



Agenda Item 10.5:

**Appointment of an Independent Chartered Accountant
(external financial auditor)**

**Revision of OIML B 8
OIML Financial Regulations
(Marked version)**

FINAL DRAFT
BASIC PUBLICATION

57th CIML Meeting

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SUBMITTED
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APPROVAL

Revision of B 8:

OIML Financial Regulations

(Marked version)



ORGANISATION INTERNATIONALE
DE MÉTROLOGIE LÉGALE

INTERNATIONAL ORGANIZATION
OF LEGAL METROLOGY

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Foreword

The International Organization of Legal Metrology (OIML) is a worldwide, intergovernmental organization whose primary aim is to harmonize the regulations and metrological controls applied by the national metrological services, or related organizations, of its Member States. The main categories of OIML publications are:

- **International Recommendations (OIML R)**, which are model regulations that establish the metrological characteristics required of certain measuring instruments and which specify methods and equipment for checking their conformity OIML Member States shall implement these Recommendations to the greatest possible extent;
- **International Documents (OIML D)**, which are informative in nature and which are intended to harmonize and improve work in the field of legal metrology;
- **International Guides (OIML G)**, which are also informative in nature and which are intended to give guidelines for the application of certain requirements to legal metrology; and
- **International Basic Publications (OIML B)**, which define the operating rules of the various OIML structures and systems.

OIML Draft Recommendations, Documents and Guides are developed by Project Groups linked to Technical Committees or Subcommittees which comprise representatives from OIML Member States. Certain international and regional institutions also participate on a consultation basis. Cooperative agreements have been established between the OIML and certain institutions, such as ISO and the IEC, with the objective of avoiding contradictory requirements. Consequently, manufacturers and users of measuring instruments, test laboratories, etc. may simultaneously apply OIML publications and those of other institutions.

International Recommendations, Documents, Guides and Basic Publications are published in English (E) and translated into French (F) and are subject to periodic revision.

Additionally, the OIML publishes or participates in the publication of **Vocabularies (OIML V)** and periodically commissions legal metrology experts to write **Expert Reports (OIML E)**. Expert Reports are intended to provide information and advice, and are written solely from the viewpoint of their author, without the involvement of a Technical Committee or Subcommittee, nor that of the CIML. Thus, they do not necessarily represent the views of the OIML.

This publication – reference OIML B 8, edition 2012 (E) – was developed by the BIML. It was approved for final publication by the International Committee of Legal Metrology at its 547th meeting (online) in Bucharest, Romania, in October 2012 and supersedes the previous edition dated 2004. It will be submitted to the Seventeenth ~~was sanctioned by the Fourteenth~~ International Conference on Legal Metrology ~~in 2012~~ for sanction.

OIML Publications may be downloaded from the OIML web site in the form of PDF files. Additional information on OIML Publications may be obtained from the Organization's headquarters:

Bureau International de Métrologie Légale
11, rue Turgot - 75009 Paris - France
Telephone: 33 (0)1 48 78 12 82
Fax: 33 (0)1 42 82 17 27
E-mail: biml@oiml.org
Internet: www.oiml.org

OIML Financial Regulations

Article 1 Financial period

The financial period is the period between two sessions of the Conference.

The financial period shall commence on 1 January of the calendar year immediately following a session of the Conference and shall end on 31 December of the year during which the next Conference shall be held.

Article 2 Accounting unit

The accounting unit provided for in the Convention (Article XXIV) is the Gold Franc, whose exchange rate with the French Franc used to be indicated by the Banque de France.

However, Council Regulation (EC) No. 974/98 of 3 May 1998 replaced the French Franc by the Euro starting from 1 January 1999 and sets forth that “References to national monetary units contained in legal instruments in force as of the end of the transitional period must be construed as references to the Euro unit by applying the respective conversion rates”. Accordingly, the Banque de France no longer maintains the “Gold Franc” accounting unit.

On the basis of these provisions, the various financial statements and accounting documents of OIML shall be maintained in Euros.

Based on the last value of the conversion rate of the Gold Franc into French Francs, as published on 10 August 1969, the conversion rate of the Gold Franc into Euro is equal to EUR 0.276 619.

Article 3 Accounting of the Organization

The financial statements of the Organization shall be prepared in accordance with the IPSAS (International Public Sector Accounting Standards) as issued by the Public Sector Committee of the IFAC (International Federation of Accountants). In the absence of any IPSAS, the IAS (IFRS) standards shall be applied.

The annual summary documents prepared in accordance with Annex 3 shall include the following:

- balance sheet (statement of financial position);
- income statement (statement of financial performance);
- notes to the financial statements;
- cash-flow statements;
- statement of changes in net assets/equity.

Article 4 Fixed assets

4.1 The land, buildings, equipment and facilities and other tangible fixed assets owned by the OIML are recognized at their current appraised value less accumulated depreciation.

Depreciation is calculated on a straight-line basis, in order to spread the cost of each asset over the asset's useful life estimated as follows:

Land	No depreciation
Buildings: immovable property	50 years
Buildings: roof, renovation	20 years
Buildings: fittings	10 years
Fittings: improvements and facilities	5 to 10 years
Other tangible fixed assets	3 to 10 years

4.2 The cost of capitalized software and other intangible fixed assets is depreciated on a straight-line basis over a useful life not exceeding 3 years.

Article 5 Financial instruments

Within the limits set by the International Committee of Legal Metrology (the Committee) and subject to the Committee's control, the Director is authorized to invest the Organization's cash and cash equivalents in government bonds with no published rating less than AAA, Certificates of Deposit, or insured savings accounts within any of the Member States of the Organization.

Any interest, dividends and gains on financial instruments, whether realized or not, shall be recognized as revenues and expenses in the income statement.

Article 6 Specific services related to contracts – work in progress

6.1 The International Bureau of Legal Metrology (the Bureau) may execute contracts with any International or Regional Organization in order to carry out specific works and services funded by such organizations and falling within the scope of competence of the Organization and in accordance with its objectives (e.g. translation of OIML publications into a language other than English or French). The objectives and terms of such contracts shall be submitted for prior approval to the Committee.

6.2 The revenues and expenses related to services rendered over several financial years under such contracts shall give rise to accounting adjustments in order to meet the revenue recognition rules set out in Article 8.

Article 7 Trade receivables

Trade receivables are recognized on the basis of their net realization value.

Contributions due by Member States and in arrears as of the close of a budget year shall be deemed receivables of the Organization and posted as such as assets until actual collection.

If a Member State is struck off the list of Member States, contributions due by the Member State concerned shall be provisioned as doubtful receivables. Such receivables shall remain on the balance sheet for ten years.

With regard to all other receivables, an impairment provision is recognized on the basis of a review of amounts due at year end. Doubtful receivables are cancelled during the year in which they are determined to be finally unrecoverable.

Advances and down payments related to expenses of the following financial year (e.g. down payments made for the organization of meetings, down payments related to works, etc.) may be posted as amounts due by suppliers.

Advances received from clients in connection with contracts referred to under Article 6 are posted as “amounts due to clients” on the liabilities side of the balance sheet.

Article 8 Revenue recognition

Revenues are recognized according to the accrual method.

Contributions due by Member States and fees due by Corresponding Members are recognized on their due date, i.e. the commencement date of the financial year.

Financial revenues are recognized during the financial year during which they accrue.

Other revenues, including expense repaid by third parties, are recognized when accruing to the OIML, either under the terms of executed contracts or, in the absence of any contract, upon collection.

Contributions due by Member States and fees due by Corresponding Members representing the partial or total payment of amounts due for following years are posted as amounts due by the Organization to such Members.

Article 9 Reserves

Annual net income (net result), whether positive or negative, is systematically posted to retained earnings during the entire financial period defined in Article 1. At the end of each financial period, the Conference decides whether the relevant amounts are to be posted to the reserves.

Article 10 Provisions

Provisions are recognized when the OIML is legally or implicitly bound by any obligation resulting from past events, and where it is likely that performance of such an obligation shall entail the use of resources without any likely consideration and it is possible to make a reliable estimate of the amount of the relevant obligation.

Article 11 Employee benefits

The OIML manages a pension scheme with defined benefits subject to the terms set out in OIML B 7 *Staff Regulations*, either current or superseded.

An independent actuary shall periodically review the valuation of such commitments.

Article 12 Borrowing

The OIML is not authorized to borrow.

Article 13 Extraordinary revenues and expenses

13.1 The Bureau's Director shall account for the amount of losses or gains arising in connection with any funds, asset disposals, inventories or other assets, provided that a statement listing all such amounts shall be submitted to the Committee, taking into account in particular all differences between theoretical contributions due by Member States and actual payments, insofar as such differences are sufficiently small.

13.2 Voluntary contributions – bequests and donations

13.2.1 The Bureau's Director may accept voluntary contributions as well as bequests and donations, whether or not in cash, provided that the same are offered for purposes compatible with the Organization's policies, goals and operations.

13.2.2 The acceptance of any contributions entailing, whether directly or indirectly, any additional financial commitment for the Organization is subject to prior approval by the Committee.

13.2.3 Contributions in movable or immovable property are valued in monetary units and posted on the Organization's balance sheet and depreciated according to 4.1.

Article 14 Operational charts

14.1 The Organization's cash position is monitored through operational charts, making it possible to adapt the cash position to anticipated expenditures at any time.

14.2 In order to allow for the monitoring of income and expenses of the Organization, a cost accounting system shall be in place.

14.3 The monitoring of the budget requires the preparation of operational charts which can identify in a timely manner any threat of a material difference between the performance of the budget and the forecasts referred to in Article 15.

Article 15 Forecasts for the financial period

15.1 Forecasts concerning the revenues and expenses of the Organization during the next financial period shall be prepared by the Bureau's Director in order to be submitted for review purposes to the Committee. After review and, where applicable, amendment of the forecasts, the Committee decides on a proposal for the total amount of credits to be voted on by the Conference. The proposal to the Conference shall be accompanied by the forecasts mentioned above, in sufficient detail to justify the requested total amount of credits.

15.2 Revenue forecasts shall be prepared in compliance with all appropriate budget conservatism principles. Specific attention shall be paid to ensuring that an increase in the base contributory share of Member States and fees due by Corresponding Members is as small as possible.

The price of the OIML's services and products (Bulletin, publications, OIML Certificates, etc.) shall be detailed and submitted to a vote of the Committee.

15.3 Expense forecasts are prepared by taking into account normal operating expenses, as well as detailed and justified forecasted extraordinary expenses.

15.4 Forecasts must ensure a satisfactory and lasting financial balance for the Organization. In particular, no deficits may be forecasted unless for a limited period defined in such forecasts and in order to respond to identified and justified requirements.

15.5 Such forecasts shall be prepared according to the same format as the retrospective income statement attached as Annex 3 in order to allow for a ready comparison between actual amounts and forecasts.

15.6 The proposal for the total amount of credits and the forecasts shall be transmitted to the Member States through diplomatic channels and to the Members of the Committee, no less than three months before the presumed date of the Conference. (Art. XXIV, first para. of the Convention).

Article 16 Annual budgets

On the basis of the total amount of credits voted by the Conference, the Committee shall each year set a budget which consists of the total amount of expenses, taking into account all expected sources of income. The net result of a budget year is available for use throughout the entire financial period, subject to the Committee's approval.

Article 17 Transitional budgets

17.1 Current result

The current result is the balance of operating revenues and expenses and financial revenues and expenses.

On the expiry of the financial period, if the Conference shall not have met, or if it shall not have been able to hold a valid debate, the financial period shall be extended until the next valid session. The original credits shall be increased in proportion to the duration of this extension.

On the expiry of the budget year, should the Committee not have met or not have been able to hold a valid debate, the President and the Director of the Bureau shall decide upon renewal until the next valid session of all or part of the budget for the financial year just ended.

Article 18 Budget performance

18.1 The Bureau's Director shall send to the Committee's President, prior to 1 February each year, the operational forecasts for the current year, along with all data supporting any differences with the decisions of the Committee referred to in Article 16, or where applicable, the provisions of Article 17.

18.2 Extraordinary expenses in excess of €15 000, and not provided for in the decisions referred to in Article 16 must be approved by the Committee's President.

18.3 The Committee's President may ask the Bureau's Director to take any and all necessary steps in the event of any excess deficit and to submit any forecasts revised accordingly.

Article 19 Member States' contributions

19.1 At the beginning of each year, the Bureau's Director shall inform Member States of the amount of their contributions scheduled for the following year in order to allow for the preparation of the Member States' budgets.

19.2 At the end of each year, the Bureau's Director shall inform each Member State, through diplomatic channels and through the Members of the Committee, of the amount of its final contribution for the next year expressed in Euros.

19.3 Member States' Governments shall pay their contributions by transfer to the Organization's account.

19.4 Payments shall be made in one single instalment at the beginning of the year. However, payments by instalments may be granted by the Committee on an exceptional basis.

19.5 If, at the end of the year, a Member State has not paid all or part of its contribution, the Bureau's Director shall inform the Member State of its delays through diplomatic channels and shall also inform the relevant Member of the Committee.

19.6 The Bureau's Director shall acknowledge receipt of the corresponding payments, recognize them in the accounts and report on them to the Committee and the Conference during each of their corresponding sessions.

Article 20 Director's powers and responsibilities

20.1 The Bureau's Director incurs and pays the Organization's expenses in accordance with these Regulations. The Bureau's Director is authorized to make any and all banking transactions on behalf of the Organization. The Bureau's Director is subject to French law with regard to any negligence or financial offence committed as part of the discharge of his duties.

20.2 The Bureau's Director may delegate the right to sign documents with respect to any expenditure commitment, payment or receipt of funds, such delegation being made to designated officials of the Bureau in accordance with terms defined by the Director. The Director is responsible for any and all operations made in accordance with such delegation.

20.3 The Bureau's Director designates the bank(s) to which the Members States' annual contributions are to be paid and with which the Organization's funds shall be deposited.

20.4 The Bureau's Director shall:

- a) prepare the detailed management rules and methods, including the detailed chart of accounts in accordance with the provisions of Article 3,
- b) prepare an internal financial control system allowing for the supervision and review of all financial transactions, in order to ensure the following:
 - regularity of the transactions concerning the collection, deposit and use of the Organization's funds and financial resources;
 - conformity with all commitments and expenditures with the financial provisions voted by the Conference or approved by the Committee;
 - rational use of the Organization's resources.

20.5 All of the accounting and management organizations and procedures shall be described in writing in a procedure manual.

Article 21 External control

21.1 The financial statements of the Organization prepared by the Director shall be audited by an independent chartered accountant selected from the list prepared by the Regional Professional Association of Chartered Accountants for the headquarters of the OIML.

21.2 Following such a review conducted in accordance with international audit standards, the independent chartered accountant shall prepare a written report stating his/her opinion and indicating whether he/she considers that the submitted financial statements provide a true picture of the financial situation, result of operations and cash flows of the OIML in accordance with the accounting principles applicable to the public sector and with these Regulations. The chartered accountant's report shall be sent to the CIML President with a copy to the Bureau's Director.

21.3 The Bureau's Director must facilitate all investigations which the chartered accountant deems necessary by providing access to all accounting and financial information and by providing all requested information.

21.4 The independent chartered accountant shall be appointed by the Committee, upon a recommendation made by the Bureau's Director, for a renewable term of up to and including four years. This appointment may be limited and/or conditional in duration subject to satisfactory performance.

21.5 The chartered accountant's fees, travel expenses and other expenses incurred in connection with the above engagement shall be borne by the Organization.

Article 22 Supervision by the President of the CIML

The CIML President shall be granted access to any accounting or financial document maintained by the Bureau. The President may at any time seek from the Bureau's Director any justification deemed necessary as to his management.

The CIML President may represent the Committee in connection with any complaint or legal proceedings against the Director under these Financial Regulations. In doing so he may provide the appropriate French authorities with any information held by the Bureau which is necessary for fact-finding purposes.

Article 23 Supervision by the Committee

23.1 With a view to the Committee's meeting, the Bureau's Director shall forward the following to the Members of the Committee:

- a) the report prepared by the chartered account for the last financial year, in accordance with Article 20;
- b) the budget forecasts for the current year, as accepted by the President in accordance with Article 18;
- c) the forecasts for the following year.

23.2 The Committee or, in case of emergency its President, may take steps with the Bureau's Director in order to amend the forecasts for the commencing year.

23.3 The Director shall provide supporting explanations, in particular:

- as regards the report, explanation of any differences between actual expenditures and forecasts prepared earlier;
- as regards forecasts: explanation of any differences compared with the budget forecasts submitted to the Committee for the current budget period.

23.4 Upon the expiry of the financial period, the Committee shall submit the balance sheet of its management of the budget to the Conference.

23.5 If the amount of the allotted credits is insufficient to fund the activities of the Organization or events not foreseen at the time of the vote on the credits, the Committee, acting through its President and upon recommendation of the Bureau's Director, may call on some or all Member States' Governments to pay advances or to increase the credits approved by the Conference.

An extraordinary session of the Conference may be convened if necessary.

23.6 At each of its sessions, the Committee shall review the reports submitted for the years since its preceding session. The Committee shall approve such reports where applicable and request its President to submit them to the Conference.

23.7 In view of the meeting of the Committee held during the year preceding the Conference, the Director shall send to Members of the Committee the data proposed for the preparation of the budget forecasts to be submitted to the Conference for the next financial period.

The Committee reviews this data and where applicable asks the Bureau's Director to amend it for the preparation of these budget forecasts.

Article 24 Supervision by the Conference

24.1 The Conference shall review the following:

- the accounting reports prepared by the Committee;
- budget forecasts for the following financial period.

24.2 Where applicable, the Conference:

- grants a discharge to the President of the Committee and to the Bureau's Director for their financial management,
- if necessary, takes into account any advances and credit increases granted at the request of the Committee's President, when determining the Member States' contribution for the next financial period.

Article 25 Final provisions

25.1 These financial regulations shall apply from the financial period following their adoption by the Conference.

25.2 In the event of any doubt as to the interpretation or application of these provisions, the Bureau's Director is authorized to make all necessary decisions, subject to approval by the President.

25.3 If circumstances so demand, the Committee may make any amendments to these Financial Regulations that it sees fit. These shall then be adopted (note: see 25.1) by the Conference.

Annex 1

Extracts of the Convention establishing an International Organization of Legal Metrology

CHAPTER III - FINANCIAL PROVISIONS

Article XXIV

For a financial period equal to the interval between its sessions, the Conference shall decide:

- *the overall amount of credits necessary to cover the Organization's operating expenses;*
- *the annual amount to be placed in reserve to meet essential emergency expenses, and to ensure the execution of the budget in the event of income proving insufficient.*

The credits shall be calculated in gold francs. The parity of the gold franc and the French franc shall be that quoted by the Banque de France.

During the financial period the Committee may call on Member States, if it considers that an increase in credits be necessary in order to meet the obligations of the Organization, or because of a change in economic conditions.

On the expiry of the financial period, if the Conference shall not have met, or if it shall not have been able to hold a valid debate, the financial period shall be extended until the next valid session. The original credits shall be increased in proportion to the duration of this extension.

During the financial period, within the credit limits granted, the Committee shall determine the amount of its operating expenses pertaining to budget periods equal in duration to the interval between its sessions. It shall also supervise the investment of available funds.

On the expiry of the budget year, should the Committee not have met or not have been able to hold a valid debate, the President and the Director of the Bureau shall decide upon renewal until the next valid session of all or part of the budget for the financial year just ended.

Article XXV

The Director of the Bureau shall be authorized to undertake and make payments on his own authority in respect of the Organization's operating expenditure.

But he may not:

- *pay extraordinary expenses, or*
- *draw money from the reserve established for the purpose of assuring the execution of the budget in the event of insufficient receipts,*

without first obtaining the consent of the President of the Committee.

Budget surpluses shall remain available for use throughout the entire financial period.

The Director's management of the budget must be submitted to the Committee which will examine it at each of its sessions.

Upon the expiry of the financial period, the Committee shall submit the balance sheet of its management to the Conference.

The Conference shall decide what is to be done with any surplus. The amount of this surplus may either permit a corresponding reduction in the dues of the Member States, or else shall be added to the reserve funds.

Article XXVI

The Organization's expenses shall be covered:

1 by annual contributions of the Member States.

The total of contributions for a given financial period shall be determined according to the amount of credits granted by the Conference, taking into account an evaluation of receipts accruing under paragraphs 2 to 5 below.

To determine the respective shares of the Member States, the latter are divided into four categories, according to the total population of the home country and territories represented.

Class 1: population of 10 million inhabitants or less;

Class 2: population between 10 million exclusive and 40 million inclusive;

Class 3: population between 40 million exclusive and 100 million inclusive;

Class 4: population of over 100 million.

The population figures are rounded off to the lower million.

When the use of measuring instruments in any State is clearly below the average the State may apply to be put in a lower class than that assigned to it by its population.

Depending on the class, contributions are proportional to 1, 2, 4 and 8.

The share of a Member State shall be equally distributed over all the years of a financial period in order to determine its annual contribution.

With a view to establishing a margin of safety from the very beginning in order to compensate for any fluctuations in receipts, the Member States agree to make advances on their future annual dues. The exact amount and duration of these advances shall be determined by the Conference.

If, upon the expiry of the financial period, the Conference has not met or has been unable to hold a valid debate, the annual contributions shall be renewed at the same rates until a valid session can be held.

2 by proceeds from the sale of publications and proceeds from the provision of services to Corresponding Members;

3 by income from the investment of funds;

4 by contributions for the current financial period and new Member States' admission fees – by retroactive contributions and entrance fees of Member States readmitted - by arrears of contributions of Member States, resuming payment after having interrupted them;

5 by subsidies, subscriptions, donations or legacies and miscellaneous receipts.

To finance special work, extraordinary subsidies may be allotted by certain Member States. They shall not be included in the general budget but shall be placed in special accounts.

Annual contributions shall be calculated in gold francs. They shall be paid in French francs or in any convertible currency. Parity between the gold franc and the French franc shall be that quoted by the Banque de France, the applicable rate being that of the day of deposit.

Contributions shall be paid at the beginning of the year to the Director of the Bureau.

Article XXVII

The Committee shall prepare a financial code based on the general provisions of Articles XXIV to XXVI above.

Article XXVIII

A State which shall become a Member of the Organization during one of the periods indicated under Article XXXVI shall be bound until the expiry of this period and shall be subject, from the time of its accession, to the same obligations as existing Members.

A new Member State shall become joint owner of the property of the Organization and in view of this fact shall pay an entry fee determined by the Conference.

Its annual subscription shall be calculated as if it had joined on the 1st of January of the year following that of the deposit of its instruments of accession or ratification. Its payment for the current year will be as many twelfths of its subscriptions as there are months remaining to the year. This payment shall not modify the subscriptions laid down for the current year for other Members.

Article XXIX

All Member States which shall not have paid their subscriptions for three consecutive years shall be officially regarded as having resigned and shall be struck off the list of Member States.

However, the situation of certain Member States who may find themselves in a period of financial difficulty and may not for the moment be able to meet their obligations shall be examined by the Conference which may in certain cases grant them delays or remissions.

Insufficiency of receipts resulting from the elimination of a Member State shall be compensated for by drawing from the reserve funds, constituted as explained in Article XXIV.

Member States voluntarily resigning and Member States officially regarded as having resigned shall lose all rights of joint ownership of the property of the Organization.

Article XXX

A Member State which has voluntarily resigned may be readmitted at its own request. It shall then be considered as a new Member State but the entry fee shall only be payable if its resignation had taken place more than five years previously.

A Member State officially regarded as having resigned may be readmitted at its own request, on condition that it settle its unpaid subscriptions due at the time it was struck off. Such retrospective contributions shall be calculated on the basis of the subscriptions for the years prior to its readmission. It shall thereafter be considered a new Member State but the entry fee shall be calculated taking its previous subscriptions into account, in proportions to be fixed by the Conference.

Article XXXI

In the event of the dissolution of the Organization, the assets shall be distributed between all the Member States proportionally to the total of their previous dues subject to any agreement which may be made between those Member States which shall have paid their dues up to the date of dissolution and to the rights contracted or acquired by personnel in active service or retired.

Annex 2

**Council Regulation (EC) No 974/98
of 3 May 1998
on the introduction of the euro**

(Official Journal of the European Communities, 11 May 1998).

Extracts

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 109l(4), third sentence thereof,

Having regard to the proposal from the Commission (1),

Having regard to the opinion of the European Monetary Institute (2),

Having regard to the opinion of the European Parliament (3),

Whereas ...

.....

Article 2

As from 1 January 1999 the currency of the participating Member States shall be the euro. The currency unit shall be one euro. One euro shall be divided into one hundred cent.

Article 3

The euro shall be substituted for the currency of each participating Member State at the conversion rate.

Article 4

The euro shall be the unit of account of the European Central Bank (ECB) and of the central banks of the participating Member States.

.....

Article 13

Articles 1 4, 15 and 16 shall apply as from the end of the transitional period.

Article 14

Where in legal instruments existing at the end of the transitional period reference is made to the national currency units, these references shall be read as references to the euro unit according to the respective conversion rates. The rounding rules laid down in Regulation (EC) No 1103/97 shall apply.

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Annex 3

Presentation of financial statements

1. Balance sheet
2. Income statement
3. Notes to the financial statements
4. Statement of changes in net assets/equity
5. Cash Flow statement

1. Balance sheet

	Note	31 December N	31 December N-1
ASSETS			
<i>Current assets</i>			
Cash	2		
Investments	2		
Member States receivable	3		
Other receivables	4		
Prepayments	5		
Total current assets		0	0
<i>Non current assets</i>			
Long term investments	6		
Long term receivable	7		
Land and buildings	8		
Other buildings	8		
Computer equipment	8		
Furniture	8		
Total non current assets		0	0
TOTAL ASSETS		0	0
LIABILITIES			
<i>Current liabilities</i>			
Member States payables	3		
Other payables	9		
Total current liabilities		0	0
<i>Non current liabilities</i>			
Employee benefits	10		
Other provision	11		
Total non current liabilities		0	0
TOTAL LIABILITIES		0	0
NET ASSETS		0	0
Reserves			
Accumulated surpluses/deficits			
Income / loss			
TOTAL NET ASSETS		0	0

2. Income statement

	Note	31 December N	31 December N-1
OPERATIONS			
Operating Income			
Member States contribution	3		
Subscription	12		
Other operating revenue	13		
Other income	13		
Total operating income		0	0
Operating expenses			
Staff expenses	14		
Building expenses	15		
Office expenses	16		
Bulletin expenses	17		
Printing expenses	18		
Documentation	19		
Correspondence expenses	20		
Meeting expenses	21		
Traveling expenses	22		
Various gratification	23		
Depreciation expense	8		
Estimated expense	24		
Total operating expenses		0	0
OPERATING RESULT		0	0
FINANCIAL OPERATIONS			
Financial income			
Financial expense			
FINANCIAL RESULT		0	0
EXTRAODINARY ITEM			
Extraordinary income	25		
Provision recovered	24		
Total extraordinary income		0	0
Depreciation expense	24		
Other extraordinary expense	26		
Total extraordinary expenses		0	0
EXTRAORDINARY RESULT		0	0
NET SURPLUS / DEFICIT		0	0

3. Notes to the financial statements

- Note 1: Accounting principles
- Note 2: Cash and investments detail
- Note 3: Member States balance analyse
- Note 4: Other receivables detail
- Note 5: Prepayments detail
- Note 6: Long term investments detail
- Note 7: Long term receivable detail
- Note 8: Fixed asset and accumulated depreciation state
- Note 9: Other payable detail
- Note 10: Employee benefits detail
- Note 11: Other provision analyse
- Note 12: Subscription detail
- Note 13: Other operating revenue and income detail
- Note 14: Staff expenses detail
- Note 15: Building expenses detail
- Note 16: Office expenses detail
- Note 17: Bulletin expenses detail
- Note 18: Printing expenses detail
- Note 19: Documentation detail
- Note 20: Correspondence expenses detail
- Note 21: Meeting expenses detail
- Note 22: Traveling expenses detail
- Note 23: Various gratification detail
- Note 24: Depreciation and recovering detail
- Note 25: Extraordinary income detail
- Note 26: Extraordinary expense detail

4. Statement of changes in net assets/equity

	Reserves	Accumulated surpluses/deficit	Income/loss	TOTAL
Net assets/equity at 31 December N-1 0				
Net income/loss for the period at 31 December N-1				0
Net income/loss for the period at 31 December N				0
Provision appropriate from reserve (1)				0
Total movement for the period	0	0	0	0
Net assets/equity at 31 December N	0	0	0	0

(1) To detail

5. Cash-flow statement

Cash at 31 December N-1

Cash inflow

Contribution

Subscription

Other revenue

Fixed assets disposal

Refunding staff loan

Total cash inflow

0

Cash outflow

Expenses for the period

Fixed assets acquisition

Payment staff loan

Total cash outflow

0

Cash variation

0

Cash at 31 December N

0
