



UNITED NATIONS REFUGEE EMERGENCY FUND

FINANCIAL REPORT **of the United Nations High Commissioner for Refugees** **and** **ACCOUNTS** **for the period 1 March 1952 to 31 December 1953** *and* **REPORT OF THE BOARD OF AUDITORS**

GENERAL ASSEMBLY

OFFICIAL RECORDS : NINTH SESSION ✓

SUPPLEMENT No. 13A (A/2648/Add.1)

UNITED NATIONS

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New York, 1954

NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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NOTE BY THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

1. The financial report of the United Nations High Commissioner for Refugees and the accounts of the Refugee Emergency Fund for the period 1 March 1952 to 31 December 1953, together with the related financial statements and the report of the Board of Auditors, are submitted herewith to the General Assembly.

2. This submission is made in accordance with the provisions of paragraph 22 of the Statute of the Office of the High Commissioner for Refugees adopted by the General Assembly on 14 December 1950 (resolution 428 (V)):

"22. Transactions relating to the High Commissioner's funds shall be subject to audit by the United Nations Board of Auditors, provided that the Board may accept audited accounts from the agencies to which funds have been allocated. Administrative arrangements for the custody of such funds and their allocation shall be agreed between the High Commissioner and the Secretary-General in accordance with the Financial Regulations of the United Nations and rules promulgated thereunder by the Secretary-General."

and as further provided in article 11.1 of the financial rules relating to the operations of the Fund:

"11.1 The accounts of the Fund shall be audited by the United Nations Board of Auditors. The Board may accept, with respect to expenditures incurred and inventories held by Governments or governmental agencies and specialized agencies, statements submitted by them which are certified by qualified persons approved or designated by the High Commissioner for that purpose, and accepted by the High Commissioner as correct. The report of the Board, together with the certified financial statements, shall be submitted to the Advisory Committee on Administrative and Budgetary Questions and to the General Assembly. The Committee shall make such observations on the report as it sees fit to the General Assembly."

3. The financial report and accounts and the report of the Board of Auditors thereon have been submitted to the Advisory Committee on Administrative and Budgetary Questions for consideration and report to the General Assembly.

UNITED NATIONS REFUGEE EMERGENCY FUND

**Financial Report of the United Nations High Commissioner
for Refugees and Accounts of the Fund
for the period 1 March 1952 to 31 December 1953**

ACCOUNTS OF THE UNITED NATIONS REFUGEE EMERGENCY FUND
FOR THE PERIOD 1 MARCH 1952 TO 31 DECEMBER 1953

Financial report by the United Nations High Commissioner for Refugees

The accounts of the United Nations Refugee Emergency Fund for the period 1 March 1952 to 31 December 1953, which are presented herewith, show that cash receipts received during the period totalled \$1,048,246 of which:

- \$733,748 was received in contributions from Governments;
- \$246,699 was received from the International Refugee Organization;
- \$ 61,937 was received in contributions from private and other non-governmental sources;
- \$ 5,862 represents miscellaneous cash receipts from items such as interest on investments, exchange differences, etc.

In addition, an amount of \$80,821 had been pledged by Governments but not paid by 31 December 1953.

Expenditure and commitments to 31 December 1953 totalled \$847,908, of which \$824,215 related to relief or other operational projects and \$23,693 to administrative expenses.

Notwithstanding the response of a number of Governments, private institutions and individuals to my appeal for contributions for the Refugee Emergency Fund, the income is still far short of the \$3 million which I estimated in my report to the General Assembly in 1951* to be the minimum requirement to provide emergency aid for the most needy groups of refugees. In consequence, I have been obliged to use or reserve the greater part of the Fund to alleviate the plight of the group of refugees in Shanghai. Care and maintenance and resettlement of these refugees had cost \$645,774 in the twenty-two months to the end of 1953. Expenditure in Shanghai, together with care and maintenance expenditure in Hong Kong in respect of refugees in transit, now amounts to about \$40,000 a month; available funds and outstanding pledges will enable me to continue this work only until the end of May 1954.

The accounts also show that \$178,441 has been devoted to relief work in other areas, almost wholly through the voluntary agencies. Auditor's certificates of the expenditure from the grants to agencies are in some cases still awaited from the auditors of the agencies. I need hardly repeat that the amounts available for relief outside China fall far short of the needs.

An expenditure plan covering the period 1 March 1952 to 31 December 1953 was submitted in accordance with article III of the Financial Rules for the Fund and approved by the Advisory Committee. My observation that the plan could be little more than a statement of anticipated needs has been fully borne out since contributions were \$2 million short of the \$3 million on which the plan was based. This deficit in anticipated revenue, together with the fact that it is in the very nature of emergencies that they cannot be planned, have made the allotment requirements of article 10.1(b) of the Financial Regulations unrealistic. Under the foregoing conditions, expenditures cannot be governed by allotment accounting.

(Signed) G.J. VAN HEUVEN GOEDHART
United Nations High Commissioner for Refugees

* See Official Records of the General Assembly, Sixth Session, Supplement No. 19, document A/2011.

STATEMENT OF ASSETS AND LIABILITIES
as of 31 December 1953
(expressed in U.S. dollars)

ASSETS

CASH IN BANKS AND ON HAND

Lloyds and National Provincial Foreign Bank Ltd., Geneva
do. do.
do. do.
do. do.
Amsterdamsche Bank, N.V.
Rheinisch Westfälische Bank
Bank of China
People's Bank of China
Cash in hand at Shanghai Branch Office
Cash in transit

(Swiss franc account)
(U.S. \$ account)
(Sterling account)
(French franc account)
(Netherlands guilders account)
(Sperrmark account)
(Swiss franc account)
(JMP account)

21,443.62
1,923.20
185.14
23,627.62
1,610.90
812.23
9,237.87
959.76
1,086.80
20,144.90

81,032.04

INVESTMENT

Deposit account with Lloyds Bank, Geneva
Securities

27,713.62
232,602.23

260,315.85

ACCOUNTS RECEIVABLE

Miscellaneous

20,848.75
362,196.64

LIABILITIES

ACCOUNTS PAYABLE

United Nations
Unliquidated obligation:

5,957.94
151,655.53

157,613.47

RESERVE FOR GRANTS UNPAID AS OF 31 DECEMBER 1953

EXCESS OF INCOME OVER EXPENDITURE

For the period from the commencement of operations as of 1 March 1952
to 31 December 1953

4,245.44

200,337.73 *

*Note: From this amount the sum of \$105,000 had been earmarked for grants to Governments and Agencies: No agreement for these grants had been signed as of 31 December 1953.

Certified correct:

N. GROBY
(Signed) N. Groby,
Chief, Finance Division,
European Office of the United Nations.

On behalf of the Board of Auditors,
OTTO F. REMKE
(Signed) Otto F. Remke, Denmark.

Approved:

G.J. VAN HEUVEN GOEDHART
(Signed) G.J. van Heuven Goedhart,
United Nations High Commissioner for Refugees.

362,196.64

SUMMARY STATEMENT OF INCOME AND EXPENDITURE
For the period from the commencement of operations
as of 1 March 1952 to 31 December 1953
(expressed in U.S. dollars)

INCOME	Contributions		Total
	with restriction as to utilization	without restriction as to utilization	
Contributions in cash received from:			
Governments	12,905.31	720,842.66	733,747.97
International Refugee Organization	246,698.49	-	246,698.49
Other contributions	7,490.42	54,446.54	61,936.96
Miscellaneous cash receipts	267,094.22	775,289.20	1,042,383.42
	-	5,862.60	5,862.60
	<u>Total income</u>	<u>781,151.80</u>	<u>1,048,246.02</u>
LESS: EXPENDITURE			
Part I - Administrative expenses - Geneva Office	-	23,693.53	23,693.53
Part II - Relief Operations			
(a) Programme for care and maintenance of Refugees in the Far East	237,698.49	408,075.56	645,774.05
(b) Operational expenses in the form of grants through voluntary agencies	14,742.22	155,641.80	170,384.02
(c) Direct grants to or on behalf of individual refugees	1,756.33	2,054.92	3,811.25
(d) Reserve for grants agreed upon prior to 31 Dec. 1953 but for which payment has not been made before that date	254,197.04	589,465.81	843,662.85
		2,428.52	4,245.44
	<u>Total expenditure</u>	<u>591,894.33</u>	<u>847,908.29</u>
EXCESS OF INCOME OVER EXPENDITURE	11,080.26	189,257.47	200,337.73

Note: 1) In addition to the contributions in cash, contributions in kind valued at \$156,411 were received and delivered to the agency responsible for distribution before 31 December 1953. Furthermore, contributions in kind valued at \$8,444.- were in transit as of that date.

Certified correct

N. GROBY
(Signed) N. Groby,
Chief, Finance Division
European Office of the United Nations

Approved

G.J. VAN HEUVEN GOEDHART
(Signed) G.J. van Heuven Goedhart
United Nations High Commissioner for Refugees

On behalf of the Board of Auditors,
OTTO F. REMKE
(Signed) Otto F. Remke, Denmark.

CONTRIBUTIONS IN CASH
Received and pledged during the period from the commencement of operations
as of 1 March 1952 to 31 December 1953
(expressed in U.S. dollars)

I CONTRIBUTORS GOVERNMENTS	\$ Equivalent of amount pledged	Amounts received		Balance expected
		With restrictions as to utilization	Without restrictions as to utilization	
Australia	111,001.86	-	55,832.50	55,832.50
Austria	1,923.09	-	1,923.09	1,923.09
Belgium	40,000.-	-	40,000.-	-
Canada	100,461.89	-	100,461.89	-
Denmark	14,607.39	-	14,607.39	-
Federal Republic of Germany	13,095.79	11,905.31	1,190.48	-
France	85,714.28	-	85,714.28	-
Greece	1,000.-	-	1,000.-	-
Luxembourg	2,969.98	1,000.-	1,969.98	-
Netherlands	35,263.15	-	35,263.15	-
Norway	28,207.86	-	14,103.93	14,103.93 (II)
Sweden	19,491.91	-	19,491.91	-
Switzerland	80,831.40	-	69,284.06	11,547.34 (III)
United Kingdom of Great Britain and Northern Ireland	280,000.-	-	280,000.-	-
Total Governments	814,568.60	12,905.31	720,842.66	80,820.63
II INTERNATIONAL REFUGEE ORGANIZATION		246,698.49	-	-
III OTHER CONTRIBUTORS				
Control Commission for Germany, British Element	2,831.67	2,831.67	-	2,831.67
Miss L.C.A. van Eeghen, Geneva	2,631.58	-	2,631.58	-
Citizens of Dunedin, New Zealand	441.57	-	441.57	-
Lord Mayor of Adelaide's UN Refugee Fund	3,677.56	-	3,677.56	-
Sandos S.A. Bale	2,309.47	-	2,309.47	-
Hoffman-La Roche et Co. S.A. Bale	461.89	-	461.89	-
The Lord Mayor of Melbourne's Fund	3,487.76	-	3,487.76	-
Oxford Committee for famine relief	1,400.-	1,400.-	-	-
Cadbury Foundation	1,400.-	1,400.-	-	-
Comité Belge pour les réfugiés	1,404.69	1,404.69	-	-
Humanitarian Fund Contribution	6,160.-	-	6,160.- (IV)	-
Public Appeal in the Netherlands	26,316.40	-	26,316.40	-
Public Appeal in Australia	1,516.97	-	1,516.97	-
Various donations under \$350 each	7,897.40	454.06	7,443.34	-
Total other contributions	61,936.96	7,490.42	54,446.54	61,936.96
Total of contributions in cash	1,123,204.05	267,094.22	775,289.20	80,820.63

- (I) Received on 9 January 1954.
 (II) According to the terms of the contribution, this amount is to be paid in 1954.
 (III) Received on 4 January 1954.
 (IV) Contribution paid by Humanitarian Fund in respect of projects WCC.7 and 11.

STATEMENT 4

DETAIL STATEMENT OF ADMINISTRATIVE EXPENDITURE

GENEVA OFFICE

Period from the commencement of the operation
as of 1 March 1952 to 31 December 1953
(expressed in U.S. dollars)

<u>Description</u>	<u>Obligations incurred</u>		<u>Total</u>
	<u>Liquidated by disbursements</u>	<u>Unliquidated</u>	
Salaries of staff	9,835.22	-	9,835.22
Travel of staff	2,562.17	-	2,562.17
Fund raising expenses	7,177.97	32.62	7,210.59
Miscellaneous expenses	2,615.33	1,470.22	4,085.55
Total administrative expenditure - Geneva Office	22,190.69	1,502.84	23,693.53

DETAIL STATEMENT OF EXPENDITURE FOR THE PROGRAMME

FOR CARE AND MAINTENANCE OF REFUGEES IN THE FAR EAST

Period from the commencement of operations as of 1 March 1952 to 31 December 1953
(expressed in U.S. dollars)

DESCRIPTION	Obligations incurred	
	Liquidated by disbursements	Unliquidated
Salaries of local staff	104,345.57	2,669.32
Travel expenses for local staff	398.11	-
Office and miscellaneous expenses	22,304.65	23.90
Cash grants and maintenance costs for refugees	280,638.54	145,603.25
Medical and hospital expenses for refugees	66,395.98	535.53
Funeral expenses of refugees	901.87	-
Movement - and transportation costs for refugees	18,976.73	-
Movements of refugees - ancillary expenses	2,980.60	-
Total expenditure for the programme for care and maintenance of refugees in the Far East	496,942.05	148,832.00

DISTRIBUTION AS TO SOURCE OF INCOME

Expenditure from funds without restriction as to utilization
Expenditure from funds with restrictions as to utilization

Total expenditure for the programme for care and maintenance of refugees in the Far East

I/ IRO contribution	236,698.49
Luxembourg Government contribution	1,000.-
	<u>237,698.49</u>

REFUGEE EMERGENCY FUND
GRANTS TO VOLUNTARY AGENCIES
Position as of 31 December 1953
(expressed in U.S. dollars)

A. GRANTS UNDER AGREEMENT TO VOLUNTARY AGENCIES FROM FUNDS WITHOUT RESTRICTIONS AS TO UTILIZATION		AGENCY		Project No.		Payments made	Reserve for amount unpaid	Total of grants
<u>Austria</u>								
	Agora Association			1		154.27		154.27
	American Joint Distribution Committee			" 1		802.22		802.22
	" "			" 2		595.50		595.50
	Bretiren Service Committee			" 1		802.22		802.22
	Caritas			" 1		401.11		401.11
	"			" 2		401.11		401.11
	"			" 3		185.12		185.12
	Evangelische Flüchtlingshilfe			" 1		401.11		401.11
	"			" 2		240.67		240.67
	Evangelische Hilfswerk			" 1		185.12		185.12
	Landeskomitee Für Flüchtlingshilfe, Salzburg			" 1		160.44		160.44
	Lutheran World Federation			" 1		2,406.65		2,406.65
	" "			" 2		802.22		802.22
	" "			" 3		1,811.15		1,811.15
	National Catholic Welfare Conference			" 1		4,011.09		4,011.09
	" "			" 2		802.22		802.22
	" "			" 3		1,604.43		1,604.43
	" "			" 6		462.82		462.82
	Norwegian Aid to Europe			" 1		3,208.87		3,208.87
	P.D.R. Section de la Mission Française en Tyrol et Voralberg			" 1		1,604.43		1,604.43
	Volkshilfe			" 1		160.44		160.44
	Wienerlandeskomitee Für Flüchtlingshilfe			" 1		802.22		802.22
	World Council of Churches			" 3		802.22		802.22
	" "			" 4		802.22		802.22
	" "			" 5		3,147.16		3,147.16
	" "			" 10		4,319.63		4,319.63
	Young Men's Christian Association			" 1		1,049.05		1,049.05
	<u>Belgium</u>							
	Tolstoy Foundation			" 1		1,000.-		1,000.-
	World Council of Churches			" 9		12,000.-		12,000.-
	<u>France</u>							
	World Council of Churches			" 13		20,000.-		20,000.-
	<u>Federal Republic of Germany</u>							
	National Catholic Welfare Conference			" 7		-	2,428.52	2,428.52
	Carried forward					65,125.71	2,428.52	67,554.23

STATEMENT 6 (continued)

REFUGEE EMERGENCY FUND
GRANTS TO VOLUNTARY AGENCIES
Position as of 31 December 1953
(expressed in U.S. dollars)

AGENCY	Brought forward	Project No.	Payments made	Reserve for amount unpaid	Total of grants
<u>Greece</u>			65,125.71	2,428.52	67,554.23
Refugee Service Committee		2	430.08		430.08
" "		3	7,460.51		7,460.51
" "		4	642.90		642.90
World Council of Churches		8	7,724.57		7,724.57
" "		12	6,274.82		6,274.82
<u>Italy</u>					
American Council of Voluntary Agencies		1	10,000.-		10,000.
National Catholic Welfare Conference		5	15,000.-		15,000.
<u>Middle East</u>					
Refugee Service Committee		1	1,500.-		1,500.
World Council of Churches		2	1,000.-		1,000.
" "		6	4,000.-		4,000.
" "		7	12,000.-		12,000.
" "		11	4,000.-		4,000.
<u>Switzerland</u>					
International Social Service		1	483.21		483.21
<u>Trieste</u>					
Allied Military Government		1	20,000.		20,000.
			155,641.80	2,428.52	158,070.32
<u>Austria</u>					
World Council of Churches		14	1,400.		1,400.
<u>Belgium</u>					
Croix Rouge de Belgique		1	400.	1,004.69	1,404.69
<u>Federal Republic of Germany</u>					
German Red Cross		1	1,036.91	812.23	1,849.14
World Council of Churches		1	11,905.31		11,905.31
			14,742.22	1,816.92	16,559.14
			155,641.80	2,428.52	158,070.32
			14,742.22	1,816.92	16,559.14
			170,384.02	4,245.44	174,629.46

Summary:

Grants from Unrestricted funds

Grants from Restricted funds

Total of grants to Agencies

B. GRANTS UNDER AGREEMENTS TO VOLUNTARY AGENCIES
FROM FUNDS WITH RESTRICTIONS AS TO UTILIZATION

REFUGEE EMERGENCY FUND
DIRECT GRANTS TO OR ON BEHALF OF INDIVIDUAL REFUGEES
Position as of 31 December 1953
(expressed in U.S. dollars)

A. DIRECT GRANTS TO OR ON BEHALF OF REFUGEES FROM FUNDS WITHOUT RESTRICTIONS AS TO UTILIZATION

	<u>Liquidated by disbursements</u>	<u>Obligations incurred unliquidated</u>	<u>Total</u>
<u>Austria</u>			
Cash grants and maintenance costs for refugees	48.09	-	48.09
Medical and hospital expenses for refugees	140.29	-	140.29
Christmas Party 1952	30.85	-	30.85
<u>Belgium</u>			
Cash grants and maintenance costs for refugees	20. -	-	20. -
<u>German Federal Republic</u>			
Cash grants and maintenance costs for refugees	47.62	-	47.62
Medical and hospital expenses for refugees	70.67	-	70.67
<u>Greece</u>			
Medical and hospital expenses for refugees	107.86	-	107.86
Movement and transportation costs for refugees	3.35	-	3.35
Initiation fees for students	310.05	-	310.05
<u>Miscellaneous</u>			
Transportation costs for gifts in kind	-	66.66	66.66
	1,180.36	29.12	1,209.48
	1,959.14	95.78	2,054.92

B. DIRECT GRANTS TO OR ON BEHALF OF REFUGEES AND OTHER EXPENDITURE FROM FUNDS WITH RESTRICTIONS AS TO UTILIZATION

<u>Austria</u>			
Christmas Party 1953	176.92		176.92
<u>German Federal Republic</u>			
Scholarships	277.14		277.14
<u>Various</u>			
Expenditures against Cadbury Foundation grant	77.36	1,224.91	1,302.27
	531.42	1,224.91	1,756.33
Total of Direct Grants	2,490.56	1,320.69	3,811.25

Summary of unliquidated obligations:

Administrative expenditure - Geneva Office (Statement 4)	1,502.84
Expenditure for the programme for care and maintenance of refugees in the Far East (Statement 5)	148,832. -
Direct grants to or on behalf of refugees (Statement 7)	1,320.69
Total of unliquidated obligations (Statement 1)	151,655.53

STATEMENT OF SECURITIES

Held as of 31 December 1953

Nominal value	Description	\$ equivalent of nom. value	Value as at 31 Dec., 1953 (expressed in U.S. \$)
	<u>Bankers acceptances</u> (endorsed and deposited with Bank of London and South America Ltd., New York)		
U.S. \$20,956.32	Accepted by J. Henry Schroder Banking Corpn., New York, due 21.1.1954	20,956.32	20,936.45
U.S. \$15,996.50	Accepted by Bankers Trust Co., New York, due 2.3.1954	15,996.50	15,951.65
U.S. \$37,152.98	Accepted by National City Bank of New York, New York, due 2.3.1954	37,152.98	37,049.09
U.S. \$31,647.04	Accepted by Public National Bank and Trust Co., New York, due 3.3.1954	31,647.04	31,557.04
U.S. \$ 5,239.16	Accepted by Chemical Bank and Trust Co., New York, due 9.3.1954	5,239.16	5,222.84
U.S. \$16,000.-	Accepted by Bank of New York, New York, due 11.3.1954	16,000.-	15,948.73
		<u>126,992.-</u>	<u>126,665.80</u>
	<u>Bonds</u> (deposited with Imperial Bank of Canada, Toronto)		
Can. \$ 100,000.-	2% Government of Canada due 1.7.1954	100,461.90	101,348.80*
	<u>Bonds</u> (deposited with Lloyds and National Provincial Foreign Bank Limited, Geneva)		
Sw. frs. 20,000.-	Scrip certificate 4% Australia 1953 /1.12.1968 option 1.12.1965	4,618.94	4,587.63*
		<u>232,072.84</u>	<u>232,602.23</u>

* at cost, increased by accrued interest to 31.12.53

REPORT OF THE BOARD OF AUDITORS ON THE AUDIT
OF THE ACCOUNTS OF THE UNITED NATIONS
REFUGEE EMERGENCY FUND
for the period 1 March 1952 to 31 December 1953

LETTER OF TRANSMITTAL

12 May 1954.

Sir,

The Board of Auditors has examined the financial statement submitted by the High Commissioner for Refugees with respect to the accounts of the United Nations Refugee Emergency Fund for the period from inception to 31 December 1953. The Board has certified the accounts and now returns them to you, together with its report thereon.

Accept, Sir, the assurances of my highest consideration.

(Signed) WATSON SELLAR,
on behalf of the Board of Auditors.

The Secretary-General of the United Nations,
New York.

REPORT OF THE BOARD OF AUDITORS ON THE AUDIT
OF THE ACCOUNTS OF THE UNITED NATIONS
REFUGEE EMERGENCY FUND
for the period 1 March 1952 to 31 December 1953

1. Resolution 428 (V) directs that administrative costs of the Office of the High Commissioner for Refugees be a charge to the United Nations budget, and the financial statements of the Secretary-General record that these administrative costs totalled \$644,835 in 1953. The resolution also provides that, unless the General Assembly otherwise directs, "all other expenditures relating to the activities of the High Commissioner shall be financed by voluntary contributions". Moneys thus received are credited to the United Nations Refugee Emergency Fund, and the report now made is with respect to financial transactions of the Fund from the date of inception, which was 1 March 1952, to 31 December 1953.
2. The financial statements of the High Commissioner are submitted in United States dollars, but as his office is in Geneva, original entries in books of account are in Swiss francs. Up to 1 July 1953, the European Office of the United Nations used Sw.fr. 4.33 to the U.S. dollar for conversion computations of United Nations transactions. On that date a rate of Sw.fr. 4.28 was put into effect. The High Commissioner did not adopt the new rate, so far as the Refugee Emergency Fund was concerned, until 1 January 1954; therefore, the conversion rate employed in the financial statements was Sw.fr. 4.33 to the U.S. dollar.
3. In reporting to the General Assembly on 1952 accounts, the Board of Auditors noted that, although the Rules regulating the Refugee Emergency Fund provide that the plan of expenditure for the first accounting period be for the ten months 1 March to 31 December 1952, the High Commissioner, for various reasons, had found it more expedient to develop a plan covering the entire period from 1 March 1952 to 31 December 1953. This plan was related to a sum of \$3,000,000 which the High Commissioner had informed the General Assembly was the amount that would be required to cover anticipated needs for emergency aid for the most needy groups of refugees. The Board was informed that the High Commissioner, in submitting his financial requirements, had also pointed out that, to the extent contributions fell short of \$3,000,000, he would have to meet the most urgent priorities first and leave other needs unsatisfied. Cash contributions being only \$1,048,246, expenditures were, in fact, controlled by the moneys available and the most urgent needs of the moment, rather than by the Expenditure Plan classifications. A result is that the statements presented for audit certificate do not strictly conform with the Financial Rules, but the action taken seems appropriate in the circumstances.
4. In addition to the cash contributions of \$1,048,246, contributions in kind - mainly consisting of clothing - had an estimated value of \$156,411. The Ford Foundation asked the High Commissioner to administer a fund of \$2,900,000 which it had granted to finance a programme for promoting permanent solutions to the economic and social problems of refugees. Because this fund was not established for the purpose of extending emergency aid, and because the Foundation's payments are made directly to the organizations selected by the High Commissioner to carry out the projects within the programme, the Ford grant has not been credited to the Refugee Emergency Fund. For the period up to 31 December 1953, grants approved represented \$2,624,974 and involved 174 projects. In order to ensure that proper audits of these projects are made, the agreements with the selected organizations include provisions requiring that audits be carried out by qualified auditors - usually the official auditor of the organization - and reports made to the High Commissioner. Up to 31 December 1953, only a few audit reports had been received by the High Commissioner, presumably due to the fact that most audits would be founded on accounts closed only on that date. Included in the Ford Foundation's grant of \$2,900,000 is \$58,000 for administrative expenditures of the High Commissioner in connexion with the application of the grants by recipient agencies. This \$58,000 was credited to a special account, and in the twenty-two months' period the High Commissioner incurred costs amounting to \$32,526 as a charge to this account.
5. Refugee Emergency Fund expenditures amounted to \$847,908 to 31 December 1953, with \$645,774 of the total expended in connexion with the programme for the care and maintenance of refugees in the Far East. The accounts in connexion with this programme being maintained in the area, the High Commissioner arranged that a firm of accountants practising in Shanghai keep financial transactions constantly under review and report to the Geneva Office of the High Commissioner. The reports were made available to the Board of Auditors.
6. The Financial Rules of the Refugee Emergency Fund provide that the Board of Auditors may accept, with respect to expenditures incurred and inventories held by other organizations, statements which are (a) certified by qualified persons approved or designated by the High Commissioner, and (b) accepted by the High Commissioner as correct. Grants to a total of \$174,629 have been made to voluntary agencies - a listing is given in Statement 6 of the accounts. As of 31 December 1953, only a fraction of the sums advanced had been substantiated in the agreed manner, but it was observed that letters have been written to the auditors of the agencies concerned giving directions as to the scope of, and the time allowed for, the performance of audits required by reason of agreements between the agencies and the High Commissioner.
7. The net cash resources of the Refugee Emergency Fund, as of 31 December 1953, amounted to \$200,338.

Audit Certificate

8. The High Commissioner presented the following statements to the Board of Auditors:

Statement of Assets and Liabilities as of 31 December 1953

Summary Statement of Income and Expenditure for the period from the commencement of operations as of 1 March 1952 to 31 December 1953.

The Board was provided ready access to all books of account and received all explanations required for the purposes of the audit. As a result of its examinations, the Board certifies that, subject to the foregoing:

The accounts of the United Nations Refugee Emergency Fund have been examined in accordance with our directions. We have obtained all the information and explanations we have required, and we certify, as a result of the audit, that the Statement of Assets and Liabilities and the related Summary Statement of Income and Expenditure are in accordance with the accounts of the Fund, and are, in our opinion, correct.

(Signed) WATSON SELLAR, Canada

(Signed) LUIS ACEVEDO RODRIGUEZ, Colombia

(Signed) OTTO F. REMKE, Denmark