 458	249

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\a Approved by Council at its 173rd and 175th Session (C-173/9 and C-175/13) Fin. Reg. 5.11.
\b Approved by Council at its 176th Session (C-176/14).
\c Fin.Reg.5.10
\d Approved by Council at its 176th Session (C-176/14). Fin.Reg.5.6 C-WP/12567

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

INTERNATIONAL CIVIL AVIATION ORGANIZATION

STATEMENT OF CUMULATIVE SURPLUS
AS AT 31 DECEMBER 2005

(expressed in thousands of United States dollars)

	Regular Programme General Fund and Working Capital Fund		Other ICAO Proprietary Funds (Refer Schedule B)		Sub-total ICAO Funds		Technical Co-operation Programme Funds (Refer Schedule C)		Other Trust Funds (Refer Schedules D and E)		Total	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004*	2005	2004*
CUMULATIVE SURPLUS												
Cumulative Surplus, Beginning of year	15 773	14 389	19 775	21 389	35 548	35 778	24 726	11 094	8 728	2 858	69 002	49 730
Changes in accounting policy										5 097		5 097
Restated Cumulative Surplus	15 773	14 389	19 775	21 389	35 548	35 778	24 726	11 094	8 728	7 955	69 002	54 827
Excess (shortfall) of Income over Expenditure	4 364	(4 127)	445	475	4 809	(3 652)	25 143	17 882	3 119	1 110	33 071	15 340
Transactions not recognized in Statement of Income /Expenditure												
Adjustment of prior year's expenditure	28	(74)	16	63	44	(11)					44	(11)
Write-offs	(74)	(5)			(74)	(5)					(74)	(5)
Cancellation of prior year's unliquidated obligations	218	329			218	329					218	329
Appropriations carried over from prior year	1 978	2 524			1 978	2 524					1 978	2 524
Appropriations carried over to following year	(6 400)	(1 978)			(6 400)	(1 978)					(6 400)	(1 978)
Refund of contributions			(11)	(308)	(11)	(308)	(3 963)	(4 260)			(3 974)	(4 568)
Transfers to/(from) other funds	377	(914)	(377)	904		(10)		10				
Transfers to/(from) reserved surplus:												
Reserved from/to AOSC / Joint Financing				(2 000)		(2 000)			25	(337)	25	(2 337)
Reserved Cash Surplus		5 629				5 629						5 629
To and from Incentive Scheme Reserved Surplus			1 460	(748)	1 460	(748)					1 460	(748)
Cumulative Surplus at end of year	16 264	15 773	21 308	19 775	37 572	35 548	45 906	24 726	11 872	8 728	95 350	69 002
RESERVED SURPLUS												
Reserved in Regular Programme for Derivative Asset												
Beginning balance	10 976				10 976						10 976	
Transfers to/(from) Regular Programme	(367)	10 976			(367)	10 976					(367)	10 976
Balance end of year	10 609	10 976			10 609	10 976					10 609	10 976
Reserved Regular Programme Cash Surplus (A33-23)												
Beginning balance		5 629				5 629						5 629
Allocated to Universal Safety Oversight Programme		(2 062)				(2 062)						(2 062)
Utilized to minimize assessments for the year		(3 567)				(3 567)						(3 567)
Balance end of year												
Reserved AOSC / Joint Financing Funds Surplus												
Beginning balance			2 000		2 000				337		2 337	
Transferred to/from reserve				2 000		2 000			(25)	337	(25)	2 337
Balance end of year			2 000	2 000	2 000	2 000			312	337	2 312	2 337
Regular Programme Appropriations Carried Forward												
Beginning balance	1 978	2 524			1 978	2 524					1 978	2 524
Transferred to Regular Programme for current year	(1 978)	(2 524)			(1 978)	(2 524)					(1 978)	(2 524)
Appropriations carried forward to future year	6 400	1 978			6 400	1 978					6 400	1 978
Balance end of year	6 400	1 978			6 400	1 978					6 400	1 978
Reserved in Incentive Scheme for Long-Outstanding Arrears												
Beginning balance			1 803	1 055	1 803	1 055					1 803	1 055
Transferred to/from reserve (note 8)			(1 000)	1 279	(1 000)	1 279					(1 000)	1 279
Expenditures			(460)	(531)	(460)	(531)					(460)	(531)
Balance end of year			343	1 803	343	1 803					343	1 803
Reserved Surplus at end of year	17 009	12 954	2 343	3 803	19 352	16 757			312	337	19 664	17 094
Contributed capital relating to land and buildings	1 065	1 065			1 065	1 065					1 065	1 065
Working Capital Fund	6 004	6 004			6 004	6 004					6 004	6 004
TOTAL BALANCE OF FUNDS	40 342	35 796	23 651	23 578	63 993	59 374	45 906	24 726	12 184	9 065	122 083	93 165

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

* Restated - refer Note 3

Schedule A

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INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
AND CONTRIBUTIONS RECEIVED IN ADVANCE
AS AT 31 DECEMBER 2005

(in thousands of United States dollars)

Contracting States Assembly Resolutions A35-24 and A35-22A	General Fund			Balance of Assessments Receivable for 2005	Balance of Prior Years' Assessments Receivable	Balance of Advances due to the Working Capital Fund	Total Balances Receivable	Contributions Received in Advance
	Scales 2005	Assessments 2005	Contributions Received for 2005					
AFGHANISTAN	0.06	35		35	27		62	
ALBANIA	0.06	35	35					
ALGERIA	0.07	41	41					
ANDORRA	0.06	35	35					
ANGOLA	0.06	35	35					
ANTIGUA AND BARBUDA	0.06	35		35	437	1	473	
ARGENTINA	0.72	421	421					
ARMENIA	0.06	35		35			35	
AUSTRALIA	1.63	954	954					973
AUSTRIA	0.72	421	421					
AZERBAIJAN	0.06	35	35					
BAHAMAS	0.06	35	35					16
BAHRAIN	0.06	35	35					
BANGLADESH	0.08	47	47					
BARBADOS	0.06	35	35					
BELARUS (*)	0.06	35		35	94		129	
BELGIUM	0.82	480	480					
BELIZE	0.06	35	35					
BENIN (*)	0.06	35	35		152		152	
BHUTAN	0.06	35	35					
BOLIVIA	0.06	35	35					
BOSNIA AND HERZEGOVINA	0.06	35	35					
BOTSWANA	0.06	35	35					
BRAZIL	1.38	808	808					
BRUNEI DARUSSALAM	0.06	35		35			35	
BULGARIA	0.06	35	35					
BURKINA FASO	0.06	35	35		158		158	
BURUNDI	0.06	35	35		20		20	
CAMBODIA	0.06	35		35	228		263	
CAMEROON	0.06	35	35					
CANADA	2.46	1 439	1 439					1 504
CAPE VERDE	0.06	35		35	25		60	
CENTRAL AFRICAN REPUBLIC (*)	0.06	35	35		321		321	
CHAD	0.06	35	35		257		257	
CHILE	0.30	176	176					
CHINA	1.67	977	977					
COLOMBIA	0.23	135	135					
COMOROS	0.06	35	35		463		463	
CONGO (*)	0.06	35	35		364		364	
COOK ISLANDS	0.06	35	35		111		111	43
COSTA RICA	0.06	35	35					
COTE D'IVOIRE (*)	0.06	35	35		122		122	
CROATIA	0.06	35	35					
CUBA	0.06	35	34	1			1	
CYPRUS	0.06	35	35					
CZECH REPUBLIC	0.16	94	94					
DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA	0.06	35	35					
DEMOCRATIC REPUBLIC OF THE CONGO	0.06	35		35	280		315	
DENMARK	0.56	328	328					
DJIBOUTI	0.06	35		35	490	1	526	
DOMINICAN REPUBLIC	0.06	35	35					
ECUADOR	0.06	35	35					
EGYPT	0.19	111	111					
EL SALVADOR (*)	0.06	35		35	164		199	
EQUATORIAL GUINEA	0.06	35	35					
ERITREA	0.06	35	35					
ESTONIA	0.06	35	35					
ETHIOPIA	0.06	35	35					
FIJI	0.06	35	35					
FINLAND	0.45	264	264					
FRANCE	5.12	2 996	2 996					
GABON	0.06	35	35		95		95	
GAMBIA	0.06	35	29	6	272		278	
GEORGIA	0.06	35		35	372	4	411	
GERMANY	7.14	4 178	4 178					

INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
AND CONTRIBUTIONS RECEIVED IN ADVANCE
AS AT 31 DECEMBER 2005

(in thousands of United States dollars)

Contracting States Assembly Resolutions A35-24 and A35-22A	General Fund			Balance of Assessments Receivable for 2005	Balance of Prior Years' Assessments Receivable	Balance of Advances due to the Working Capital Fund	Total Balances Receivable	Contributions Received in Advance
	Scales 2005	Assessments 2005	Contributions Received for 2005					
GHANA	0.06	35	35					
GREECE	0.43	252	252					
GRENADA	0.06	35		35	260		295	
GUATEMALA	0.06	35	35					
GUINEA (*)	0.06	35	35		201		201	
GUINEA-BISSAU	0.06	35		35	550	1	586	
GUYANA	0.06	35	31	4			4	
HAITI	0.06	35		35	30		65	
HONDURAS	0.06	35	24	11			11	
HUNGARY	0.12	70	70					
ICELAND	0.06	35	35					
INDIA	0.46	269	269					
INDONESIA	0.24	141	78	63			63	
IRAN (ISLAMIC REPUBLIC OF)	0.16	94	4	90			90	
IRAQ	0.06	35		35	1 082		1 117	
IRELAND	0.35	205	205					
ISRAEL	0.52	304	301	3			3	
ITALY	3.60	2 106	2 106					
JAMAICA	0.06	35		35			35	
JAPAN	14.57	8 525	8 525					
JORDAN	0.06	35	35					
KAZAKHSTAN	0.06	35	35					21
KENYA	0.06	35	35					27
KIRIBATI	0.06	35	31	4			4	
KUWAIT	0.18	106	106					
KYRGYZSTAN (*)	0.06	35		35	225		260	
LAO PEOPLE'S DEMOCRATIC REPUBLIC	0.06	35	35					
LATVIA	0.06	35	35					
LEBANON	0.06	35		35			35	
LESOTHO	0.06	35	24	11			11	
LIBERIA (*)	0.06	35	35		273		273	
LIBYAN ARAB JAMAHIRIYA	0.09	53	53					11
LITHUANIA	0.06	35	14	21			21	
LUXEMBOURG	0.31	182	182					
MADAGASCAR (*)	0.06	35	35		23		23	
MALAWI (*)	0.06	35		35	132		167	
MALAYSIA	0.51	299	299					
MALDIVES	0.06	35	35					
MALI	0.06	35	35		185		185	
MALTA	0.06	35	35					
MARSHALL ISLANDS	0.06	35	1	34			34	
MAURITANIA (*)	0.06	35	35		244		244	
MAURITIUS	0.07	41	41					36
MEXICO	1.01	591	591					
MICRONESIA (FEDERATED STATES OF)	0.06	35		35	36		71	
MONACO	0.06	35	35					
MONGOLIA	0.06	35	35					
MOROCCO	0.08	47	47					5
MOZAMBIQUE	0.06	35	35					
MYANMAR	0.06	35	32	3			3	
NAMIBIA	0.06	35	35					
NAURU	0.06	35		35	294		329	
NEPAL	0.06	35	35					
NETHERLANDS	1.88	1 100	1 100					6
NEW ZEALAND	0.34	199	199					
NICARAGUA	0.06	35	35					
NIGER	0.06	35	35		57		57	
NIGERIA	0.06	35	35					
NORWAY	0.53	310	310					
OMAN	0.09	53	53					
PAKISTAN	0.14	82	82					
PALAU	0.06	35		35	30		65	
PANAMA	0.06	35	35					
PAPUA NEW GUINEA	0.06	35	35					
PARAGUAY	0.06	35	35		14		14	

Schedule A
(continued)

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INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
AND CONTRIBUTIONS RECEIVED IN ADVANCE
AS AT 31 DECEMBER 2005

(in thousands of United States dollars)

Contracting States Assembly Resolutions A35-24 and A35-22A	General Fund			Balance of Assessments Receivable for 2005	Balance of Prior Years' Assessments Receivable	Balance of Advances due to the Working Capital Fund	Total Balances Receivable	Contributions Received in Advance
	Scales 2005	Assessments 2005	Contributions Received for 2005					
PERU	0.09	53	53					
PHILIPPINES	0.18	106	17	89			89	
POLAND	0.36	211	211					
PORTUGAL	0.42	246	246					
QATAR	0.13	76	76					
REPUBLIC OF KOREA	2.43	1 422	1 422					
REPUBLIC OF MOLDOVA	0.06	35	35		148		148	
ROMANIA	0.06	35	35					
RUSSIAN FEDERATION	0.62	363	363					13
RWANDA	0.06	35	10	25	85		110	
SAINT KITTS & NEVIS	0.06	35		35	60		95	
SAINT LUCIA	0.06	35	35					
SAINT VINCENT AND THE GRENADINES	0.06	35	35					
SAMOA	0.06	35	35					
SAN MARINO	0.06	35		35			35	
SAO TOME AND PRINCIPE (*)	0.06	35		35	426		461	
SAUDI ARABIA	0.68	398	398					23
SENEGAL	0.06	35	35					
SERBIA AND MONTENEGRO	0.06	35		35	30		65	
SEYCHELLES (*)	0.06	35		35	121		156	
SIERRA LEONE (*)	0.06	35	35		296		296	
SINGAPORE	1.25	732	732					761
SLOVAKIA	0.06	35	35					
SLOVENIA	0.06	35	35					
SOLOMON ISLANDS	0.06	35	30	5	160		165	
SOMALIA	0.06	35		35	508	1	544	
SOUTH AFRICA	0.43	252	252					
SPAIN	2.08	1 217	1 217					
SRI LANKA	0.07	41	41					
SUDAN	0.06	35		35			35	
SURINAME	0.06	35		35	90		125	
SWAZILAND	0.06	35	35					
SWEDEN	0.76	445	445					
SWITZERLAND	1.13	661	661					
SYRIAN ARAB REPUBLIC	0.06	35	35					
TAJIKISTAN	0.06	35		35	90		125	
THAILAND	0.58	340	340					
the former Socialist Federal Republic of Yugoslavia (1)	0.00				511		511	
THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA	0.06	35	35					
TIMOR-LESTE (2)	0.06	9		9		3	12	
TOGO	0.06	35	35					
TONGA	0.06	35	35					36
TRINIDAD AND TOBAGO	0.06	35	35					
TUNISIA	0.06	35	35					
TURKEY	0.40	234	234					
TURKMENISTAN	0.06	35		35			35	
UGANDA	0.06	35	35					
UKRAINE	0.06	35	35					
UNITED ARAB EMIRATES	0.43	252	252					
UNITED KINGDOM	5.64	3 300	3 300					
UNITED REPUBLIC OF TANZANIA	0.06	35	35					2
UNITED STATES OF AMERICA	25.00	14 627	14 627					
URUGUAY	0.06	35		35	114		149	
UZBEKISTAN	0.06	35	5	30			30	
VANUATU	0.06	35		35	25		60	
VENEZUELA	0.14	82	82					
VIET NAM	0.06	35		35			35	
YEMEN	0.06	35	35					
ZAMBIA	0.06	35		35	109		144	
ZIMBABWE	0.06	35	35					
	100.06	58 516	56 847	1 669	10 861	11	12 541	3 477

Note 1 : The devolution of the amount owing by the former Socialist Federal Republic of Yugoslavia is to be ascertained.

Note 2 : New Contracting State (C-DEC 176/2)

* States which had not met their obligations according to the terms of their agreements as at 31 December 2005.

INTERNATIONAL CIVIL AVIATION ORGANIZATION

OTHER ICAO PROPRIETARY FUNDS
INCOME, EXPENDITURE, ASSETS, LIABILITIES AND FUND BALANCES
FOR THE PERIOD ENDING 31 DECEMBER 2005

(in thousands of United States dollars)

	Revenue Generating and Cost Recovery Special Accounts/Funds (Refer Annex A)	Aviation Security Plan of Action (Refer Annex B)	Universal Safety Oversight Audit Programme Fund	Funds for Support of Technical Co-operation (Refer Annex C)	Others (Refer Annex D)	TOTAL	
						2005	2004
INCOME AND EXPENDITURE							
INCOME							
Contributions	35	3 432	135		111	3 713	3 381
Earmarked Contributions		956			149	1 105	1 206
Other Income							
Administrative fee revenue				6 196		6 196	5 940
Interest income	46	285	3	142	163	639	307
Revenue-generating and cost recovery activities	1 903					1 903	1 164
Miscellaneous	2	194		815		1 011	758
TOTAL INCOME	1 986	4 867	138	7 153	423	14 567	12 756
EXPENDITURE							
Salaries and common staff costs	905	3451	140	6 276	434	11 206	9 026
General operating expenses	349			261	266	876	351
Travel	40	1462		208	52	1 762	1 790
Equipment	16	20			26	62	428
Administrative overhead charges					4	4	8
Other	63	119		28	2	212	678
TOTAL EXPENDITURE	1 373	5 052	140	6 773	784	14 122	12 281
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	613	(185)	(2)	380	(361)	445	475
BALANCE OF FUNDS							
Adjustment of prior year's unliquidated obligations/ expenditure	(18)	22		12		16	63
Transfers to/from other funds					(377)	(377)	904
Refund of contributions					(11)	(11)	(308)
Fund balances, beginning of period	1 444	8 558	111	7 678	5 787	23 578	22 444
BALANCE OF FUNDS, END OF PERIOD	2 039	8 395	109	8 070	5 038	23 651	23 578
ASSETS, LIABILITIES AND FUND BALANCES							
ASSETS							
Cash and term deposits	1 575	9065	122	4 913	5 193	20 868	22 318
Accounts receivable							
Inter-fund balances	61	199		3 526	85	3 871	1 513
Receivables and advances	715	206	43	785	12	1 761	741
Other assets				1 313		1 313	1 542
TOTAL ASSETS	2 351	9 470	165	10 537	5 290	27 813	26 114
LIABILITIES							
Unliquidated obligations	34	174		50	15	273	690
Accounts payable	100	269	17	447	149	982	305
Inter-fund balances	178	632	39	1 929	88	2 866	1 513
Other credit balances and provisions				41		41	28
TOTAL LIABILITIES	312	1 075	56	2 467	252	4 162	2 536
BALANCE OF FUNDS							
Represented by:							
Cumulative surplus	2 039	8395	109	6 070	4 695	21 308	19 775
Reserved surplus				2 000	343	2 343	3 803
TOTAL BALANCE OF FUNDS	2 039	8 395	109	8 070	5 038	23 651	23 578
TOTAL LIABILITIES AND BALANCE OF FUNDS	2 351	9 470	165	10 537	5 290	27 813	26 114

SCHEDULE C

III-10

INTERNATIONAL CIVIL AVIATION ORGANIZATION

**TECHNICAL CO-OPERATION PROGRAMME FUNDS
INCOME, EXPENDITURE, ASSETS, LIABILITIES AND FUND BALANCE:
FOR THE PERIOD ENDING 31 DECEMBER 2005**

(in thousands of United States dollars)

	United Nations Development Programme Refer to Schedule C.1	Trust Funds and Management Service Agreements Refer to Schedule C.2	ICAO Objectives Implementation Mechanisms Fund	Civil Aviation Purchasing Services Funds Refer to Schedule C.3	TOTAL	
					2005	2004
INCOME AND EXPENDITURE						
INCOME						
Contributions		81 332	180	7 024	88 536	85 029
Earmarked Contributions		516			516	
Other Income						
Funds received under inter-organization arrangements	13 433				13 433	14 646
Interest income		2 907	5	296	3 208	1 665
Miscellaneous		1 661		12	1 673	1 201
TOTAL INCOME	13 433	86 416	185	7 332	107 366	102 541
EXPENDITURE						
Salaries and common staff costs						
Travel						
Equipment	579	31 362	2	6 866	38 809	44 721
Expert and other personnel costs	3 900	28 661	38		32 599	28 982
Subcontracts	94	2 027			2 121	2 303
Training	281	1 102	89		1 472	1 520
Administrative overhead charges	409	5 602	9	176	6 196	5 940
Other	327	413	11	275	1 026	1 193
TOTAL EXPENDITURE	5 590	69 167	149	7 317	82 223	84 659
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	7 843	17 249	36	15	25 143	17 882
BALANCE OF FUNDS						
Transfers to/from other funds		(3)	4	(1)		10
Refund of contributions		(3 346)		(617)	(3 963)	(4 260)
Fund balances, beginning of period	(11 836)	33 376	43	3 143	24 726	11 094
BALANCE OF FUNDS, END OF PERIOD	(3 993)	47 276	83	2 540	45 906	24 726
ASSETS, LIABILITIES AND FUND BALANCES						
ASSETS						
Cash and term deposits	1 482	84 814	162	8 254	94 712	76 789
Accounts receivable						
Inter-fund balances	4 392	1 883		106	6 381	7 432
Receivables and advances	3 010	116	3		3 129	2 561
TOTAL ASSETS	8 884	86 813	165	8 360	104 222	86 782
LIABILITIES						
Unliquidated obligations	432	26 813	8	1 872	29 125	23 945
Accounts payable	11 926	6 173	26	3 416	21 541	33 664
Inter-fund balances	519	5 238	48	532	6 337	2 905
Other credit balances and provisions		1 313			1 313	1 542
TOTAL LIABILITIES	12 877	39 537	82	5 820	58 316	62 056
BALANCE OF FUNDS						
Represented by:						
Cumulative surplus (deficit)	(3 993)	47 276	83	2 540	45 906	24 726
TOTAL BALANCE OF FUNDS	(3 993)	47 276	83	2 540	45 906	24 726
TOTAL LIABILITIES AND BALANCE OF FUNDS	8 884	86 813	165	8 360	104 222	86 782



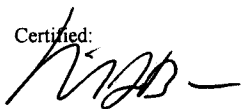
INTERNATIONAL CIVIL AVIATION ORGANIZATION

UNITED NATIONS DEVELOPMENT PROGRAMME
SCHEDULE OF THE STATUS OF FUNDS
FOR THE PERIOD ENDING 31 DECEMBER 2005

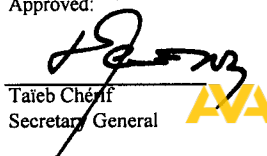
(in thousands of United States dollars)

	2005	2004
OPERATING FUND		
Fund balance at beginning of year	(11 836)	(16 021)
Add:		
Cash drawings from UNDP	14 300	16 600
Inter-office vouchers, on hand		
Project Clearing Account	(444)	(2 028)
Other charges/credits (net)		
Miscellaneous income and exchange adjustments	(402)	74
Miscellaneous items charged/refunded to UNDP	(21)	
	<u>13 433</u>	<u>14 646</u>
	<u>1 597</u>	<u>(1 375)</u>
Deduct:		
Expenditure during the year (Schedule C.1.1)		
For projects		
Disbursements	4 749	6 569
Unliquidated obligations	432	3 170
Support costs	409	722
	<u>5 590</u>	<u>10 461</u>
	<u>5 590</u>	<u>10 461</u>
Total expenditure	<u>5 590</u>	<u>10 461</u>
	<u>(3 993)</u>	<u>(11 836)</u>
Fund balance at end of year	<u>(3 993)</u>	<u>(11 836)</u>
REPRESENTED BY:		
Cash in banks, on hand and in transit	1 482	232
Due from other Funds	4 392	5 740
Accounts receivable and sundry debit balances	3 010	2 394
	<u>8 884</u>	<u>8 366</u>
Less:		
Due to other Funds	519	89
Accounts payable and sundry credits balances	11 926	16 943
Unliquidated obligations - current year	432	3 170
	<u>12 877</u>	<u>20 202</u>
Fund balance at end of year	<u>(3 993)</u>	<u>(11 836)</u>

Certified:


Richard J. Barr
Chief, Finance Branch

Approved:


Taieb Cherif
Secretary General

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