

11 March 1946

**UNITED NATIONS**

**NATIONS UNIES**

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PROVISIONAL FINANCIAL RULES

Copy of Financial Regulations to be attached to Bulletin No. 4

## THE FINANCIAL YEAR

### Regulation 1

The Financial Year shall be the calendar year, 1 January to 31 December.

## THE PROVISIONAL BUDGET

### Regulation 2

The Secretary-General shall submit to the First Part of the First Session of the General Assembly a provisional budget for the Financial Year 1946. The provisional budget as adopted by the General Assembly shall remain in force pending its substitution by the adoption of the first annual budget of the Organization by the General Assembly during the Second Part of the First Session.

### Regulation 3

Estimates of expenditure to be incurred under the provisional budget shall be divided into two separate parts: The Secretariat and the organs served by it; the International Court of Justice. The first part shall be divided into general broad headings of expenditure, such as Salaries, Wages, Travelling Expenses, Incidental Expenses, Rent of Buildings, Office Equipment, Library and Contingencies, and shall be presented in a form to be determined by the Secretary-General after consultation with the Advisory Group of Experts.

### Regulation 4

The provisional budget shall cover expenditures for the calendar year 1946, the costs of the Preparatory Commission and the costs incidental to the convening of the First Meeting of the General Assembly incurred prior to 31 December 1945.

## WORKING CAPITAL FUND

### Regulation 5

Expenditure under the provisional budget shall be financed by a Working Capital Fund, to consist of advances made by Members in accordance with a scale of allocation determined by the General Assembly.

### Regulation 6

After the General Assembly has adopted the provisional budget, and established the total of the Working Capital Fund, the Secretary-General shall

- (a) inform Members of their maximum commitments in respect of the Working Capital Fund;
- (b) request them to remit their advances in amounts and at times as may be determined;
- (c) call upon Members thereafter, from time to time, as funds are required, to remit outstanding instalments of the advances agreed upon.

### Regulation 7

All advances to the Working Capital Fund shall be calculated and paid in the currency of the state in which the United Nations is situated.

## FIRST ANNUAL BUDGET

### Regulation 8

The Secretary-General shall submit the first annual Budget of the United Nations to the General Assembly during the Second Part of the First Session. He shall arrange for this budget to be examined beforehand by the Advisory Group of Experts.

### Regulation 9

Estimates of expenditure to be incurred under the first annual budget should be divided into separate parts and under broad headings of general expenditure as indicated in Article 3. The

exact form of estimates shall be determined by the Secretary-General after consultation with the Advisory Group of Experts.

#### Regulation 10

The budget shall be accompanied by:

- (a) a summary of the estimated expenditure under the separate parts divided into the appropriate general headings;
- (b) a statement of total income; and
- (c) a statement showing the amount to be contributed by each member in accordance with the approved scale of contributions.

#### Regulation 11

After the General Assembly has adopted the budget and the total amount voted has been apportioned among Members on the scale agreed upon, the Secretary-General shall transmit all relevant documents to Members and request them to remit their contributions as soon as possible.

#### CURRENCY OF THE CONTRIBUTION

##### Regulation 12

The contributions of Members shall be assessed and paid in the currency of the state in which the United Nations has its headquarters.

#### APPROPRIATION OF FUNDS

##### Regulation 13

The adoption of the Budget by the General Assembly shall constitute an authorization to the Secretary-General to incur expenditures for the purposes for which credits have been voted up to the amounts so voted. The Secretary-General shall allot by written authorization the appropriations voted by the General Assembly to the various headings of expenditure prior to the incurring of obligations, commitments or expenditures therefor. He shall

keep a record of such allotments and all liabilities incurred showing at all times the amount available under each heading.

#### INTERNAL CONTROL

##### Regulation 14

The Secretary-General shall:

- (a) establish detailed financial rules and budgetary procedure in order to ensure effective financial administration and the exercise of economy;
- (b) cause an accurate record to be kept of all capital acquisitions and all supplies purchased and used;
- (c) render to the auditors with the accounts a statement as at 31 December, 1946, showing the supplies in hand and the assets and liabilities of the Organization;
- (d) cause all payments to be made on the basis of supporting vouchers and other documents which insure that the services or commodities have been received and that payment has not previously been made;
- (e) designate the officials who may incur liabilities and make payments on behalf of the Organization;
- (f) maintain an internal financial control which shall provide for an effective current examination or review of financial transactions in order to check:
  - (i) the regularity of the receipt, disposal and custody of all funds and other financial resources of the Organization;
  - (ii) the conformity of all expenditure with the estimates voted by the General Assembly; and
  - (iii) any uneconomic use of the resources of the Organization.

#### Regulation 15

Where in the discretion of the Secretary-General it seems desirable, tenders for supplies shall be invited by advertisement.

#### THE ACCOUNTS

#### Regulation 16

The accounts of the Organization shall be kept in the currency of the state in which the United Nations has its headquarters.

#### Regulation 17

There shall be established one cash control record to which shall be credited all cash receipts accruing to the benefit of the Organization. The cash control record shall be divided into such subsidiary receipts classifications as may be deemed necessary.

#### Regulation 18

Cash shall be deposited into one or more bank accounts as required; branch accounts, or special funds which involve a separation of cash assets, shall be established as charges to the cash control record under appropriate regulations as to objects, purposes and limitations of such accounts and funds.

#### Regulation 19

The accounts shall consist of:

- (a) Budget Accounts showing within the appropriations:
  - (i) the original allotments;
  - (ii) the allotments after modification by any transfers,
  - (iii) the actual obligations or expenditures incurred; and
  - (iv) the unobligated balance of allotments:
- (b) Cash accounts showing all cash receipts and actual disbursements made;

- (c) a working capital fund account;
- (d) property records showing:
  - (i) capital acquisitions;
  - (ii) equipment and supplies purchased and on hand; and
- (e) a record which will provide a statement of assets and liabilities at 31 December 1946.

#### APPOINTMENT OF EXTERNAL AUDITORS

##### Regulation 20

Auditors, who shall be persons not in the service of the United Nations, shall be appointed in a manner to be determined by the General Assembly during the Second Part of its First Session. The auditors shall be appointed for the purpose of auditing the accounts for the period ending 31 December 1946.

#### CUSTODY OF FUNDS

##### Regulation 21

The Secretary-General shall, in consultation with the Advisory Group, designate the bank or banks in which the funds of the Organization shall be kept.

#### TRANSFERS UNDER THE BUDGET DURING THE FINANCIAL YEAR - 1946

##### Regulation 22

Transfers by the Secretary-General within the budget shall be permitted during the financial year 1946 and shall be effected only under his written authority.

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