

FINANCIAL STATEMENTS

AND

REPORT OF THE EXTERNAL AUDITOR

FOR THE FINANCIAL PERIOD ENDING 31 DECEMBER 2006



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 2006**

INTERNATIONAL CIVIL AVIATION ORGANIZATION

FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2006

TABLE OF CONTENTS

PART I: REPORT OF THE SECRETARY GENERAL, CERTIFICATION, APPROBATION AND SUBMISSION OF THE FINANCIAL STATEMENTS FOR THE YEAR 2006..... I-1		
PART II: AUDITOR’S REPORT/OPINION OF THE EXTERNAL AUDITOR		II -1
PART III: FINANCIAL STATEMENTS		
Statement I	Statement of Income and Expenditure and Changes in Fund Balances	III-1
Statement II	Statement of Assets, Liabilities and Fund Balances	III-2
Statement III	Statement of Cash Flow	III-3
Statement IV	Statement of Appropriations	III-4
Statement V	Statement of Cumulative Surplus	III-5
Schedule A	Regular Programme - Assessments Receivable from Contracting States	III-6
Schedule B	Other ICAO Proprietary Funds	III-9
Schedule B.1	Funds for Technical Co-operation Support	III-10
Schedule C	Technical Co-operation Programme Funds	III-11
Schedule C.1	United Nations Development Programme - Status of Funds	III-12
Schedule C.1.1	United Nations Development Programme - Expenditure by Country and Region	III-13
Schedule C.2	Trust Funds and Management Service Agreements - Schedule of Income, Expenditure and Fund Balances	III-14
Schedule C.3	Civil Aviation Purchasing Service Funds - Schedule of Income, Expenditure and Fund Balances	III-16
Schedule D	Other Trust Funds Managed on Behalf of Third Parties - Schedule of Income, Expenditure, Assets, Liabilities and Fund Balances	III-17
Schedule D.1	Schedule of Assessments, Balances Receivable and Credits to Contracting Governments in respect of Danish & Icelandic Joint Financing Agreements	III-18
Schedule E	International Financial Facility for Aviation Safety Fund - Schedule of Income, Expenditure, Assets, Liabilities and Fund Balances	III-20
Notes to the Financial Statements		III-21
PART IV: ANNEXES		IV-1
Annex A	Revenue-Generating and Cost Recovery Accounts/Funds	IV-3
Annex B	Aviation Security Trust Funds	IV-4
Annex C	Other ICAO Proprietary Funds - Others	IV-5
Annex D	Statement of Appropriations and Expenditure at the Budget Rate for Regular Programme – 2006	IV-6
Annex E	Statement of Expenditure - Meetings 2006	IV-7
PART V: REPORT OF THE EXTERNAL AUDITOR TO THE ASSEMBLY ON THE AUDIT OF THE FINANCIAL STATEMENTS OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2006		
PART VI: SECRETARY GENERAL'S RESPONSE TO THE REPORT OF THE EXTERNAL AUDITOR		

I - 1
INTERNATIONAL CIVIL AVIATION ORGANIZATION

PART I: REPORT OF THE SECRETARY GENERAL, CERTIFICATION, APPROBATION AND SUBMISSION OF THE FINANCIAL STATEMENTS FOR THE YEAR 2006

1. The financial statements of the International Civil Aviation Organization for the year ended 31 December 2006 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 are consistent with the presentation adopted for the year 2005. The Funds reported in the financial statements have been grouped to distinguish between those used for ICAO's operational activities and those that are administered on behalf of third parties. Significant changes are planned in the future as the United Nations organizations move towards the adoption of the International Public Sector Accounting Standards (IPSAS). ICAO intends to implement IPSAS in 2008 onward.

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 2006. 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)	
	2006	2005
The expenditure relating to ICAO Funds comprises:		
1) Regular Programme Funds appropriated by the Assembly or by the Council;	63 118	60 458
2) Other Proprietary Funds, including Aviation Security Plan of Action, Special Accounts for revenue-generating and cost recovery activities, and other Funds/Special Accounts;	15 390	14 118
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;	96 331	63 565
b) Civil Aviation Purchasing Service Funds provided by various contributors for civil aviation purchases on their behalf;	2 802	7 141
c) United Nations Development Programme Funds, mainly contributed by governments to UNDP under cost-sharing arrangements; and	4 582	5 181
d) ICAO Objectives Implementation Mechanism; and	132	140
4) ICAO maintains funds for the activities managed or administered on behalf of third parties, including Joint Financing Agreements, International Registry Account, the International Financial Facility for Aviation Safety Fund and the Public Key Directory.	40 696 *	35 064
Total	<u>223 051</u>	<u>185 667</u>

* Excludes grants from IFFAS given to Trust Funds and Management Service Agreements included in paragraph 3 above.

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

FIGURE 1: TOTAL EXPENDITURE - ALL FUND GROUPS

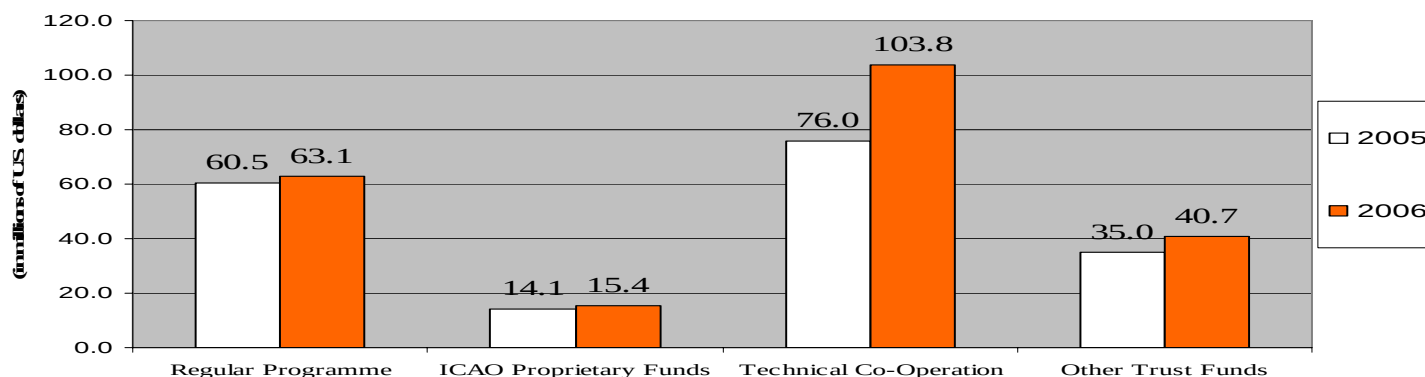


FIGURE 2: TECHNICAL CO-OPERATION PROGRAMME FUNDS

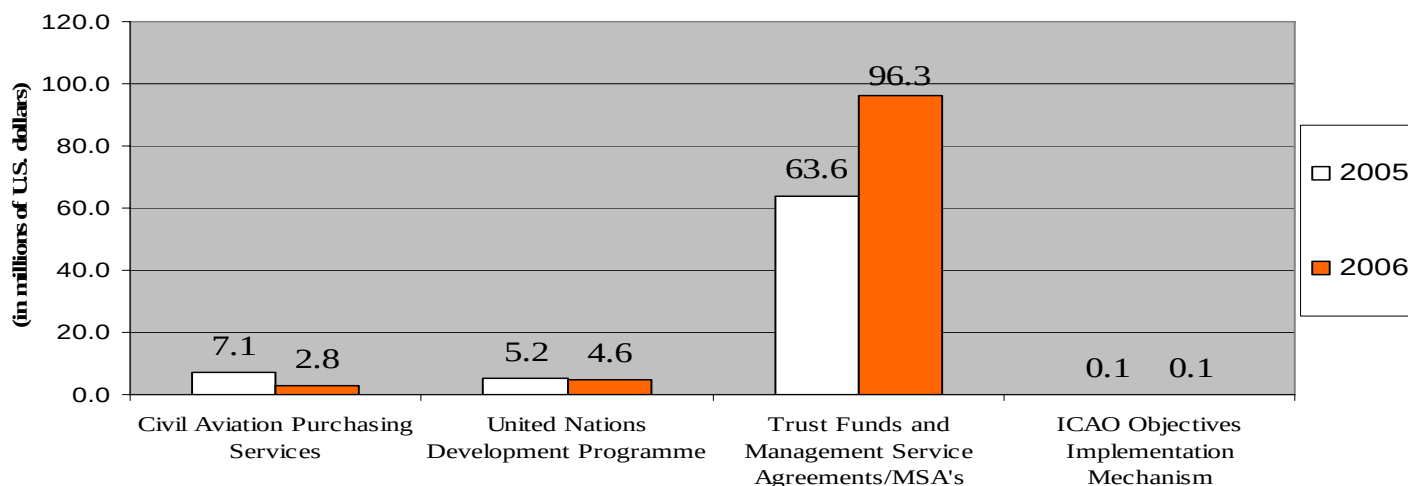
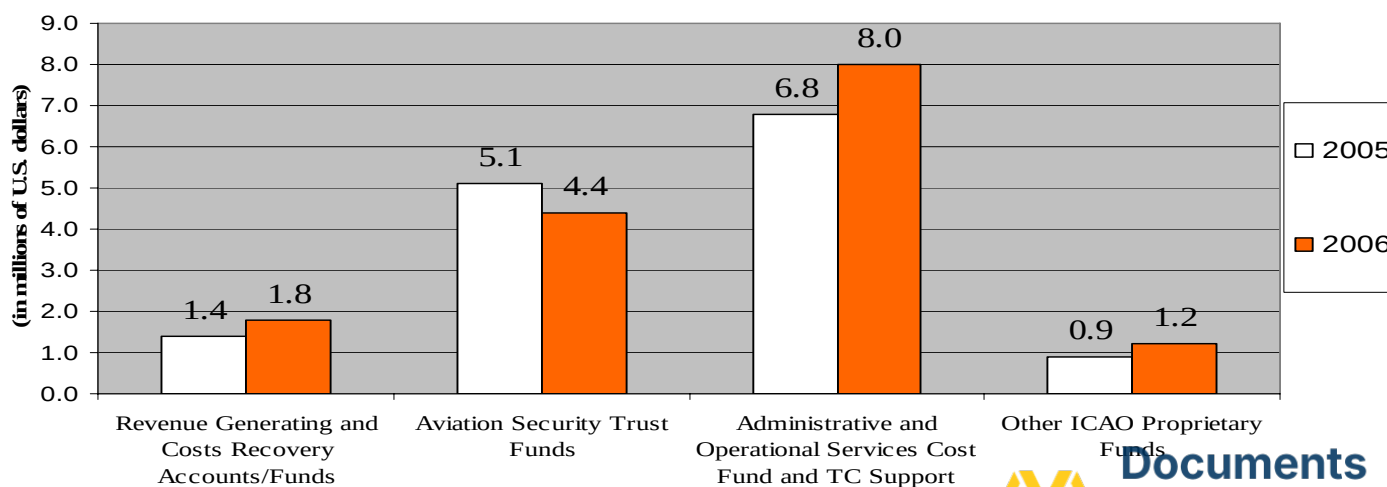


FIGURE 3: SUMMARY OF ICAO PROPRIETARY FUNDS



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 \$ 65 820 for the year 2006. 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 2006, in thousands of dollars, is summarized as follows:

Original appropriations	\$ 65 820
Carried over from 2005	6 400
Increase in appropriations	1 030
Carried over to 2007	<u>(9 965)</u>
Revised appropriations	63 285
Total expenditure	<u>63 118</u>
Unobligated balance of appropriations	\$ <u>167</u>

4.1.2 Carry over from 2005. Pursuant to Financial Regulation 5.6, the Council approved the carry over of unobligated appropriations amounting to \$ 6 400 from financial year 2005 to financial year 2006 (C-DEC 176/14).

4.1.3 Increase in Appropriations. In 2005, in accordance with Financial Regulation 5.2 c), the Council approved additional appropriations of \$ 1 460 for 2005-2006-2007 from 2004 excess miscellaneous income, that is, the surplus of actual 2004 income over estimated 2004 income approved by the Council (C-DEC 176/14). Of this amount approved, \$ 460 is designated for the 2005 financial year, for various projects under Major Programme II: Air Navigation and Major Programme III: Air Transport. The remainder \$ 1 000 was planned to 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. In addition, the Council approved the transfer of \$1 060 from the reserves of the AVSEC Plan of Action to the Regular Programme to fund the integration of some elements of the AVSEC Plan of Action into the Regular Programme Budget in 2006 and 2007 (C-DEC 176/8). Pursuant to Financial Regulations 5.2 a), half of this amount, i.e. \$ 530, was added to Major Programme III: Air Transport for the year 2006.

4.1.4 In 2006, in compliance with Financial Regulation 5.10, the Council approved transfers of appropriations among major programmes, totalling \$ 1 088 from Major Programmes: Air Navigation, Air Transport, Legal, and Administrative Support, to the following Major Programmes: General Policy - \$ 143 and Finance, External Relations/Public Information and Programmes Evaluation, Audit and Management Review - \$ 945 (C-DEC 179/17).

4.1.5 Carry over to 2007. In compliance with Financial Regulation 5.6, the Council approved a carry-over of the appropriation from 2006 to 2007 (C-DEC 179/17). This totals \$ 9 965 and stems from deferred Programme elements/activities. There is \$ 1 814 for Major Programme VII: Finance, External Relations/Public Information and Programmes Evaluation, Audit and Management Review, of which \$1 693 is due to the deferral of activities for the new Enterprise Resource Planning project and the implementation of the International Public Sector Accounting Standards. There is \$ 1 371 for the Major Programme VIII: Universal Safety Oversight Audit Programme resulting from the transfer of unobligated balances required for

the comprehensive systems approach for the conduct of safety oversight audits in the 2005-2007 triennium. Under Major Programme V: Regional and Other Programmes, the renovation of the Dakar Regional Office premises deferral to 2007 account for \$ 449. Under Major Programme IV: Legal, funds amounting to \$ 234 provided for certain meetings are carried over to 2007.

4.1.6 In 2006, some general operating expenditures such as those related to the acquisition of certain hardware, software and equipment were deferred as part of the overall effort to contain costs in order to finance payroll-related cost increases which were foreseen in the budget for the 2005-2007 triennium and had not materialized as of end of 2006. Lastly, an amount of \$ 257 of the appropriations carried over relate to the excess of Miscellaneous Income projects approved in 2005 (C-DEC 176/14) which will be on-going until 2007.

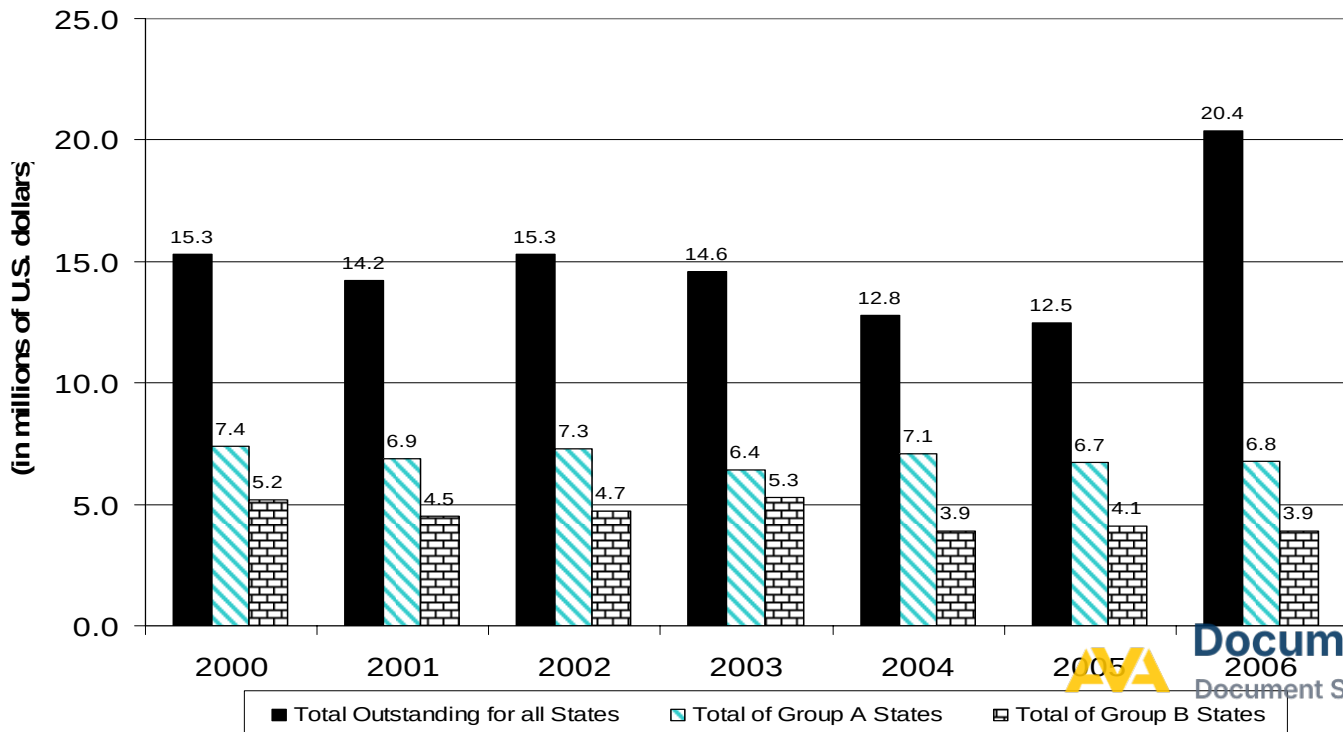
4.1.7 As a result of the increases and transfers outlined above, the final approved appropriation for the year amounted to \$ 63 285.

4.2 Income

4.2.1 The appropriations for the year 2006 approved by the 35th Session of the Assembly were to be financed by assessments on Contracting States of \$ 60 407 and miscellaneous income of \$ 5 413 for a total of \$ 65 820. The composition of actual income totalling \$ 67 574 is presented in Statement I.

4.2.2 **Assessments.** During the year 2006 assessments totalling \$ 50 944 were received and a balance of \$ 9 499 remained outstanding at the year end against the current year's assessments. At the beginning of the year, \$ 12 530 was receivable from States in respect of 2005 and prior years; payment of \$ 1 627 was received, leaving a balance outstanding of \$ 10 903. The assessments receivable for all years totalled \$ 20 402 as at 31 December 2006. Details are provided in Schedule A. The percentage of receipts of contributions for the last four years in relation to the amount assessed averaged 92 per cent. Figure 4 shows the status of the assessed contributions receivable at the end of each year since 2000.

FIGURE 4
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
AS AT 31 DECEMBER



4.2.3 Of the total outstanding contributions of \$ 20 402 as at 31 December 2006, \$ 7 572 pertained to States represented on the Council.

	<u>Number of States 2006</u>	<u>Amount outstanding as at 31 December 2006</u>	<u>Number of States 2005</u>	<u>Amount outstanding as at 31 December 2005</u>
Group A: States that have concluded agreements with the Council to liquidate their arrears over a period of years	32	\$ 6 824	34	\$ 6 719
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	7	\$ 3 879	8	\$ 4 104
Group C: States with contributions in arrears for less than three full years	11	\$ 738	10	\$ 616
Group D: States with contributions outstanding only for the current year	<u>23</u>	<u>\$ 8 450</u>	<u>20</u>	<u>\$ 580</u>
Sub-total	73	\$ 19 891	72	\$ 12 019
The Former Socialist Federal Republic of Yugoslavia	-	<u>\$ 511</u>	-	<u>\$ 511</u>
Total Outstanding Contributions	<u>73</u>	<u>\$ 20 402</u>	<u>72</u>	<u>\$ 12 530</u>

4.2.4 As at 31 December 2006, 32 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 2006.

4.2.5 **Miscellaneous income** budgeted for the period amounted to \$ 5 413 when compared to actual income of \$ 7 131 and comprised the following:

(in thousands of United States dollars)

	Budget 2006	Actual 2006	Difference
Sales of Publications	3 800	4 228	428
Royalties from ICAO's Publications	500	507	7
Investment Income - Interest	320	828	508
Rental on Premises	575	673	98
Journal Advertisements	88	71	(17)
Other Income	130	824	694
Total	5 413	7 131	1 718

4.2.6 Major contributions received for the Regular Programme Fund and the Proprietary Funds for 2006 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	
Canada	1 504	12 493	226		91	14 314
Japan	8 735		721		4	9 460
United States of America	7 551		1 194	129	42	8 916
France	3 069	626	256	498	102	4 551
Germany	4 283				13	4 296
United Kingdom	3 383		178		16	3 577
Italy	2 157		189		4	2 350
Republic of Korea	1 456		310	136	5	1 907
Spain	1 250		114		5	1 369
Netherlands	1 130				9	1 139
Total	34 518	13 119	3 188	763	291	51 879

4.3 Expenditure at Budget Rate Compared to Budget

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

4.4 Meetings Expenditure

4.4.1 The approved budget for meetings in 2006 amounted to \$ 724 and the actual expenditure on meetings in 2006, as shown in Annex E, amounted to \$ 302.

4.5 Surplus

4.5.1 The total cumulative surplus, as at 31 December 2006, as reflected in Statement V, amounted to \$ 17 414, as compared to \$ 16 264 in 2005. This is comprised of assessments receivable from Contracting States of \$ 20 402 and cash deficit of \$ 2 988 as at 31 December 2006 (surplus of \$ 3 734 as at 31 December 2005). An increase in the assessments receivable by \$ 7 872 in 2006 compared to 2005 as presented in Statement III, contributed to the cash deficit position for 2006.

4.6 Cash Balances

4.6.1 The cash balance held in the General Fund as at 31 December 2006 amounted to \$ 17 996 (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.

4.7 Forward Purchase of Currency

4.7.1 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. The objective of stabilizing Canadian dollar-related expenditures and EURO expenditures to a level within the budget was achieved. Further details are provided in the Notes to the Financial Statements.

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 Schedule B.1 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 2006

	Submitted to the Assembly	Revised Budget 2006 ²	Expenditure/ Income 2006	Balance of Approved Budget
Appropriation/Expenditure				
Major Programme X	6 051 ¹	8 045	8 069	(24)
Income	5 763	8 234	8 203	
Excess/(Deficit) of Income over Expenditure	(288)	189	134	

¹ Approved by the Assembly (A35-22)

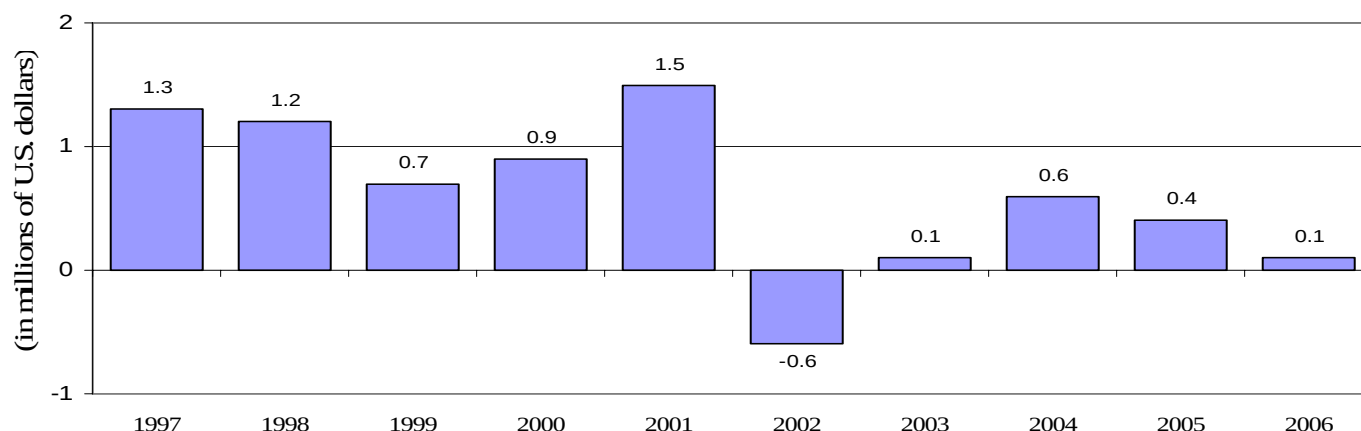
² Noted by the Council at its 179th Session (C-DEC 179/13).

5.1.2 As indicated in Figure 5, the Assembly approved the Indicative Budget Estimates (expenditure) of the AOSC Fund amounting to \$ 6 051 for the financial year 2006 and estimated income for the year of \$ 5 763. During the year, pursuant to Financial Regulation 9.5, the Secretary General submitted to the Council an update of the 2006 Budget Estimates (expenditure) for 2006 in C-WP/12734. The revised estimated expenditures for 2006 amounted to \$ 8 045 and the estimated income to \$ 8 234.

5.1.3 Total expenditures for the Technical Co-operation Programme (TCP) in 2006 amounted to \$ 103 847 compared with \$ 76 027 in 2005. 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 2006 as in 2005, 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 2006 was \$ 8 203 representing an increase of \$ 1 050 (15%) compared with 2005, and, therefore, higher than the indicative income budget presented to

the 35th Session of the Assembly by \$ 2 440. The actual AOSC Fund expenditure, on the other hand, amounted to \$ 8 069, compared to the indicative budget presented to the 35th Session of the Assembly of \$ 6 051. Actual expenditures include non-budgeted gains on exchange of \$ 717. The AOSC Fund fully recovered its costs for the year 2006 and earned net income of \$ 134. 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 has considered this issue 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 2006, costs of \$ 259 relating to Regular Programme support that has been charged to the AOSC Fund were charged to the Regular Programme, while an amount of \$ 549 of Technical Cooperation Programme support costs charged to Regular Programme were charged to the AOSC Fund. The net transfer of costs for 2006 amounting to \$ 290 has been recorded in the account subject to the Council's approval of a new policy of cost recovery.

5.1.5 In accordance with Assembly Resolution A35-32, an amount of \$ 2 000 from the AOSC Fund surplus was transferred to the ICT Fund in 2006 to finance part of the cost of modernizing ICAO's financial system.

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 2006, the Council at its 8th and 14th meetings of the 176th Session took the following action:

- approved the transfer of \$ 1.06 million from the reserve of the AVSEC Plan of Action to the General Fund in 2006 to finance the integration of some elements of the AVSEC Plan of Action into the Regular Programme Budget during 2006 and 2007;

- appropriated under paragraph 5.2 a) of the ICAO Financial Regulations, for the financial years 2006 and 2007, an amount of \$ 0.53 million per year for the integration of part of the AVSEC Plan of Action, mainly the Universal Security Audit Programme (USAP), into the Regular Programme Budget; and
- approved the appropriation from miscellaneous income of \$ 0.5 million per year for 2006 and 2007 to facilitate the integration of the USAP into the Regular Programme.

5.2.2 The increase of appropriation for 2006 amounting to \$ 1 030 is reflected in the Statement of Appropriation (Statement IV).

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 2006 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 2006 amounted to \$ 2 818, compared to \$ 2 185 as at the end of 2005. During 2006, one grant amounting to \$ 95 was approved by the Governing Body of IFFAS. A loan of \$ 298, which was approved in 2005 remains pending acceptance. Transactions are reflected in Schedule E to the financial statements.

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 2006, six States contributed to the PKD fund. Pending the approval of the PKD Memorandum of Understanding by the Council, the PKD contributing States requested ICAO to divide the project and the PKD contract with the operator into two phases. Phase 1, consisted of the development, implementation and construction of the PKD infrastructure. Phase 2 will consist in operating the PKD, and will be implemented once the PKD Memorandum of Understanding is approved. Transactions are reflected in Schedule D to the financial statements.

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. Transactions are reflected in Schedule D to the financial statements.

8. CERTIFICATION, APPROBATION AND SUBMISSION OF THE FINANCIAL STATEMENTS FOR THE YEAR 2006:

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.

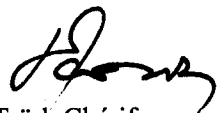
To fulfil its responsibility, the Organization maintains systems of internal controls, policies and procedures to ensure the reliability of financial information and the safeguarding of assets. The internal control systems are subject to both internal and external audit. The External Auditor has audited 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 2006.



Taïeb Chérif
Secretary General

Montreal, Canada
14 May 2007

PART II: AUDITOR'S REPORT/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 2006, 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 2006 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 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

Sheila Fraser, FCA
Auditor General of Canada
External Auditor

Montreal, Canada
11 May 2007

PART III: FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

INTERNATIONAL CIVIL AVIATION ORGANIZATION

STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING 31 DECEMBER 2006

(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	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
INCOME														
Assessed Contributions (Schedules A and D)	60 443	58 516			60 443	58 516			400	489			60 843	59 005
Contributions			3 828	3 713	3 828	3 713	125 342	88 536	970	1 579			130 140	93 828
Earmarked Contributions			1 043	1 105	1 043	1 105	95	516		128	(95)	(516)	1 043	1 233
Other Income														
Sales of publications	4 228	4 494			4 228	4 494							4 228	4 494
Funds received under inter-organization arrangements							8 990	13 433					8 990	13 433
Administrative fee revenue/user charges	47	4	7 806	6 196	7 853	6 200			34 984	36 156	(7 853)	(6 200)	34 984	36 156
Interest income	828	335	1 013	639	1 841	974	4 587	3 208	372	197			6 800	4 379
Miscellaneous	2 028	1 473	2 725	2 914	4 753	4 387	1 059	1 673		150			5 812	6 210
TOTAL INCOME	67 574	64 822	16 415	14 567	83 989	79 389	140 073	107 366	36 726	38 699	(7 948)	(6 716)	252 840	218 738
EXPENDITURE														
Salaries and common staff costs	54 272	52 651	12 328	11 206	66 600	63 857			1 161	574			67 761	64 431
General operating expenses	5 787	5 556	847	876	6 634	6 432			46	34			6 680	6 466
Travel	2 161	1 394	1 306	1 762	3 467	3 156			23	44			3 490	3 200
Equipment	422	330	90	62	512	392	60 000	38 809					60 512	39 201
Meetings	289	350			289	350							289	350
Expert and other personnel costs							38 519	32 599					38 519	32 599
Subcontracts							2 109	2 121					2 109	2 121
Training							1 971	1 472					1 971	1 472
Administrative overhead charges			47	4	47	4	7 806	6 196			(7 853)	(6 200)		
Service costs									39 109	33 984			39 109	33 984
Grants									95	516	(95)	(516)		
Other (Note 15)	187	177	819	212	1 006	389	1 248	1 026	357	428			2 611	1 843
TOTAL EXPENDITURE	63 118	60 458	15 437	14 122	78 555	74 580	111 653	82 223	40 791	35 580	(7 948)	(6 716)	223 051	185 667
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	4 456	4 364	978	445	5 434	4 809	28 420	25 143	(4 065)	3 119			29 789	33 071
BALANCE OF FUNDS														
Adjustment of prior year's unliquidated obligation/expenditure	210	172	86	16	296	188					(54)		242	188
Transfers to/from other funds (Statement V)	49	377	(49)	(377)										
Refund of contributions/transfer of Fund balances				(11)		(11)	(6 619)	(3 963)					(6 619)	(3 974)
Adjustment to reserved surplus for derivative asset	(4 503)	(367)			(4 503)	(367)							(4 503)	(367)
Fund balances, beginning 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
BALANCE OF FUNDS, END OF PERIOD	40 554	40 342	24 666	23 651	65 220	63 993	67 707	45 906	8 065	12 184			140 992	122 083

III-1

STATEMENT I

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

INTERNATIONAL CIVIL AVIATION ORGANIZATION
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
AS AT 31 DECEMBER 2006

(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	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
ASSETS															
Cash and term deposits	3	17 996	22 609	22 442	20 868	40 438	43 477	121 116	94 712	6 762	7 530			168 316	145 719
Accounts receivable:															
Assessed contributions receivable from Contracting States (Schedule A)	4	20 409	12 541			20 409	12 541							20 409	12 541
Inter-fund balances		1 162	1 298	2 877	3 871	4 039	5 169	9 763	6 381	34	39	(13 836)	(11 589)		
Receivables and advances	5	4 012	3 481	1 416	1 761	5 428	5 242	3 528	3 129	6 228	7 712			15 184	16 083
Recoverable from Regional Bodies : AFCAC	6	920	1 110			920	1 110							920	1 110
Other assets		71	112	2 154	1 313	2 225	1 425							2 225	1 425
Derivative asset	7	6 106	10 609			6 106	10 609							6 106	10 609
Land and Buildings, at cost		1 065	1 065			1 065	1 065							1 065	1 065
TOTAL ASSETS		51 741	52 825	28 889	27 813	80 630	80 638	134 407	104 222	13 024	15 281	(13 836)	(11 589)	214 225	188 552
LIABILITIES															
Contributions received in advance (Schedule A)		1 732	3 477			1 732	3 477							1 732	3 477
Unliquidated obligations		2 166	1 352	223	273	2 389	1 625	32 825	29 125	42	3			35 256	30 753
Accounts payable		3 265	4 677	1 278	982	4 543	5 659	24 178	21 541	65	74			28 786	27 274
Due to Regional Bodies : ECAC and LACAC	6	1 086	950			1 086	950							1 086	950
Inter-fund balances		2 938	2 027	2 684	2 866	5 622	4 893	7 543	6 337	671	359	(13 836)	(11 589)		
Credits to contracting/servicing Governments (Schedule D)										4 181	2 661			4 181	2 661
Other credit balances and provisions				38	41	38	41	2 154	1 313					2 192	1 354
TOTAL LIABILITIES		11 187	12 483	4 223	4 162	15 410	16 645	66 700	58 316	4 959	3 097	(13 836)	(11 589)	73 233	66 469
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)		9 965	6 400			9 965	6 400							9 965	6 400
Cumulative Surplus (Statement V)		17 414	16 264	24 401	21 308	41 815	37 572	67 707	45 906	7 658	11 872			117 180	95 350
Working Capital Fund		6 004	6 004			6 004	6 004							6 004	6 004
Reserved Surplus	7	6 106	10 609	265	2 343	6 371	12 952			407	312			6 778	13 264
TOTAL BALANCE OF FUNDS		40 554	40 342	24 666	23 651	65 220	63 993	67 707	45 906	8 065	12 184			140 992	122 083
TOTAL LIABILITIES AND BALANCE OF FUNDS		51 741	52 825	28 889	27 813	80 630	80 638	134 407	104 222	13 024	15 281	(13 836)	(11 589)	214 225	188 552

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 2006

(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	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES:												
Net excess (shortfall) of income over expenditure (Statement I)	4 456	4 364	978	445	5 434	4 809	28 420	25 143	(4 065)	3 119	29 789	33 071
(Increase) decrease in contributions receivable	(7 868)	259			(7 868)	259					(7 868)	259
(Increase) decrease in other accounts receivable	(341)	1 257	345	(1 020)	4	237	(399)	(568)	1 484	650	1 089	319
(Increase) decrease in other assets	41	(59)	(841)	229	(800)	170					(800)	170
(Increase) decrease in inter-fund balances receivable	136	(494)	994	(2 358)	1 130	(2 852)	(3 382)	1 051	5	62	(2 247)	(1 739)
Increase (decrease) in contributions received in advance	(1 745)	482			(1 745)	482					(1 745)	482
Increase (decrease) in unliquidated obligations	814	(702)	(50)	(417)	764	(1 119)	3 700	5 180	39	3	4 503	4 064
Increase (decrease) in accounts payable	(1 276)	1 630	296	677	(980)	2 307	2 637	(12 123)	(9)	14	1 648	(9 802)
Increase (decrease) in inter-fund balances payable	911	(3 198)	(182)	1 353	729	(1 845)	1 206	3 432	312	152	2 247	1 739
Less : Interest income	(828)	(335)	(1 013)	(639)	(1 841)	(974)	(4 587)	(3 208)	(372)	(197)	(6 800)	(4 379)
Other credit balances and provisions			(3)	13	(3)	13	841	(229)	1 520	(1 390)	2 358	(1 606)
(Increase) decrease in derivative asset	4 503	367			4 503	367					4 503	367
Other adjustments to reserves and fund balances	(4 503)	(367)			(4 503)	(367)					(4 503)	(367)
NET CASH FLOWS FROM OPERATING ACTIVITIES	(5 700)	3 204	524	(1 717)	(5 176)	1 487	28 436	18 678	(1 086)	2 413	22 174	22 578
CASH FLOWS FROM INVESTING ACTIVITIES:												
Interest income	828	335	1 013	639	1 841	974	4 587	3 208	372	197	6 800	4 379
NET CASH FLOWS FROM INVESTING ACTIVITIES	828	335	1 013	639	1 841	974	4 587	3 208	372	197	6 800	4 379
CASH FLOWS FROM FINANCING ACTIVITIES:												
Adjustment of prior periods' obligations	210	172	86	16	296	188			(54)		242	188
Transfers (to)/from other funds	49	377	(49)	(377)								
Refund of contributions				(11)		(11)	(6 619)	(3 963)			(6 619)	(3 974)
NET CASH FLOWS FROM FINANCING ACTIVITIES	259	549	37	(372)	296	177	(6 619)	(3 963)	(54)		(6 377)	(3 786)
NET INCREASE (DECREASE) IN CASH AND TERM DEPOSITS	(4 613)	4 088	1 574	(1 450)	(3 039)	2 638	26 404	17 923	(768)	2 610	22 597	23 171
CASH AND TERM DEPOSITS, BEGINNING 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
CASH AND TERM DEPOSITS, END OF PERIOD	17 996	22 609	22 442	20 868	40 438	43 477	121 116	94 712	6 762	7 530	168 316	145 719

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 2006
(expressed in thousands of United States dollars)

STATEMENT IV

Major Programme	Appropriations						Expenditures			Balance
	Original (A35-22)	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	
I - General Policy and Direction	1 114	145		143	(322)	1 080	1 017	63	1 080	
II - Air Navigation	9 227	707		(169)	(1 011)	8 754	8 458	296	8 754	
III - Air Transport	5 403	535	1 030	(254)	(745)	5 969	5 729	200	5 929	40
IV - Legal	1 119	260		(24)	(488)	867	866	1	867	
V - Regional and Other Programmes	16 355	1 937		(312)	(2 126)	15 854	15 165	689	15 854	
VI - Administrative Support	25 731	1 229		(329)	(2 088)	24 543	23 784	642	24 426	117
VII - Finance, External Relations / Public Information and Programmes Evaluation, Audit and Management Review	3 844	457		945	(1 814)	3 432	3 221	210	3 431	1
VIII - Universal Safety Oversight Audit Programme	3 027	1 130			(1 371)	2 786	2 712	65	2 777	9
TOTAL	65 820	6 400	1 030		(9 965)	63 285	60 952	2 166	63 118	167

III-4

\a Approved by Council at its 176th and 178th Session (C-176/14 and C-178/12) Fin. Reg. 5.6.
\b Approved by Council at its 176th Session (C-176/8 and C-176/14)
\c Approved by Council at its 179th (C-179/17) Fin. Reg. 5.10.
\d Approved by Council at its 179th (C-179/17) Fin. Reg. 5.6.

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 2006
(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	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
CUMULATIVE SURPLUS												
Cumulative Surplus, Beginning 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
Excess (shortfall) of Income over Expenditure	4 456	4 364	978	445	5 434	4 809	28 420	25 143	(4 065)	3 119	29 789	33 071
Transactions not recognized in Statement of Income /Expenditure												
Adjustment of prior year's expenditure	78	28	86	16	164	44			(54)		110	44
Write-offs	(48)	(74)			(48)	(74)					(48)	(74)
Cancellation of prior year's unliquidated obligations	180	218			180	218					180	218
Appropriations carried over from prior year	6 400	1 978			6 400	1 978					6 400	1 978
Appropriations carried over to following year	(9 965)	(6 400)			(9 965)	(6 400)					(9 965)	(6 400)
Refund of contributions				(11)		(11)	(6 619)	(3 963)			(6 619)	(3 974)
Transfers to/(from) other funds	49	377	(49)	(377)								
Transfers to/(from) reserved surplus:			2 000		2 000						2 000	
Reserved from/to AOSC / Joint Financing									(95)	25	(95)	25
Reserved Cash Surplus												
To and from Incentive Scheme Reserved Surplus			78	1 460	78	1 460					78	1 460
Cumulative Surplus at end of year	17 414	16 264	24 401	21 308	41 815	37 572	67 707	45 906	7 658	11 872	117 180	95 350
RESERVED SURPLUS												
Reserved in Regular Programme for Derivative Asset												
Beginning balance	10 609	10 976			10 609	10 976					10 609	10 976
Transfers to/(from) Regular Programme	(4 503)	(367)			(4 503)	(367)					(4 503)	(367)
Balance end of year	6 106	10 609			6 106	10 609					6 106	10 609
Reserved AOSC / Joint Financing Funds Surplus												
Beginning balance			2 000	2 000	2 000	2 000			312	337	2 312	2 337
Transferred to/from reserve			(2 000)		(2 000)				95	(25)	(1 905)	(25)
Balance end of year				2 000		2 000			407	312	407	2 312
Regular Programme Appropriations Carried Forward												
Beginning balance	6 400	1 978			6 400	1 978					6 400	1 978
Transferred to Regular Programme for current year	(6 400)	(1 978)			(6 400)	(1 978)					(6 400)	(1 978)
Appropriations carried forward to future year	9 965	6 400			9 965	6 400					9 965	6 400
Balance end of year	9 965	6 400			9 965	6 400					9 965	6 400
Reserved in Incentive Scheme for Long-Outstanding Arrears												
Beginning balance			343	1 803	343	1 803					343	1 803
Transferred to/from reserve (note 8)				(1 000)		(1 000)						(1 000)
Expenditures			(78)	(460)	(78)	(460)					(78)	(460)
Balance end of year			265	343	265	343					265	343
Reserved Surplus at end of year	16 071	17 009	265	2 343	16 336	19 352			407	312	16 743	19 664
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	40 554	40 342	24 666	23 651	65 220	63 993	67 707	45 906	8 065	12 184	140 992	122 083

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

Schedule A

III-6

INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
 ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
 AND CONTRIBUTIONS RECEIVED IN ADVANCE
 AS AT 31 DECEMBER 2006

(in thousands of United States dollars)

Contracting States Assembly Resolutions A35-24 and A35-22A	General Fund			Balance of	Balance of Prior	Advances due to the Working Capital Fund	Total Balances Receivable	Contributions Received in Advance
	Scales 2006	Assessments 2006	Contributions Received for 2006	Assessments Receivable for 2006	Years' Assessments Receivable			
AFGHANISTAN	0.06	36	9	27			27	
ALBANIA	0.06	36		36			36	
ALGERIA	0.07	42	42					
ANDORRA	0.06	36	36					
ANGOLA	0.06	36	16	20			20	
ANTIGUA AND BARBUDA	0.06	36		36	472	1	509	
ARGENTINA	0.72	435	435					
ARMENIA	0.06	36	36					
AUSTRALIA	1.61	973	973					979
AUSTRIA	0.71	429	429					
AZERBAIJAN	0.06	36	36					
BAHAMAS	0.06	36	36					11
BAHRAIN	0.06	36	36					
BANGLADESH	0.08	48	48					
BARBADOS	0.06	36		36			36	
BELARUS (*)	0.06	36		36	129		165	
BELGIUM	0.81	489	489					
BELIZE	0.06	36	36					
BENIN (*)	0.06	36	36		152		152	
BHUTAN	0.06	36	36					
BOLIVIA	0.06	36	35	1			1	
BOSNIA AND HERZEGOVINA	0.06	36	36					
BOTSWANA	0.06	36	36					
BRAZIL	1.37	828	828					551
BRUNEI DARUSSALAM	0.06	36		36			36	
BULGARIA	0.06	36	36					
BURKINA FASO	0.06	36	36		158		158	
BURUNDI	0.06	36	36		20		20	
CAMBODIA (*)	0.06	36		36	219		255	
CAMEROON	0.06	36	36					
CANADA	2.49	1 504	1 504					
CAPE VERDE	0.06	36	36					
CENTRAL AFRICAN REPUBLIC (*)	0.06	36	36		321		321	
CHAD	0.06	36	36		257		257	
CHILE	0.30	181	181					
CHINA	1.84	1 111	1 111					
COLOMBIA	0.23	139	139					
COMOROS (*)	0.06	36	36		463		463	
CONGO (*)	0.06	36	36		364		364	
COOK ISLANDS	0.06	36	36		104		104	
COSTA RICA	0.06	36	36					
COTE D'IVOIRE (*)	0.06	36	36		122		122	
CROATIA	0.06	36	36					
CUBA	0.06	36	36					
CYPRUS	0.06	36	36					
CZECH REPUBLIC	0.15	91	91					
DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA	0.06	36	36					
DEMOCRATIC REPUBLIC OF THE CONGO (*)	0.06	36		36	315		351	
DENMARK	0.55	332	332					
DJIBOUTI	0.06	36		36	490		526	
DOMINICAN REPUBLIC	0.06	36	36					
ECUADOR	0.06	36	36					
EGYPT	0.18	109	109					
EL SALVADOR (*)	0.06	36		36	162		198	
EQUATORIAL GUINEA	0.06	36	36					
ERITREA	0.06	36		36			36	
ESTONIA	0.06	36	36					
ETHIOPIA	0.06	36	36					
FIJI	0.06	36	36					
FINLAND	0.45	272	272					
FRANCE	5.08	3 069	3 069					
GABON	0.06	36	36		80		80	
GAMBIA	0.06	36		36	272		308	
GEORGIA	0.06	36	36		402		402	
GERMANY	7.09	4 283	4 283					

INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
AND CONTRIBUTIONS RECEIVED IN ADVANCE
AS AT 31 DECEMBER 2006

(in thousands of United States dollars)

Contracting States Assembly Resolutions A35-24 and A35-22A	General Fund			Balance of Assessments Receivable for 2006	Balance of Prior Years' Assessments Receivable	Balance of Advances due to the Working Capital Fund	Total Balances Receivable	Contributions Received in Advance
	Scales 2006	Assessments 2006	Contributions Received for 2006					
GHANA	0.06	36	36					
GREECE	0.43	260	260					
GRENADA	0.06	36	36			217	217	
GUATEMALA	0.06	36	36					
GUINEA	0.06	36	36			187	187	
GUINEA-BISSAU	0.06	36	36			585	1	586
GUYANA	0.06	36	28	8				8
HAITI	0.06	36		36	66			102
HONDURAS	0.06	36	15	21				21
HUNGARY	0.12	72	72					
ICELAND	0.06	36	36					
INDIA	0.45	272	272					
INDONESIA	0.24	145	140	5				5
IRAN (ISLAMIC REPUBLIC OF)	0.15	91		91				91
IRAQ	0.06	36		36	1 117		1 153	
IRELAND	0.36	217	217					
ISRAEL	0.52	314	69	245			245	
ITALY	3.57	2 157	2 157					
JAMAICA	0.06	36	36					1
JAPAN	14.46	8 735	8 735					
JORDAN	0.06	36	36					
KAZAKHSTAN	0.06	36	36					15
KENYA	0.06	36	36					10
KIRIBATI	0.06	36		36	4		40	
KUWAIT	0.18	109	109					
KYRGYZSTAN (*)	0.06	36		36	260		296	
LAO PEOPLE'S DEMOCRATIC REPUBLIC	0.06	36	36					
LATVIA	0.06	36	36					
LEBANON	0.06	36	36					
LESOTHO	0.06	36	36					
LIBERIA	0.06	36	36			256	256	
LIBYAN ARAB JAMAHIRIYA	0.09	54	11	43			43	
LITHUANIA	0.06	36		36			36	
LUXEMBOURG	0.35	211	211					
MADAGASCAR	0.06	36	36					
MALAWI (*)	0.06	36		36	168		204	
MALAYSIA	0.50	302	302					
MALDIVES	0.06	36	36					
MALI	0.06	36	36			126	126	
MALTA	0.06	36	36					
MARSHALL ISLANDS	0.06	36		36	34		70	
MAURITANIA (*)	0.06	36	36		243		243	
MAURITIUS	0.06	36	36					36
MEXICO	1.11	671	671					
MICRONESIA (FEDERATED STATES OF)	0.06	36		36	43		79	
MONACO	0.06	36	36					
MONGOLIA	0.06	36	36					
MOROCCO	0.08	48	5	43			43	
MOZAMBIQUE	0.06	36	36					
MYANMAR	0.06	36		36	3		39	
NAMIBIA	0.06	36		36			36	
NAURU	0.06	36		36	329		365	
NEPAL	0.06	36	36					
NETHERLANDS	1.87	1 130	1 130					
NEW ZEALAND	0.34	205	205					
NICARAGUA	0.06	36	36					
NIGER	0.06	36	36			57	57	
NIGERIA	0.06	36	36					
NORWAY	0.53	320	320					
OMAN	0.09	54	54					
PAKISTAN	0.14	85	85					
PALAU	0.06	36		36	66		102	
PANAMA	0.06	36	36					
PAPUA NEW GUINEA	0.06	36		36			36	
PARAGUAY	0.06	36	36					

Schedule A
(continued)

III-8

INTERNATIONAL CIVIL AVIATION ORGANIZATION

REGULAR PROGRAMME
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
AND CONTRIBUTIONS RECEIVED IN ADVANCE
AS AT 31 DECEMBER 2006

(in thousands of United States dollars)

Contracting States Assembly Resolutions A35-24 and A35-22A	General Fund					Balance of Advances due to the Working Capital Fund	Total Balances Receivable	Contributions Received in Advance
	Scales 2006	Assessments 2006	Contributions Received for 2006	Balance of Assessments Receivable for 2006	Balance of Prior Years' Assessments Receivable			
PERU	0.09	54	54					
PHILIPPINES	0.18	109	24	85			85	
POLAND	0.36	217	217					
PORTUGAL	0.42	254	254					
QATAR	0.13	79	79					
REPUBLIC OF KOREA	2.41	1 456	1 456					
REPUBLIC OF MOLDOVA	0.06	36	36		139		139	
ROMANIA	0.06	36	36					
RUSSIAN FEDERATION	0.61	368	368					
RWANDA	0.06	36	36		63		63	
SAINT KITTS & NEVIS	0.06	36		36	3		39	
SAINT LUCIA	0.06	36	36					
SAINT VINCENT AND THE GRENADINES	0.06	36	36					
SAMOA	0.06	36	36					
SAN MARINO	0.06	36	1	35			35	
SAO TOME AND PRINCIPE (*)	0.06	36		36	462		498	
SAUDI ARABIA	0.70	423	423					23
SENEGAL	0.06	36	36					
SERBIA AND MONTENEGRO	0.06	36	36					
SEYCHELLES (*)	0.06	36		36	156		192	
SIERRA LEONE	0.06	36	36		279		279	
SINGAPORE	1.26	761	761					
SLOVAKIA	0.06	36	36					
SLOVENIA	0.06	36	36					
SOLOMON ISLANDS	0.06	36	20	16	144		160	
SOMALIA	0.06	36		36	543	1	580	
SOUTH AFRICA	0.43	260	260					21
SPAIN	2.07	1 250	1 250					
SRI LANKA	0.07	42	40	2			2	
SUDAN	0.06	36		36	35		71	
SURINAME (*)	0.06	36		36	125		161	
SWAZILAND	0.06	36		36			36	
SWEDEN	0.76	459	459					
SWITZERLAND	1.13	683	683					
SYRIAN ARAB REPUBLIC	0.06	36		36			36	
TAJIKISTAN	0.06	36		36	126		162	
THAILAND	0.57	344	344			511	511	
the former Socialist Federal Republic of Yugoslavia (1)								
THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA	0.06	36	36					
TIMOR-LESTE (2)	0.06	36		36	9	4	49	
TOGO	0.06	36	36					
TONGA	0.06	36	36					
TRINIDAD AND TOBAGO	0.06	36	36					
TUNISIA	0.06	36	36					
TURKEY	0.40	242	242					
TURKMENISTAN	0.06	36	36					
UGANDA	0.06	36	36					
UKRAINE	0.06	36	36					
UNITED ARAB EMIRATES	0.50	302	302					
UNITED KINGDOM	5.60	3 383	3 383					
UNITED REPUBLIC OF TANZANIA	0.06	36	36					
UNITED STATES OF AMERICA	25.00	15 102	7 551	7 551			7 551	
URUGUAY	0.06	36	36		25		25	
UZBEKISTAN	0.06	36	36					
VANUATU	0.06	36		36	24		60	
VENEZUELA	0.14	85	85					85
VIET NAM	0.06	36	36					
YEMEN	0.06	36	36					
ZAMBIA	0.06	36	36					
ZIMBABWE	0.06	36		36			36	
TOTAL **	100.06	60 443	50 944	9 499	10 903	7	20 409	1 732

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 2006.

** Details may not add to totals due to rounding.

INTERNATIONAL CIVIL AVIATION ORGANIZATION

OTHER ICAO PROPRIETARY FUNDS
INCOME, EXPENDITURE, ASSETS, LIABILITIES AND FUND BALANCES
FOR THE PERIOD ENDING 31 DECEMBER 2006

(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 Schedule B.1)	Others (Refer Annex C)	TOTAL	
						2006	2005
INCOME AND EXPENDITURE							
INCOME							
Contributions	73	2 612	640		503	3 828	3 713
Earmarked Contributions		1043				1 043	1 105
Other Income							
Administrative fee revenue				7 806		7 806	6 196
Interest income	95	398	12	251	257	1 013	639
Revenue-generating and cost recovery activities	2 238					2 238	1 903
Miscellaneous		341		146		487	1 011
TOTAL INCOME	2 406	4 394	652	8 203	760	16 415	14 567
EXPENDITURE							
Salaries and common staff costs	1 090	3 004	447	7 045	742	12 328	11 206
General operating expenses	502			345		847	876
Travel	65	1 113		112	16	1 306	1 762
Equipment	25	32		27	6	90	62
Administrative overhead charges		37			10	47	4
Other (Note 15)	114	158		545	2	819	212
TOTAL EXPENDITURE	1 796	4 344	447	8 074	776	15 437	14 122
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	610	50	205	129	(16)	978	445
BALANCE OF FUNDS							
Adjustment of prior year's unliquidated obligations/ expenditure	1	134		(51)	2	86	16
Transfers to/from other funds		(530)		(2 000)	2 481	(49)	(377)
Refund of contributions							(11)
Fund balances, beginning of period	2 039	8 395	109	8 070	5 038	23 651	23 578
BALANCE OF FUNDS, END OF PERIOD	2 650	8 049	314	6 148	7 505	24 666	23 651
ASSETS, LIABILITIES AND FUND BALANCES							
ASSETS							
Cash and term deposits	2 298	8508	357	4 146	7 133	22 442	20 868
Accounts receivable							
Inter-fund balances	237	342		1 822	476	2 877	3 871
Receivables and advances	430	276	84	609	17	1 416	1 761
Other assets				2 154		2 154	1 313
TOTAL ASSETS	2 965	9 126	441	8 731	7 626	28 889	27 813
LIABILITIES							
Unliquidated obligations	44	107		62	10	223	273
Accounts payable	159	290	75	704	50	1 278	982
Inter-fund balances	112	680	52	1 779	61	2 684	2 866
Other credit balances and provisions				38		38	41
TOTAL LIABILITIES	315	1 077	127	2 583	121	4 223	4 162
BALANCE OF FUNDS							
Represented by:							
Cumulative surplus	2 650	8049	314	6 148	7 240	24 401	21 308
Reserved surplus					265	265	2 343
TOTAL BALANCE OF FUNDS	2 650	8 049	314	6 148	7 505	24 666	23 651
TOTAL LIABILITIES AND BALANCE OF FUNDS	2 965	9 126	441	8 731	7 626	28 889	27 813