



**Report of the Chartered Accountant
on the 2002 accounts**

Translation under the responsibility of the BIML

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Monsieur le Directeur
OIML
11 rue Turgot
75009 PARIS

**Report of the Chartered Accountant
on the 2003 accounts of the
International Organization of Legal Metrology**

Mr. Director,

In application of Article X of the OIML Financial Regulations, we have been appointed as chartered accountants to examine the BIML accountancy and to establish the statement of financial position for the financial year 2002.

The attached statement of financial position shows the following:

➤ Total assets	:	5 931 542 G.F.
➤ Total revenue	:	4 936 760 G.F.
➤ Total expenses	:	5 375 155 G.F.

As a conclusion of our investigations, we found no cause to question the consistency and relevance of the attached statement of financial position.

Notwithstanding the above conclusion, we draw your attention on the following points:

- The attached statement of financial position includes the following modifications compared with the draft established 11 March 2003 and explained in your note of 9 October 2003:
 - ✓ A debt of Tunisia has been included in the “Member States’ debts” account, representing the remaining contribution due for 2002 of 535 G.F.;
 - ✓ Libya has a credit of 8 294 G.F., included in the “States in advance” account;
 - ✓ The debts of several Member States who had resigned, and those for which the recover seems uncertain, have been the object of a provision amounting to a total of 591 035 G.F.;
- In accordance with Article VII of the Financial Regulations, an amount of 536 494 G.F. corresponding to exceptional staff expenses, has been charged to the Reserve Fund and therefore does not appear in the year’s expenses.

Rueil Malmaison,
31 March 2004

Frédéric LAFAY

Expert Comptable
Associé

0 – Explanatory note

The Financial Regulations of the International Organization of Legal Metrology, Article X, states that:

- ✓ “Accounts will be kept in French Francs, but ancillary accounts can be kept in other currencies, if necessary”;

- ✓ “Nevertheless, year-end and financial management accounts will be presented in Gold Francs”.

The documents at 31 December 2003 have been established in Gold Francs (G.F.), based on the following conversions:

- ✓ 1 Gold Franc = 0.27662 Euros
- ✓ 1 Gold Franc = 0.4124 Swiss Franc

1 – Statement of financial position

ASSETS		LIABILITIES	
Building rue Turgot	1 450 505	Working Capital	200 000
Depreciation	<u>-1 450 505</u>		
	0		
Parking Garage	19 959	Pension Fund	404 938
Depreciation	<u>-19 959</u>		
	0		
Furniture - Equipment	1 408 337	Provident Fund	60 013
Depreciation	<u>-1 408 337</u>		
	0		
Debts of Member States	1 310 052	Reserve Fund	4 773 647
Provision for doubtful debts	<u>-591 035</u>	<i>(including 2002 loss)</i>	- 438 395.23
	719 017	Member States in advance (*)	492 944
Liquid assets			
Caisse d'Epargne	3 954 481		
Banque de France	500 216		
Banque de Berne	16 438		
Chèques Postaux	271 335		
Crédit Lyonnais	467 811		
Cash	<u>2 244</u>		
	5 212 525		
TOTAL G.F.	5 931 542	TOTAL G.F.	5 931 542

(*) Albania, Australia, Canada, Czech Republic, Libya, Norway, UK

2 – Cash flow statement

Liquid assets on 31/12/2001			5 378 753
Caisse d'Epargne		4 473 471	
Banque de France		555 815	
Banque de Berne		15 090	
Chèques Postaux		128 027	
Crédit Lyonnais		196 705	
Cash		9 645	
Receipts			5 145 034
Contributions received		4 379 599	
Miscellaneous receipts		728 415	
Deductions for the Pension Fund		37 020	
TOTAL G.F.			10 523 787
Expenses			5 311 261
Expenses for the year		4 540 104	
Furniture and equipment		33 216	
Payments from the Pension Fund, from the Provident Fund and from the Reserve Fund		737 941	
Liquid assets on 31/12/2002			5 212 525
Caisse d'Epargne	3 954 481		
Banque de France	500 216		
Banque de Berne	16 438		
Chèques Postaux	271 335		
Crédit Lyonnais	467 811		
Cash	2 244		
TOTAL G.F.			10 523 787

3 – Revenue

For 2002, the base contributory share is 43 385.00 G.F., which corresponds, for the 58 Member States, to 97 shares.

Member States contributions 97 x 43 385 G.F.		4 208 345
Other receipts		728 500
Corresponding Members subscriptions (*)	170 533	
Subscriptions to the Bulletin	27 362	
Sales of publications	150 072	
Registration of OIML Certificates	29 721	
Interest on financial investments and on loans to personnel	135 358	
Reimbursement of loans to personnel	39 873	
Reimbursement of certain taxes by the French administration	132 181	
Reimbursement by the Translation Center	43 381	
Loss in currency exchange (**)		-85
Total receipts in Gold Francs		4 936 760

(*) The detail of Corresponding Members' subscriptions is given in *Annex I*.

(**) The Swiss franc having been accounted in 2002 at the rate of 1 CHF = 0.67078 Euros, identical to that in 2001, no gain nor loss in currency exchange result from this. The loss in currency exchange results from exchange commissions on the amounts received.

4 – Expenses

Staff costs (*)		2 552 343
Salaries	1 716 546	
Allowances	284 258	
Social security charges	472 251	
Family allowances	79 288	
Premises		185 443
Lighting	8 607	
Heating	12 992	
Cleaning	93 438	
Gardening, water	18 056	
Safety, petty maintenance and purchases	40 479	
Insurance, taxes	11 871	
Office costs		197 981
Paper and office supplies	13 679	
Photocopying	154 369	
Computers	29 933	
Bulletin		160 247
Printing, mailing, authors		
Printing costs		87 011
Documentation		66 827
Subscriptions to magazines, purchase of books	10 075	
Internet	56 752	
Correspondence		113 251
Telephone, Fax	35 901	
Postal fees	77 350	
	To carry over:	3 363 101

4 – Expenses (continued)

	Report	3 363 101
Meeting costs		681 817
Conference, Committee, Presidential Council, Development Council, Seminars, TCs/SCs meetings, etc.		
Travel		108 369
Transport and daily allowances		
Bonuses and miscellaneous		36 008
Exceptional expenses (**)		359 092
Loans to personnel	130 142	
Endowments		826 767
Pension Fund	171 242	
Provident Fund	31 275	
Depreciation Furniture and equipment	33 216	
Provisions for doubtful debts of Member States	591 035	
Total expenses G.F.		5 375 155
Total receipts G.F.		4 936 760
Result G.F. (loss if negative)		-438 395

(*) In addition to the staff expenses, the salary and other expenses of the Consultant for 2002 have been paid out of the Reserve Fund, according to the decision of the CIML.

(**) These exceptional expenses include:

- ✓ loans to personnel for a total of 130 142.43 G.F. ;
- ✓ salary costs related to the temporary hiring of computer experts amounting to 121 682.24 G.F. ;
- ✓ fees and travel costs related to the study conducted by Mr. Birch, for a total of 70 273.66 G.F.

5 – Assets

✓ Building Rue Turgot

This account amounted, at the end of 2001, to: 1 450 505

It remained unchanged and fully depreciated by: 1 450 505

This account is presented in the 2002 assets for the record.

✓ Parking Garage

This account amounted, at the end of 2001, to: 19 959

It remained unchanged and fully depreciated by: 19 959

This account is presented in the 2002 assets for the record.

✓ Furniture - Equipment

This account amounted, at the end of 2001, to: 1 375 121

It has been increased by new equipment in 2002: 33 216

This account amounts, at the end of 2002, to : 1 408 337

Depreciations amounted, at the end of 2001, to: 1 375 121

They have been increased by the 2002 depreciation: 33 216

The depreciations, at the end of 2002, amount to: 1 408 337

This account is presented in the 2002 assets for the record.

✓ Member States debts

The amount due by Member States on 31/12/2002 is: 1 310 052

The provisions for doubtful debts amount to: 591 035

5 – Assets (continued)

This account is made up as follows:

	Nature	Year	Member State debt	Provision	
Belarus		2002	43 385		
Cameroon	Remaining due	2002	1 403		
P.D.R. of Korea	Remaining due	1996	9 058		(***)
		1997	41 978		(***)
		1998	42 096		(***)
		1999	42 420		(***)
Cuba		2002	43 385		(*)
Spain		1992	70 769	70 769	
Indonesia	Remaining due	2000	42 202		(*)
		2001	42 760		(*)
		2002	43 385		(**)
Iran		2002	86 770		
Kazakhstan	Remaining due	1999	14 960		(*)
		2000	43 684		(*)
		2001	42 760		(*)
		2002	43 385		(*)
Kenya	Remaining due	2002	1 103		(*)
Morocco	Remaining due	2002	42 764		
Pakistan		2002	43 385		
Sri Lanka	Remaining due	2001	4 213		(*)
		2002	43 385		(**)
Tunisia		2002	535		
Zambia	Remaining due	1996	35 146	35 146	(***)
		1997	41 978	41 978	(***)
		1998	42 096	42 096	(***)
		1999	42 420	42 420	(***)
	Remaining due	2000	13 288	13 288	(***)
		2001	42 760	42 760	(***)
		2002	43 385	43 385	(***)
Guinea		1984/1989	130 176	130 176	(****)
Lebanon		1989/1992	129 018	129 018	(****)
Total			1 310 052	591 036	

(*) Payment received beginning of 2003.

(**) Partial payment received beginning 2003.

(***) Delays granted by the Eleventh Conference.

“In application of Article XXIX of the OIML Convention, delays are granted to the Democratic People’s Republic of Korea and to Zambia for the payment of their contributions from 1996 to 1999; consequently these two countries will not be struck off the list of OIML Member States provided that their contributions for 2000 and subsequent years are duly paid;...”.

(****) Member States that have resigned.

5 – Assets (continued)

As shown in the table in *Annex 2*,

the following amount has been received: 4 374 155

Six Member States have paid their 2003 contribution (totally or partially) in advance:

484 660

Deduction of advance payments received for 2002

479 217

Total recorded in the cash flow statement

4 379 599

✓ Liquid assets

The comparison of liquid assets at the end of 2001 and at the end of 2002, is as follows:

	2001		2002	
Caisse d'Epargne	1 237 451.57 €	4 473 471.08 G.F.	1 093 888.61 €	3 954 481.27 G.F.
Banque de France	153 749.42 €	555 814.56 G.F.	138 369.73 €	500 215.93 G.F.
Chèques Postaux	35 414.85 €	128 027.09 G.F.	75 056.67 €	271 334.94 G.F.
Crédit Lyonnais	54 412.58 €	196 705.16 G.F.	129 405.98 €	467 811.36 G.F.
Cash	2 668.01 €	9 645.04 G.F.	620.75 €	2 244.05 G.F.
Banque de Berne	6 223.10 CHF	15 089.96 G.F.	6 778.90 CHF	16 437.68 G.F.
		5 378 752.89 G.F.		5 212 525.23 G.F.

6 – Liabilities

✓ **The Working Capital remained unchanged at 200 000**

✓ The Pension Fund was, on 31/12/2001 355 966

It has been increased by:

- The endowment from the Bureau 171 242

- Staff contributions 37 202

It has been decreased by the payment of pensions in 2002 159 290

The Pension Fund on 31/12/2002 is 404 938

6 – Liabilities (continued)

✓ The Provident Fund was on 31/12/2001	37 022	
It has been increased by the BIML endowment:		
from the operating expenses	31 275	
from the Reserve Fund	33 874	
It has been decreased by the payment of a compensation allowance	42 158	
The Provident Fund on 31/12/2002 is		60 013
✓ The Reserve Fund on 31/12/2001 was	5 782 410	
It has been decreased by		
- the loss of the 2002 financial year	438 395	
- a transfer to the Provident Fund	33 874	
- exceptional salary costs	536 494	
The Reserve Fund on 31/12/2002 is		4 773 647
	<u>Total (G.F.)</u>	<u>5 438 598</u>
✓ Advance payments of Member States		
This is made up as follows:		
- Australia	88 120	
- Canada	88 120	
- Norway	44 060	
- United Kingdom	176 240	
- Czech Republic	44 060	
- Albania	44 060	
- Libya	8 284	
	<u>Total G.F.</u>	<u>492 944</u>

Annex 1 - Detail of Corresponding Members' subscription fees

Corresponding Member	Situation on 31.12.2001		New subscription 2002	2002 payments on subscriptions		Remaining due
	Year	Gold Francs		2002	2003	
Argentina			3 304	3 218		
Barhain			3 304			3 304
Bangladesh			3 304	3 254		
Barbados			3 304	3 254		
Benin	2001	2 755				2 755
Benin			3 304			3 304
Bosnia and Herzegovina	2000	2 205		2 205		
Bosnia and Herzegovina	2001	2 755		2 755		
Bosnia and Herzegovina			3 304	3 304		
Bostwana			3 304	3 232		
Burkina Faso	2001	1 653				1 652
Burkina Faso			3 304			3 304
Cambodia			3 304	3 218	3 199	
Comoros			3 304			3 304
Costa Rica	2001	2 205				2 205
Costa Rica			3 304			3 304
Estonia			3 304	3 304		
Fiji	2001	2 755				2 755
Fiji			3 304			3 304
Gabon			3 304			3 304
Ghana			3 304			3 304
Guatemala	2001	2 755		2 755		
Guatemala			3 304	549		2 755
Hong Kong, China			3 304	3 254		
Iceland			3 304	3 304	3 218	
Jordan			3 304	3 304		
Kuwait	2001	2 755		2 756		
Kuwait			3 304	3 304		
Latvia			3 304	3 304		
Libya			9 913	8 814	3 304	1 099
Lithuania			3 304	3 304		
Luxemburg			3 304	3 304		
Madagascar			3 304	3 304		
Malaysia			3 304	3 254		
Malta			3 304	3 218		
Mauritius			3 304	3 304		
Mexico			3 304	3 304		
Moldavia	2001	2 205				2 205
Moldavia			3 304			3 304
Mongolia			3 304	3 250		
Mozambique			3 304	3 304		
Nepal	1999	2 205		2 205		
Nepal	2000	2 205		1 099		1 106
Nepal	2001	2 755				2 755
Nepal			3 304			3 304

Annex 1 - Detail of Corresponding Members' subscription fees

Corresponding Member	Situation on 31.12.2001		New subscription 2002	2002 payments on subscriptions		Remaining due
	Year	Gold Francs		2002	2003	
Nicaragua			9 913	9 913	3 304	
New Zealand			3 304	3 247		
Oman			3 304	3 229		
Uzbekistan			3 304	3 203		
Panama			3 304	3 304	3 304	
Papua New Guinea	2001	2 755		2 755		
Papua New Guinea			3 304	484		2 820
Paraguay			3 304			3 304
Peru			3 304	3 304		
Seychelles			3 304	3 304		
Singapore			3 304	3 304		
Syria			3 304	3 304		
Chinese Taipei			3 304	3 195		
Thailand			3 304	3 304		
Trinidad and Tobaggo			3 304	3 254		
Turkey			3 304	3 304		
Ukraine			3 304	3 268		
Uruguay			3 304	3 218		
Vietnam			3 304	3 218		
		31 962	181 729	154 048	16 329	58 452

170 377

Note : The rounded receipts above do not always correspond to actual receipts indicated page 4, due to change fees or bank fees

Annex 2 - Detail of Member States' contributions due

	Year	Situation 31/12/2001	Contribution 2002	Payments of contributions		Member States' debts	Member States' credit
				Before 2002	2002		
South Africa	2002		86 770		86 770		
Algeria	2002		43 385		43 385		
Germany	2002		173 540		173 540		
Saudi Arabia	2002		43 385		43 385		
Australia	2002		86 770		86 770		88 120
Austria	2002		43 385		43 385		
Belarus	2002		43 385			43 385	
Belgium	2002		43 385		43 385		
Brazil	2002		86 770		86 770		
Bulgaria	2002		43 385		43 385		
Cameroon	2002		43 385		41 982	1 403	
Canada	2002		86 770		86 770		88 120
P.R. of China	2002		86 770		86 770		
Cyprus	2002		43 385		43 385		
Republic of Korea	2002		86 770		86 770		
P.D.R. of Korea	1996	16 270		7 212		9 058	
P.D.R. of Korea	1997	41 978				41 978	
P.D.R. of Korea	1998	42 096				42 096	
P.D.R. of Korea	1999	42 420				42 420	
P.D.R. of Korea	2002		43 385		43 385		
Croatia	2002		43 385		43 385		
Cuba	2001	42 760		42 760			
Cuba	2002		43 385			43 385	
Denmark	2002		43 385		43 385		
Egypt	2002		43 385		43 385		
Spain	1992	70 769				70 769	
Spain	2002		86 770		86 770		
USA	2002		347 080		347 080		
Ethiopia	2001	42 760		42 760			
Ethiopia	2002		43 385		43 385		
Finland	2002		43 385		43 385		
France	2002		173 540		173 540		
Greece	2002		43 385		43 385		
Hungary	2002		43 385		43 385		
India	2002		86 770		86 770		
Indonesia	2000	42 202				42 202	
Indonesia	2001	42 760				42 760	
Indonesia	2002		43 385			43 385	
Iran	1998	66 037		66 037			
Iran	1999	84 840		84 840			
Iran	2000	87 368		87 368			
Iran	2001	85 520		85 520			
Iran	2002		86 770			86 770	
Ireland	2002		43 385		43 385		
Israel	2002		43 385		43 385		
Italy	2002		173 540		173 540		
Japan	2002		347 080		347 080		
Kazakhstan	1999	42 420		27 460		14 960	
Kazakhstan	2000	43 684				43 684	
Kazakhstan	2001	42 760				42 760	
Kazakhstan	2002		43 385			43 385	

Annex 2 - Detail of Member States' contributions due

	Year	Situation 31/12/2001	Contribution 2002	Payments of contributions		Member States' debts	Member States' credit
				Before 2002	2002		
Kenya	2001	41 915		41 915			
Kenya	2002		43 385		42 282	1 103	
Macedonia (F.Yugoslav	2002		43 385		43 385		
Morocco	2001	42 760		42 760			
Morocco	2002		43 385		621	42 764	
Monaco	2002		43 385		43 385		
Norway	2002		43 385		43 385		44 060
Pakistan	2002		43 385			43 385	
Netherlands	2002		86 770		86 770		
Poland	2002		43 385		43 385		
Portugal	2002		43 385		43 385		
Romania	2002		43 385		43 385		
United Kingdom	2002		173 540		173 540		176 240
Russia	2002		173 540		173 540		
Slovakia	2002		43 385		43 385		
Slovenia	2002		43 385		43 385		
Sri Lanka	2000	26 767		26 767			
Sri Lanka	2001	42 760		38 547		4 213	
Sri Lanka	2002		43 385			43 385	
Sweden	2002		43 385		43 385		
Switzerland	2002		43 385		43 385		
Tanzania	2002		43 385		43 385		
Czech Republic	2002		43 385		43 385		44 060
Tunisia	2002		43 385		42 850	535	
Serbia and Montenegro	2002		43 385		43 385		
Zambia	1996	35 146				35 146	
Zambia	1997	41 978				41 978	
Zambia	1998	42 096				42 096	
Zambia	1999	42 420				42 420	
Zambia	2000	21 422		8 134		13 288	
Zambia	2001	42 760				42 760	
Zambia	2002		43 385			43 385	
Albania	2002		43 385		43 385		44 060
Guinea	1984/89	130 176				130 175	
Lebanon	1989/92	129 018				129 018	
Total		1 475 862	4 208 345	602 079	3 772 075	1 310 052	484 660

Receipts : 4 374 155