



ExMC/361/Inf
March 2007

**INTERNATIONAL ELECTROTECHNICAL COMMISSION SCHEME
FOR CERTIFICATION TO STANDARDS RELATING TO EQUIPMENT FOR
USE IN EXPLOSIVE ATMOSPHERES (IECEx SCHEME)**

Title: Report of the Auditors - Accounts for the year ended December 31, 2006

To: Members of the Management Committee ExMC

INTRODUCTION

This document is a copy of the Auditor's Report of the IECEx 2006 Audited Accounts and issued for your information in accordance with IECEx 01 - *IEC Scheme for certification to Standards relating to Equipment for use in Explosive Atmospheres (IECEx Scheme) - Basic Rules.*

Chris Agius
IECEx Secretariat

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To the Conformity Assessment Board of

International Electrotechnical Commission

Geneva

Report of the auditors on the financial statements for the year 2006

of

IEC Scheme for Certification to Standards relating to Equipment for use in Explosive Atmospheres (IECEx Scheme)

1st March 2007
11089/21504198/4-4-1

Report of the auditors
to the Conformity Assessment Board of

International Electrotechnical Commission, Geneva

As auditors, we have audited the accounting records and the financial statements (balance sheet, profit and loss account and notes) of the IEC Scheme for Certification to Standards relating to Equipment for use in Explosive Atmospheres (IECEx Scheme) for the year ended 31 December 2006. The prior year financial statements were audited by other auditors.

These financial statements are the responsibility of the Secretary. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

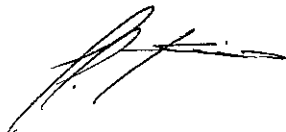
Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements comply with Swiss law, the statutes and rules of procedure of the International Electrotechnical Commission and the basic rules of the IEC Scheme for Certification to Standards relating to Equipment for use in Explosive Atmospheres (IECEx Scheme).

We recommend that the financial statements submitted to you be approved.

Geneva, 1st March 2007

BDO Visura



Jean-Frédéric Braillard
Swiss Certified Accountant



Nadia Quévit
Swiss Certified Accountant
(Auditor in Charge)

Enclosures

- Financial statements (balance sheet, profit and loss account and notes)

BALANCE SHEET AS AT 31 DECEMBER 2006
(with comparative figures for 2005)

ASSETS		2006		2005		LIABILITIES AND GENERAL FUNDS		2006		2005	
		CHF		CHF				CHF		CHF	
Cash and cash equivalents		45'272		6'146		Liabilities		20'500		7'750	
Bank, current account						Dues received in advance		3'656		15'016	
						IEC current account		9'750		5'750	
Other current assets						Accrued liabilities		33'906		28'516	
Accounts receivable											
- Publications		107		862							
- Certificates and surcharges		87'475		49'875							
Other receivables						IECEx General Funds					
- Withholding tax		222		68		Capital at the beginning of the year		81'723		45'746	
Prepaid expenses (IECEx secretariat)		55'950		53'287		Surplus for the year		73'397		35'977	
		143'754		104'092		Capital at the end of the year		155'120		81'723	
Total		189'026		110'238		Total		189'026		110'238	

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2006
(with comparative figures for 2005)

	Budget 2006 (unaudited)	Actual 2006	Actual 2005
	CHF	CHF	CHF
INCOME			
Dues	177'000	177'000	167'656
Surcharges	0	6'100	33'300
Publications	1'000	6'705	5'930
Subscription Ex Bullet	2'000	0	0
Application fees	15'000	12'000	10'000
Certificates fees	100'000	143'875	48'250
Other income	10'000	3'400	17'000
Interest income	1'000	437	111
Total	<u>306'000</u>	<u>349'517</u>	<u>282'247</u>
EXPENSES (Central office secretariat)			
Personnel expenses	3'000	0	0
Miscellaneous, legal and audit	2'500	2'438	2'402
Travel and meetings expenses	0	0	1'174
Total	<u>5'500</u>	<u>2'438</u>	<u>3'576</u>
EXPENSES (Australia secretariat)			
Personnel expenses	165'000	170'760	166'950
Office equipment	4'000	223	1'449
Serviced office facilities	13'000	10'500	8'250
Miscellaneous, legal and audit	1'500	3'299	511
Website	5'000	4'227	6'116
Advertising expenses	12'000	11'356	2'880
Special projects	30'000	28'437	10'185
Travel and meetings expenses	35'000	44'880	46'353
Allocation to IECEx reserves	35'000	0	0
Total	<u>300'500</u>	<u>273'682</u>	<u>242'694</u>
Budget result	<u>0</u>		
Surplus for the year		<u>73'397</u>	<u>35'977</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2006

1 Structure and objectives

1.1 *International Electrotechnical Commission ("IEC")*

The International Electrotechnical Commission ("IEC") is an organization constituted as a non profit-making corporate association with legal entity in accordance with Articles 60 et seq. of the Swiss Civil Code. The seat of the IEC is in Geneva, Switzerland.

The IEC object is to promote international cooperation on all questions of standardization and related matters, such as the verification of conformity to standards in the fields of electricity, electronics and related technologies, and thus to promote international understanding. This object, inter alia, is achieved by issuing publications, including International Standards.

1.2 *IEC Scheme for Certification to Standards relating to Equipment for use in Explosive Atmospheres (IECEx Scheme)*

Taking into account the object of the IEC, the particular object of the IECEx Scheme, operated under the authority of the IEC in conformity with the Statutes, is to provide a global frame work for independent assessment and certification of equipment and services associated with explosive atmospheres.

These financial statements relate to the IECEx Scheme, which is part of the IEC.