



FINANCIAL REPORT AND ACCOUNTS

for the year ended 31 December 1953
and
REPORT OF THE BOARD OF AUDITORS

GENERAL ASSEMBLY

OFFICIAL RECORDS : NINTH SESSION

SUPPLEMENT No. 6 (A/2649)

(45 p.)

NEW YORK, 1954

UNITED NATIONS

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NOTE

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LETTER OF TRANSMITTAL

12 May 1954

Sir,

I have the honour to transmit the United Nations financial statements which were submitted by the Secretary-General with respect to the financial year ended 31 December 1953. These statements have been examined and certified.

In accordance with the resolution of the General Assembly, I have the honour to present the reports of the Board of Auditors with respect to the 1953 accounts of United Nations and those relating to the Expanded Programme of Technical Assistance for Economic Development of Under-Developed Countries.

Accept, Sir, the assurances of my highest consideration.

(Signed) Watson SELLAR
On behalf of the Board of Auditors

THE PRESIDENT OF THE GENERAL ASSEMBLY
OF THE UNITED NATIONS

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 1953

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 1953

1. I submit herein my financial report, accompanied by the audited accounts for the year ended 31 December 1953 and the report of the Board of Auditors.

Budgetary position

2. Obligations incurred for the year 1953 amounted to \$49,292,552 compared with total appropriations of \$49,869,450. The obligations incurred were less than income credited for the year, represented by Members' contributions and miscellaneous income earned, by \$1,126,070. This amount consists of the excess of miscellaneous income earned over the estimates, on which the assessment of contributions was based, \$549,172, and savings on the appropriations amounting to \$576,898 as shown by statement I.

3. The balance on surplus account at 31 December 1953 was \$2,201,102. Of this amount \$1,308,860 was credited to Members' contributions for 1954 and \$892,242 is the balance, available for credit to Members against 1955 contributions. These two amounts are made up as follows:

Credited against 1954 contributions:	\$
Savings effected in 1953 in liquidating prior years' obligations.....	296,184
Balance of surplus for 1952.....	712,676
Estimated amount of additional miscellaneous income for 1953.....	300,000
	<u>1,308,860</u>
Available for credit against 1955 contributions:	\$
Savings on 1953 appropriations.....	576,898
Savings in 1953 in liquidating prior years' obligations, \$362,356 less \$296,184 applied against 1954 contributions.....	66,172
Excess of miscellaneous income credited for 1953 over the approved estimate \$549,172 less \$300,000 applied against 1954 contributions.....	249,172
	<u>892,242</u>

Income

4. The amount credited as income from Members' contributions for 1953, \$43,631,250 consists of \$42,089,500 assessed in 1953 in respect of the original appropriations (less estimated miscellaneous income), and \$1,541,750 on account of the supplementary appropriations, provision for which is included in the assessments for 1954. A statement of the basis of assessments for 1953 and details of the assessments against each Member State are given in schedule A.

5. Miscellaneous income totalled \$6,787,372, and thus exceeded the original estimate of \$6,238,200 by \$549,172. Of this amount, \$300,000 was applied in reduction of Members' contributions for 1954, and the balance, \$249,172, is available for credit against 1955 contributions. Details of miscellaneous income compared with the approved estimates are as follows:

	Approved estimate \$	Actual income \$
Staff assessment.....	4,682,500	4,633,589
Refunds of prior years' expenditures.....	50,500	95,334
Sales of used furniture and equipment.....	72,500	80,369
Rental income (space charges).....	279,000	295,271
Sales of publications.....	208,500	287,323
Reimbursement for staff and services furnished to specialized agencies and others.....	238,200	303,835
Income on investments and other interest earned.....	107,000	186,269
Sales of United Nations postage stamps.....	398,000	372,201
Film and television revenue.....	55,000	31,055
Contributions from non-Member States.....	59,000	53,802
Instalment-payment against special sale of furniture, etc., in 1947.....	38,000	38,275
Other income.....	50,000	106,317
	<u>6,238,200</u>	<u>6,483,640</u>
Guided tours.....	—	214,272
United Nations Gift Centre.....	—	89,460
	<u>6,238,200</u>	<u>6,787,372</u>

6. Increases over the estimates were recorded in respect of the majority of items, but more than half of the over-all increase relates to income from the Guided Tours of the Headquarters and from the United Nations Gift Centre, for which no provision was made in the approved estimates. The income from these two activities totalled \$303,732, out of the total increase of \$549,172. The remainder of the increases relates principally to sales of publications, \$78,823, reimbursement for staff and services provided to specialized agencies and others, \$65,635, and income from investments, etc., \$79,269.

Obligations incurred

7. Obligations incurred in 1953 totalled \$49,292,552, of which \$3,226,197 was unliquidated at 31 December 1953, as compared with the total appropriations made by the General Assembly of \$49,869,450; thus, savings on the appropriations amounted to \$576,898. Details by sections are shown in statement I as unobligated balances of the appropriations. There were no transfers between sections subsequent to the revised appropriations by the General Assembly under resolution 785 B (VIII) of 9 December 1953.

8. The obligations incurred, together with comparative figures for 1952, are broadly summarized as follows:

	1953		1952	
	Amount \$	Per cent	Amount \$	Per cent
Salaries, wages and other staff costs.....	34,242,707	69.47	34,512,625	68.66
Travel and transportation.....	2,113,100	4.29	3,068,709	6.11
Printing.....	1,496,339	3.03	1,448,747	2.88
Rental and maintenance of premises.....	2,389,668	4.85	2,148,468	4.27
Technical programmes.....	1,779,600	3.61	1,609,400	3.20
Acquisition of capital assets.....	3,149,466	6.39	2,649,466	5.27
Other charges.....	3,536,135	7.17	4,205,622	8.36
	48,707,015	98.81	49,643,037	98.75
International Court of Justice.....	585,537	1.19	627,116	1.25
	<u>49,292,552</u>	<u>100.00</u>	<u>50,270,153</u>	<u>100.00</u>

The amount shown for travel and transportation comprises the following major categories:

	\$
Travel of representatives and delegates.....	604,937
Travel and subsistence of observers and staff assigned to investigations and inquiries and to meetings of various official bodies.....	1,053,131
Local transportation costs (including hire and other charges for aircraft used on missions).....	192,272
Other travel on official business.....	262,760
	<u>2,113,100</u>

It will be noted that obligations incurred in 1953 for travel and transportation show a substantial reduction, amounting to some \$950,000, by comparison with 1952. Most of this reduction derives from travel in connexion with investigations and inquiries, etc. (\$720,000), and local transportation costs (\$180,000).

Further details of the obligations incurred under the various parts of the appropriations for 1953 will be found in the following paragraphs, together with comparative figures for 1952 and explanatory comments on matters of particular interest.

9. *Pari I. Sessions of the General Assembly, the Councils, Commissions and Committees:* \$1,122,597.

The total obligations incurred under this heading for 1953 were less by some \$700,000 than the charges for 1952. This reduction is mainly a reflection of the fact that the 1952 costs of the General Assembly sessions included \$941,264 on account of the extension into 1952 of the sixth session held in Paris in addition to the costs of the seventh session in New York, \$476,132, or a total of \$1,417,396 as compared with 1953 costs of \$564,829 for the eighth session and the continuation into 1953 of the seventh session, both in New York.

On the other hand, costs attributed to the meetings of the Economic and Social Council and its commissions and committees were approximately \$100,000 higher in 1953 as compared with 1952 when the Council met in New York.

The obligations incurred under section 4 (The Trusteeship Council, Commissions and Committees) consist principally of the costs of the 1953 Visiting Mission to the Pacific, \$53,274.

10. *Part II. Investigations and inquiries: \$2,514,896.*

The costs for 1953 with comparative figures for 1952, are summarized below:

	<i>Salaries and wages \$</i>	<i>Travel and transport \$</i>	<i>Other \$</i>	<i>1953 Total \$</i>	<i>1952 Total \$</i>
United Nations Conciliation Commission for Palestine, and United Nations Truce Supervision Organization in Palestine.....	141,935	305,072	84,404	531,411	737,741
Balkan Sub-Commission of the United Nations Peace Observation Commission (Military Observers in Greece).....	35,725	32,328	17,975	86,028	182,144
United Nations Commission for the Unification and Rehabilitation of Korea, and United Nations Korean Service Medals.....	47,400	96,149	208,514	352,063	410,058
United Nations Representative in India and Pakistan, and United Nations Military Observer Group in India and Pakistan.....	91,022	518,223	74,643	683,888	842,823
United Nations Tribunal in Libya.....	91,415	24,009	698	116,122	215,741
United Nations Advisory Council for the Trust Territory of Somaliland under Italian Administration.....	61,502	67,951	21,401	150,854	170,058
United Nations Tribunal in Eritrea.....	10,917	7,234	3,982	22,133	193,856
Repatriation of Greek children.....	3,224	—	5,963	9,187	25,131
United Nations Commission on the Racial Situation in the Union of South Africa.....	13,832	17,324	647	31,803	—
United Nations Commission for Indonesia.....	—	—	—	—	35,400
	<u>496,972</u>	<u>1,068,290</u>	<u>418,227</u>	<u>1,983,489</u>	<u>2,812,952</u>
Field Service.....	470,548	50,094	10,765	531,407	495,609
	<u>967,520</u>	<u>1,118,384</u>	<u>428,992</u>	<u>2,514,896</u>	<u>3,308,561</u>

The substantial amount recorded under "Other" expenses for Korea is due to the inclusion of \$172,776 for costs of Korean Service Medals in 1953.

11. *Part III. Headquarters, New York: \$31,127,174.*

The obligations incurred under this heading are set out in the following table under the related objects of expenditure, together with the comparative figures for the preceding year:

	<i>1953 \$</i>	<i>1952 \$</i>
<i>Salaries, wages, etc.</i>	<u>19,723,947</u>	<u>20,132,268</u>
<i>Other direct departmental charges</i>		
Grant towards administrative costs—Expanded Programme for Technical Assistance.....	386,700	300,000
Radio services.....	357,646	313,804
Motion picture supplies and services.....	199,349	197,346
Other charges.....	140,886	113,306
	<u>1,084,581</u>	<u>924,456</u>
<i>Travel on official business</i>	<u>92,146</u>	<u>99,082</u>
<i>Common staff costs</i>		
Recruitment, installation and termination costs.....	1,077,009	927,501
Staff benefit costs.....	5,197,729	5,236,102
Staff training and welfare.....	59,324	98,261
	<u>6,334,062</u>	<u>6,261,864</u>
<i>Common services</i>		
Communications and freight.....	551,986	606,839
Rental and maintenance of premises.....	2,114,486	1,799,176
Stationery and supplies.....	280,275	401,436
Rental and maintenance of equipment.....	527,309	481,914
Other charges.....	171,523	143,451
	<u>3,640,579</u>	<u>3,432,816</u>

	1953 \$	1952 \$
<i>Permanent equipment</i>		
Furniture and office equipment	179,810	383,847
Other equipment and library books	72,049	177,430
	<u>251,859</u>	<u>561,277</u>
<i>Improvement to premises</i>		89,725
	<u>31,127,174</u>	<u>31,501,488</u>
Common staff costs include the following items:		
<i>Recruitment, installation and termination costs</i>		
Travel and removal of staff and dependents	419,423	322,108
Termination payments	485,734	492,586
Repatriation grants	99,378	61,202
Other costs	72,474	51,605
	<u>1,077,009</u>	<u>927,501</u>
<i>Staff benefit costs</i>		
Staff Pension Fund contributions	2,154,212	2,039,563
Children's allowances, education grants, etc.	442,373	440,216
Travel on home leave	624,092	881,268
Reimbursement for national income taxation	1,800,000	1,650,000
Contributions medical and group life insurance	100,436	110,952
Other costs	76,616	114,103
	<u>5,197,729</u>	<u>5,236,102</u>

The increase of some \$115,000 in Staff Pension Fund contributions (notwithstanding a slight decrease in over-all payroll costs) is due to the additional contributions required to make past service pensionable, part of which accrued in prior years but were not then provided for.

12. Part IV. United Nations Office at Geneva: \$5,114,377.

These charges are summarized as follows:

	1953 \$	1952 \$
<i>Direct costs</i>		
European Office	2,258,805	2,127,137
Information Service	95,741	91,949
Permanent Central Opium Board secretariat	46,195	44,226
Economic Commission for Europe	958,805	972,264
Office of the High Commissioner for Refugees	563,398	508,731
	<u>3,922,944</u>	<u>3,744,307</u>
<i>Common costs</i>		
Common staff costs	681,390	652,446
Common services	427,139	456,204
Permanent equipment	82,904	146,344
	<u>5,114,377</u>	<u>4,999,301</u>

The amount of \$644,835 shown in statement I, section 20a (Office of the High Commissioner for Refugees) consists of the direct staff costs of \$563,398 as shown above *plus* branch office costs of \$81,437 which have been included under "Common costs" in the above tabulation.

Expenditures during 1953 against grants made by the Rockefeller Foundation, which are not included in the charges shown above for the Geneva Office, amounted to \$25,573.

The cost of the extension to the *Palais des Nations*, which was completed in 1953, has been taken up as an addition to the "Capital assets" of the Organization, as explained in paragraph 22.

13. *Part V. Information centres:* \$853,871.

The total obligations incurred at the various centres, together with comparative figures for 1952, were as follows:

<i>Location of centre</i>	<i>1953</i> \$	<i>1952</i> \$
Belgrade.....	22,317	20,986
Buenos Aires.....	35,686	29,749
Cairo.....	50,134	48,952
Copenhagen.....	45,819	44,276
Karachi.....	32,791	32,067
London.....	101,745	90,205
Mexico.....	58,709	52,777
Monrovia.....	25,771	25,954
Moscow.....	77,659	78,844
New Delhi.....	59,028	44,872
Paris.....	95,113	96,867
Prague.....	53,841	46,812
Rio de Janeiro.....	46,700	50,856
Shanghai.....	34,452	40,036
Sydney.....	29,760	30,338
Teheran.....	23,667	23,759
Warsaw.....	17	31,129
Washington.....	60,662	55,788
	<u>853,871</u>	<u>844,267</u>

In addition, the direct expenditures of the Geneva centre, amounting to \$95,741 for 1953, are included in part IV.

14. *Part VI. Regional economic commissions:* \$1,917,562.

The amount stated above covers the Economic Commissions for Asia and the Far East, and for Latin America; expenditures for the Economic Commission for Europe are included under the Geneva Office in part IV. Direct expenditures for the latter Commission were \$958,805, exclusive of common staff costs, charges for common services, etc., which are not separately stated. On this basis, charges in respect of the three existing Commissions are summarized as follows:

	<i>Asia and Far East</i> \$	<i>Latin America</i> \$	<i>Europe</i> \$
Salaries and wages.....	777,457	576,209	935,635
Travel.....	34,858	33,205	23,170
	<u>812,315</u>	<u>609,414</u>	<u>958,805</u>
Common staff costs.....	212,359	136,338	a
Communications.....	15,492	11,192	a
Other expenses.....	43,823	42,478	a
Permanent equipment.....	14,828	19,323	a
	<u>1,098,817</u>	<u>818,745</u>	<u>958,805</u>

a Included in undistributed charges of the European Office.

15. *Part VIII. Contractual printing:* \$1,496,339.

The obligations incurred under the two main categories were as follows:

	<i>1953</i> \$	<i>1952</i> \$
Official Records.....	733,783	748,774
Publications.....	762,556	699,973
	<u>1,496,339</u>	<u>1,448,747</u>

16. *Part IX. Technical programmes:* \$1,392,900.

The appropriations made under the three sections of this Part have been dealt with as grants-in-aid to the Expanded Programme of Technical Assistance, together with the amount of \$386,700 provided for administrative

expenses in 1953 under Part III, section 9. The combined total of \$1,779,600 appears as a part of the available funds credited for the programme executed by the United Nations, as shown in statement IV. Further details regarding the Expanded Programme are presented in paragraphs 26 to 30 of the present report.

17. *Part X. Special expenses: \$3,149,466.*

The increase of \$500,000 in charges against this Part of the appropriations for 1953 as compared with 1952 represents the additional amount required to be provided in 1953 as amortization on the loan from the United States of America for construction of the permanent Headquarters. The total charges of \$3,149,466 are reflected in the Statement of Assets and Liabilities (statement III) as increases in the Member States' equities acquired in the related capital assets, as follows:

	<i>As at 31 December 1952</i> \$	<i>Charges under Part X in 1953</i> \$	<i>As at 31 December 1953</i> \$
General Fund: equity in the assets transferred from the League of Nations.....	1,298,936	649,466	1,948,402
Permanent Headquarters Construction Account, equity in property:			
Amortization of loan.....	2,000,000	1,500,000	3,500,000
Additional construction costs.....	1,000,000	1,000,000	2,000,000
	<u>4,298,936</u>	<u>3,149,466</u>	<u>7,448,402</u>

18. *Part XI. International Court of Justice: \$585,537.*

The obligations incurred, as certified by the Court, are detailed as follows:

	<i>1953</i> \$	<i>1952</i> \$
Salaries and allowances of members of the Court.....	299,633	307,170
Travelling expenses of members of the Court.....	12,880	15,993
Travelling expenses and allowances of Judges <i>ad hoc</i>	4,355	6,935
Miscellaneous expenses.....	196	1,845
Contributions to Pension Fund for members of the Court.....	13,750	12,583
Salaries and wages of the Registry.....	168,247	173,027
Travelling expenses of the Registry.....	2,285	5,245
Other staff expenses.....	25,403	26,822
Common services.....	55,333	71,063
Permanent equipment.....	3,455	6,433
	<u>585,537</u>	<u>627,116</u>

19. *Ex gratia payments.*

In accordance with the requirements of financial regulation 10.3 the following *ex gratia* payments charged against 1953 budgetary appropriations are reported:

	\$
Indemnity payments made to five terminated staff members employed under fixed-term contracts.....	13,926
Compensation for withdrawal of offers of appointment.....	2,000
Compassionate payment to widow of a deceased staff member.....	3,000
Compensation payments to third parties for death and injury resulting from an accident in Palestine.....	1,250
Additional terminal indemnity paid to a staff member of the International Court of Justice.....	983
Waiver of claim to recovery of overpaid salary.....	401
Waiver of recovery of repatriation grant erroneously paid to beneficiaries of a deceased staff member.....	345
	<u>21,905</u>

In addition, the following items are reported in respect of charges against funds provided under the Expanded Programme for Technical Assistance:

Compassionate payment to widow of deceased staff member.....	\$ 3,000
Travel costs for an expert to return home upon death of wife.....	560
Travel expenses of expert's wife incurred as a result of his illness on duty.....	715
Waiver of recovery of over-payment to an expert due to administrative error.....	210
	<u>4,485</u>

Cash and investments

20. Cash balances and investments (all short-term) of the General and Working Capital Funds at 31 December 1953 totalled \$19,246,213 as compared to \$13,946,88.² a year ago, thus reflecting a substantial increase in liquid resources as a result of the improved record of payment of contributions during the latter part of 1953. Cash on hand in the Permanent Headquarters Construction Account amounted to \$1,120,254, while cash and investments held in trust or special accounts totalled \$66,442,399. Details of this latter group of accounts will be found in paragraph 25 below.

Members' contributions, and advances to the Working Capital Fund

21. The position of the accounts for contributions at 31 December 1953 was as follows:

	For 1953 \$	For 1952 \$
Assessed.....	44,200,000	42,940,000
Collected.....	40,639,807	41,055,006
Balance receivable.....	3,560,193	1,884,994
Percentage collected.....	91.95	95.61

The status of the 1953 and 1952 contributions as at 31 December 1953 compares with relative percentages a year ago of 87.83 and 92.13; and the total outstandings at the end of 1953, \$5,445,187, represented a considerable reduction as compared to the outstandings at the end of 1952. Unpaid advances to the Working Capital Fund amounted to \$2,000.

As at 31 March 1954, additional collections from Members have amounted to \$327,717 for 1953 and \$250,000 for 1952 contributions, bringing total collections up to 92.69 per cent for 1953 and 96.19 per cent for 1952.

For the year 1953 it was possible to provide for payment of 28.55 per cent of contributions in currencies other than US dollars, as compared with 24.1 per cent in the preceding year.

Capital assets

22. Property in Geneva consists of the Secretariat Building, Assembly Hall, Library Building and villas, transferred from the League of Nations, valued at \$11,054,540, to which has been added in 1953 the cost of the extensions to the buildings completed during the year amounting to \$1,033,765, making the total amount \$12,088,305. The cost of these extensions, which were to provide space for the World Health Organization, was contributed as to \$700,935 by the Swiss Government, and the balance of \$332,830 by the World Health Organization. An increase in a corresponding amount is reflected in the figure for "Donated Funds", which is thus included on the liabilities side of statement III as of 31 December 1953 at \$11,946,311 as compared with \$10,912,546 a year ago.

The land for the permanent Headquarters site in New York, which was given to the Organization, is carried at a valuation of \$9,600,000 and the equivalent amount included also under donated funds. The construction costs to date for the buildings on the site and related costs are carried, pending completion, in a separate section of the Statement of Assets and Liabilities and are dealt with in paragraph 23 of the present report.

The source of funds for the capital assets as now shown in the accounts may be summarized as follows:

Source	Buildings in Geneva \$	Headquarters site, New York \$
Donated funds:		
Prior years.....	1,312,546	9,600,000
Current year.....	1,033,765	—
	<u>2,346,311</u>	<u>9,600,000</u>
Credits to Members arising from transfer of the League of Nations assets:		
Already liquidated by budget charges.....	1,948,402	—
Deferred, to be liquidated 1954-1965.....	7,793,592	—
	<u>12,088,305</u>	<u>9,600,000</u>

Construction of the permanent Headquarters

23. The construction accounts of the permanent Headquarters show net construction expenditures to 31 December 1953 in the amount of \$66,164,925, as detailed in schedule C. These expenditures have been financed as to \$65,000,000 from the loan in that amount made available by the United States of America, and the balance, \$1,164,925 from the appropriations totalling \$2,000,000 made by the General Assembly and from donated funds totalling \$77,551. Thus, the amount remaining available for further expenditures is \$912,626; further construction contracts are at present out for bids, and although the costs to be incurred cannot yet be determined, it is expected that the construction work will be completed within the funds available.

Working Capital Fund

24. In accordance with the provisions of General Assembly resolution 676 (VII) the Working Capital Fund was increased for 1953 to \$21,500,000. Of this amount \$20,000,000 is derived from cash advances by Member States, and \$1,500,000 from transfers from surplus account. Details of the credits established for each Member are given in schedule G.

As at 31 December 1953, advances outstanding for various approved purposes aggregated \$5,938,289. Available balances totalled \$15,559,711 represented by cash, short term investments and accrued interest, while \$2,000 was due by a Member State.

The use of the Fund for making advances in the course of the financial year is illustrated by the following table, which shows the amounts outstanding at the end of each quarter during the year, compared with the previous year.

	<i>1 January</i> \$	<i>31 March</i> \$	<i>30 June</i> \$	<i>30 September</i> \$	<i>31 December</i> \$
Purpose of advances:					
Budgetary expenditures.....	10,639,225	16,786,150	17,113,710	2,268,002	5,598,271
Unforeseen and extraordinary expenditures.....	—	12,462	35,984	72,762	—
Loans to specialized agencies.....	311,458	311,458	311,458	221,458	4,684
Other.....	787,514	773,189	343,682	334,963	335,334
Totals—1953	<u>11,738,197</u>	<u>17,883,259</u>	<u>17,804,834</u>	<u>2,897,185</u>	<u>5,938,289</u>
Totals—1952	<u>5,823,199</u>	<u>16,269,102</u>	<u>17,526,840</u>	<u>7,847,224</u>	<u>11,738,197</u>

As at 31 March 1954, advances totalled \$13,016,321 of which \$12,697,017 was in respect of budgetary expenses, pending receipt of contributions. The residual rental deposit of \$50,000 which remained outstanding at 31 December 1953 was repaid in February 1954.

Trust funds and special accounts

25. The net assets under this heading total \$65,809,644 and are summarized below:

	<i>Cash and receivables (less current liabilities)</i> \$	<i>Investments (including gold)</i> \$	<i>Total</i> \$
<i>Trust funds</i>			
Library Endowment Fund (schedule H).....	25,788	539,781	565,569
International Press House Fund (schedule I).....	55	25,340	25,395
<i>Expanded Programme of Technical Assistance</i>			
Special Account (schedule J).....	2,371,752	2,497,034	4,868,786
Allocations to the United Nations (statement IV).....	119,189	—	119,189
Allocations-TAB secretariat (statement V).....	124,105	—	124,105
<i>Funds administered by the High Commissioner for Refugees</i>			
Humanitarian Fund.....	848	22,082	22,930
Ford Foundation Grant.....	25,474	—	25,474
Joint Staff Pension Fund.....	867,326	36,325,890	37,193,216
Staff Provident Fund.....	9,201	—	9,201
UNICEF.....	668,005	22,175,419	22,843,424
UNRRA residual assets (for benefit of UNICEF).....	12,355	—	12,355
	<u>4,224,098</u>	<u>61,585,546</u>	<u>65,809,644</u>

Investments are carried at cost prices as adjusted for amortization of discount or premiums over the life of each security except in the case of the Library Endowment Fund, where the basis as required by the related rules is original cost.

Additional details regarding particular items in the list will be found in the referenced schedules. The Expanded Programme for Technical Assistance is also dealt with in subsequent paragraphs of the present report (paragraphs 26 to 30). The funds reported as held for the Joint Staff Pension Fund and UNICEF represent only cash and investments which the United Nations holds in its custody; in neither case, therefore, does the amount indicated represent the actual principal of either Fund. Full information regarding these two Funds will be found in their audited accounts which are submitted separately to the General Assembly.

Expanded Programme of Technical Assistance

26. The financial statements include three principal reports in respect of the Expanded Programme which reflect three separate aspects of the United Nations participation in the programme. Schedule J to statement III is an accounting for the funds received into and remitted from the Special Account set up under Economic and Social Council resolution 222 (IX), for which the Secretary-General of the United Nations acts as Administrator. Statement IV is the accounting made in respect of operational activities of the United Nations as a participating organization in the programme, while statement V presents the expenditures of the central secretariat, resident representatives, etc., of the Technical Assistance Board, under the administration of the Executive Chairman of the Board.

27. As shown in schedule J, funds on hand in the Special Account at 31 December 1953 totalled \$5,180,042. Of this amount undrawn allocations of the United Nations amount to \$289,271 and those of the Board's secretariat to \$21,985; these amounts appear as available funds in statements IV and V respectively. The remainder of the funds held in the Special Account consist of \$1,179,473 held in respect of undrawn allocations of the specialized agencies as participating organizations in the programme, \$689,313 unallocated funds, and \$3,000,000 in the Special Reserve Fund. It should be emphasized that schedule J in no sense constitutes an operational statement of the Programme, but is purely a statement as to the disposition of contributions received in accordance with the provisions of paragraph 8 of Economic and Social Council resolution 222 (IX).

28. The expenditures by the United Nations as a participating organization in the Expanded Programme are set out in statement IV and its supporting schedules. Total obligations incurred were \$7,059,224 as against available funds credited of \$7,178,413 consisting of \$1,779,600 provided from the regular budget appropriations of the United Nations, net allocations from the Special Account, \$5,355,949, and miscellaneous income, \$42,864. The unobligated balance of the allocations and other available funds thus was \$119,189, which amount by decision of the Technical Assistance Board, will be re-allocated to the United Nations for utilization in 1954. On the other hand, savings realized during 1953 in liquidation of prior years' obligations, \$611,466, are required to revert to the Special Account, following the basis adopted in dealing with the unobligated balances of allocations at 31 December 1952, which under the terms of the relative decision of the Economic and Social Council reverted to the Special Account for redistribution. Of the amount of \$611,466, \$432,777 was surrendered prior to the close of the year and the balance, \$179,189, appears in statement IV as the balance for which the United Nations is accountable in this connexion.

29. Out of the total obligations incurred of \$7,059,224, central administrative costs were \$468,881 or approximately 6.64 per cent of the total obligations incurred. These costs, however, include \$40,286 in respect of charges for reimbursement of United States income taxes on salaries of Headquarters' staff which are charged under this heading. These charges represent an additional burden of cost, and thus result in a correspondingly higher ratio to total costs, as compared with other participating organizations in the Programme which, by reason of the location of their headquarters, do not have to bear similar charges.

30. Statement V is new, and presents, with its supporting schedules, details of the obligations incurred in respect of expenses of the central secretariat of the Technical Assistance Board, its resident representatives and liaison offices. The total obligations incurred for these activities amounted to \$1,299,490 as compared with net allocations authorized from the Special Account of \$1,398,063. After taking into account miscellaneous income and savings on prior years' obligations, the unobligated balance at the end of the year was \$124,105.

*
* *

31. In accordance with the practice adopted in preceding years, the financial statements presented herewith do not include the accounts of the United Nations Children's Fund, the United Nations Relief and Works Agency for Palestine Refugees in the Near East, or the United Nations Korean Reconstruction Agency. In conformity with the related resolutions of the General Assembly, separate reports will be presented to the Assembly covering the accounts of these organizations.

(Signed) Dag HAMMARSKJÖLD
Secretary-General

ACCOUNTS FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 1953

Statement of 1953 budget appropriations, obligations incurred

*Appropriation
section*

Purpose of appropriation

Part I. Sessions of the General Assembly, the Councils, Commissions and Committees

1. The General Assembly, commissions and committees.....
2. The Security Council, commissions and committees.....
3. The Economic and Social Council, commissions and committees.....
 - a. Permanent Central Opium Board and Narcotic Drugs Supervisory Body.....
 - b. Regional economic commissions.....
4. The Trusteeship Council, commissions and committees.....

TOTAL, Part I

Part II. Investigations and inquiries

5. Investigations and inquiries.....
 - a. United Nations Field Service.....

TOTAL, Part II

Part III. Headquarters, New York

6. Executive Office of the Secretary-General.....
 - a. Library.....
7. Department of Political and Security Council Affairs.....
8. Military Staff Committee secretariat.....
9. Technical Assistance Administration.....
10. Department of Economic Affairs.....
11. Department of Social Affairs.....
12. Department for Trusteeship and Information from Non-Self-Governing Territories.....
13. Department of Public Information.....
14. Department of Legal Affairs.....
15. Conference and General Services.....
16. Administrative and Financial Services.....
17. Common staff costs.....
18. Common services.....
19. Permanent equipment.....

TOTAL, Part III

Part IV. United Nations Office at Geneva

20. United Nations Office at Geneva.....
 - a. Office of the High Commissioner for Refugees.....

TOTAL, Part IV

Part V. Information Centres

21. Information Centres (other than information services in Geneva).....

TOTAL, Part V

Part VI. Regional economic commissions (other than Economic Commission for Europe)

22. Economic Commission for Asia and the Far East.....
23. Economic Commission for Latin America.....

TOTAL, Part VI

Part VII. Hospitality

24. Hospitality.....

TOTAL, Part VII

and unobligated balances of appropriations

Appropriated by the General Assembly ¹ \$	Obligations incurred			Unobligated balance of appropriation \$
	Liquidated by disbursements \$	Unliquidated \$	Total \$	
723,400	711,757	9,132	720,889	2,511
246,200	221,234	10,907	232,141	14,059
24,000	20,905	607	21,512	2,488
96,000	90,888	657	91,545	4,455
59,900	55,257	1,253	56,510	3,390
1,149,500	1,100,041	22,556	1,122,597	26,903
2,115,700	1,860,483	123,005	1,983,488	132,212
546,200	521,532	9,876	531,408	14,792
2,661,900	2,382,015	132,881	2,514,896	147,004
391,000	389,736	80	389,816	1,184
461,000	452,725	477	453,202	7,798
733,200	720,186	—	720,186	13,014
121,900	115,935	—	115,935	5,965
386,700	386,700	—	386,700	—
2,129,100	2,059,894	4,061	2,063,955	65,145
1,665,900	1,644,969	14,166	1,659,135	6,765
900,000	893,646	—	893,646	6,354
2,684,900	2,581,582	96,059	2,677,641	7,259
445,400	433,698	3,333	437,031	8,369
9,474,350	9,419,665	971	9,420,636	53,714
1,593,200	1,583,862	6,783	1,590,645	2,555
6,365,350	4,382,888	1,951,174	6,334,062	31,288
3,778,600	3,356,875	375,850	3,732,725	45,875
252,050	230,985	20,874	251,859	191
31,382,650	28,653,346	2,473,828	31,127,174	255,476
4,524,100	4,413,678	55,864	4,469,542	54,558
650,000	635,624	9,211	644,835	5,165
5,174,100	5,049,302	65,075	5,114,377	59,723
862,300	832,032	21,839	853,871	8,429
862,300	832,032	21,839	853,871	8,429
1,145,000	1,076,810	22,007	1,098,817	46,183
819,000	803,740	15,005	818,745	255
1,964,000	1,880,550	37,012	1,917,562	46,438
20,000	16,463	1,370	17,833	2,167
20,000	16,463	1,370	17,833	2,167

*Appropriation
section*

Purpose of appropriation

Part VIII. Contractual printing

25. Official Records.....
26. Publications.....

TOTAL, Part VIII

Part IX. Technical programmes

27. Social activities.....
28. Economic development.....
29. Public administration.....

TOTAL, Part IX

Part X. Special expenses

30. Transfer of assets of the League of Nations to the United Nations.....
31. Amortization of the Headquarters construction loan.....
 a. Headquarters construction costs.....

TOTAL, Part X

Part XI. The International Court of Justice

32. The International Court of Justice.....

TOTAL, Part XI

GRAND TOTAL

¹ Appropriations by the General Assembly under resolution 674 (VII) adopted on 21 December 1952 and revised under resolution 785 (VIII) adopted on 9 December 1953.

Certified correct

(Signed) H. C. ANDERSEN
Director, Bureau of Finance

AUDIT

The above statement of budget appropriations, obligations incurred and unobligated balances of appropriations we have required, and we certify, as a result of the audit, that, in our opinion, the above statement is correct.

STATEMENT I
(continued)

Appropriated by the General Assembly ¹ \$	Obligations incurred			Unobligated balance of appropriation \$
	Liquidated by disbursements \$	Unliquidated \$	Total \$	
739,000	473,329	260,454	733,783	5,217
762,800	551,374	211,182	762,556	244
<u>1,501,800</u>	<u>1,024,703</u>	<u>471,636</u>	<u>1,496,339</u>	<u>5,461</u>
768,500	768,500	—	768,500	—
479,400	479,400	—	479,400	—
145,000	145,000	—	145,000	—
<u>1,392,900</u>	<u>1,392,900</u>	<u>—</u>	<u>1,392,900</u>	<u>—</u>
649,500	649,466	—	649,466	34
1,500,000	1,500,000	—	1,500,000	—
1,000,000	1,000,000	—	1,000,000	—
<u>3,149,500</u>	<u>3,149,466</u>	<u>—</u>	<u>3,149,466</u>	<u>34</u>
610,800	585,537	—	585,537	25,263
<u>610,800</u>	<u>585,537</u>	<u>—</u>	<u>585,537</u>	<u>25,263</u>
<u>49,869,450</u>	<u>46,066,355</u>	<u>3,226,197</u>	<u>49,292,552</u>	<u>576,898</u>

Approved (Signed) Dag HAMMARSKJOLD
Secretary-General

CERTIFICATE

has been examined in accordance with our directions. We have obtained all the information and explanations that

(Signed) Watson SELLAR, Canada
Luis ACEVEDO, RODRIGUEZ, Colombia
Otto F. REMKE, Denmark

Statement of income and obligations incurred and surplus account for the year ended 31 December 1953

	\$	\$
Income:		
Members' contributions:		
As originally assessed for 1953 (schedule A)	42,089,500	
Assessable in connexion with 1953 supplementary appropriations . . .	<u>1,541,750</u>	43,631,250
Miscellaneous income:		
Staff assessment	4,633,589	
Sales of United Nations postage stamps	372,201	
Sales of publications, film and television revenue	318,378	
Personnel and other services provided to specialized agencies and others	303,835	
Rentals: office accommodation and garage space	295,271	
Guided tours	214,272	
Income from investments, including interest on bank balances	186,269	
Sales of furniture and equipment (including instalment of \$38,275 with respect to special sale in 1947)	118,644	
Refunds of prior years' expenditures	95,334	
United Nations Gift Centre	89,460	
Contributions from non-member States	53,802	
Other miscellaneous income	<u>106,317</u>	6,787,372
		<u>50,418,622</u>
Deduct: obligations incurred, per statement of 1953 budget appropriations, etc.		49,292,552
Excess of income over obligations incurred carried to Surplus Account . .		<u><u>1,126,070</u></u>

Surplus Account

Balance as at 1 January 1953		1,313,853
Less:		
Amount transferred to credit of Working Capital Fund	260,797	
Amount applied as credits to Members' contributions in 1953	<u>340,380</u>	601,177
		<u>712,676</u>
Add:		
Savings effected in liquidating prior years' obligations		362,356
Excess of income over obligations incurred for year ended 31 December 1953		1,126,070
Balance as at 31 December 1953		<u><u>2,201,102</u></u>

Certified correct
(Signed) H. C. ANDERSEN
Director, Bureau of Finance

Approved
(Signed) Dag HAMMARSKJOLD
Secretary-General

AUDIT CERTIFICATE

The above statement of income and obligations incurred and surplus account has been examined in accordance with our directions. We have obtained all the information and explanations that we have required, and we certify, as a result of the audit, that, in our opinion, the above statement is correct.

(Signed) Watson SELLAR, Canada
Luis ACEVEDO RODRÍGUEZ, Colombia
Otto F. REMKE, Denmark

Statement of assets and liabilities as at 31 December 1953 follows on page 20

Statement of assets and liabilities

ASSETS		\$	\$
<i>General Fund</i>			
Cash at banks and on hand			3,763,553
Contributions receivable from Members (schedule A)			5,445,187
Contributions assessable against Members in connexion with 1953 supplementary appropriations			1,541,750
Accounts receivable, advances, deposits, etc.			582,011
Note receivable due in annual instalments terminating 26 September 1956 (contra)			114,825
Due from other funds			95,865
Capital assets:			
Secretariat building and Assembly Hall, Library building and villas, Geneva, as at 31 December 1952	11,054,540		
Cost of extensions completed during 1953	<u>1,033,765</u>		
	12,088,305		
Land for permanent Headquarters site, New York	<u>9,600,000</u>		
		21,688,305	
		<u>33,231,496</u>	
<i>Permanent Headquarters Construction Account</i>			
Cash at bank			1,120,254
Accounts receivable, advances, deposits, etc.			2,352
Preliminary and construction expenditures (schedule C)			66,164,925
			<u>67,287,531</u>
<i>Working Capital Fund</i>			
Cash at bank			2,136,570
Investments (schedule D)			13,346,090
Interest accrued			77,051
Members' advances receivable			2,000
Advances to General Fund to finance budgetary expenditures	5,598,271		
Advances to specialized agencies and preparatory commissions (schedule E)	4,684		
Rental deposit for staff housing	50,000		
Advances to finance miscellaneous self-liquidating purchases and activities (schedule F)	<u>285,334</u>		
		5,938,289	
		<u>21,500,000</u>	
<i>Trust Funds and Special Accounts</i>			
Cash at banks and on hand			4,856,853
Gold			25,340
Investments			61,560,206
Interest accrued			336,338
Accounts receivable			597,418
			<u>67,376,155</u>

Certified correct

(Signed) H. C. ANDERSEN
Director, Bureau of Finance

AUDIT

The above statement of assets and liabilities has been examined in accordance with our directions. We have in our opinion, the above statement is correct.

STATEMENT III

as at 31 December 1953

LIABILITIES		\$	\$
Unliquidated obligations.....			3,226,198
Sundry credit balances.....			402,795
Due to Working Capital Fund.....			5,598,271
Deferred income from sale of furniture and equipment on instalment basis, under conditional sales agreement (contra).....			114,825
Deferred credits to Members as a result of transfer of assets from the League of Nations (schedule B).....	7,793,592		
Members' equity in the assets transferred from the League of Nations as a result of liquidation of credits.....	1,948,402		
Donated funds.....	<u>11,946,311</u>		21,688,305
Surplus per Statement of Income and Obligations Incurred and Surplus Account.....			2,201,102
			<u>33,231,496</u>
Amounts withheld from contractors for performance guarantees.....			43,896
Accounts payable to contractors, suppliers and others.....			166,084
Donated funds for special projects.....			77,551
Loan from the Government of the United States of America under the agreement dated 11 August 1948.....	65,000,000		
Less: Amortization payments.....	<u>3,500,000</u>		61,500,000
Member States' equity in property:			
Amortization payments on loan from U.S. Government.....	3,500,000		
Appropriation made for additional construction costs.....	<u>2,000,000</u>		5,500,000
			<u>67,287,531</u>
Principal of fund (schedule G):			
Advances assessed on Members.....	20,000,000		
Transferred from surplus account.....	<u>1,500,000</u>		21,500,000
			<u>21,500,000</u>
Unliquidated obligations, accounts payable and sundry credit balances..			1,470,646
Due to General Fund.....			95,865
Accumulated income and principal of Trust Funds:			
Library Endowment Fund (schedule H).....			565,569
International Press House Fund (schedule I).....			25,395
Accounts held in Special Accounts:			
International Children's Emergency Fund.....	22,843,424		
Joint Staff Pension Fund.....	37,193,216		
Expanded Programme of Technical Assistance:			
Special account (schedule J).....	4,868,786		
United Nations allocations account (statement IV).....	119,189		
Technical Assistance Board secretariat allocations account (schedule V).....	124,105		
Other special accounts.....	<u>69,960</u>		65,218,680
			<u>67,376,155</u>

Approved
 (Signed) Dag HAMMARSKJÖLD
 Secretary-General

CERTIFICATE

obtained all the information and explanations that we have required, and we certify, as a result of the audit, that,

(Signed) Watson SELLAR, Canada
 Luis ACEVEDO RODRÍGUEZ, Colombia
 Otto F. REMKE, Denmark

Schedules to Statement III
SCHEDULE A
Contributions receivable from Members as at 31 December 1953

	<i>1953 assessments</i>			<i>Assessments 1952: balance due</i>	<i>Total; balances due</i>
	<i>Assessments *</i>	<i>Collections</i>	<i>Balance due</i>		
	\$	\$	\$	\$	\$
Afghanistan.....	35,360	35,360	—	—	—
Argentina.....	640,900	640,900	—	—	—
Australia.....	773,500	773,500	—	—	—
Belgium.....	605,540	594,411	11,129	—	11,129
Bolivia.....	26,520	1,839	24,681	19,922	44,603
Brazil.....	640,900	640,900	—	—	—
Burma.....	57,460	57,460	—	—	—
Byelorussian Soviet Socialist Republic.....	190,060	190,060	—	—	—
Canada.....	1,458,600	1,458,600	—	—	—
Chile.....	145,860	145,860	—	—	—
China.....	2,484,040	52,563	2,431,477	1,793,679	4,225,156
Colombia.....	154,700	154,700	—	—	—
Costa Rica.....	17,680	17,680	—	—	—
Cuba.....	150,280	5,909	144,371	—	144,371
Czechoslovakia.....	464,100	464,100	—	—	—
Denmark.....	344,760	344,760	—	—	—
Dominican Republic.....	22,100	22,100	—	—	—
Ecuador.....	17,680	16,069	1,611	—	1,611
Egypt.....	221,000	221,000	—	—	—
El Salvador.....	22,100	20,930	1,170	—	1,170
Ethiopia.....	44,200	44,200	—	—	—
France.....	2,541,500	2,475,348	66,152	—	66,152
Greece.....	83,980	72,130	11,850	—	11,850
Guatemala.....	26,520	6,287	20,233	—	20,233
Haiti.....	17,680	17,680	—	—	—
Honduras.....	17,680	17,680	—	—	—
Iceland.....	17,680	17,680	—	—	—
India.....	1,524,900	1,384,900	140,000	—	140,000
Indonesia.....	265,200	265,200	—	—	—
Iran.....	145,860	127,443	18,417	—	18,417
Iraq.....	53,040	36,923	16,117	—	16,117
Israel.....	75,140	40,000	35,140	—	35,140
Lebanon.....	22,100	2,000	20,100	—	20,100
Liberia.....	17,680	17,680	—	—	—
Luxembourg.....	22,100	22,100	—	—	—
Mexico.....	309,400	309,400	—	—	—
Netherlands.....	552,500	552,500	—	—	—
New Zealand.....	212,160	212,160	—	—	—
Nicaragua.....	17,680	7,440	10,240	—	10,240
Norway.....	221,000	221,000	—	—	—
Pakistan.....	349,180	209,180	140,000	—	140,000
Panama.....	22,100	22,100	—	—	—
Paraguay.....	17,680	—	17,680	17,176	34,856
Peru.....	79,560	6,212	73,348	—	73,348
Philippines.....	172,380	172,380	—	—	—
Poland.....	698,360	518,305	180,055	—	180,055
Saudi Arabia.....	30,940	30,940	—	—	—
Sweden.....	729,300	661,350	67,950	—	67,950
Syria.....	35,360	2,000	33,360	—	33,360
Thailand.....	79,560	79,560	—	—	—
Turkey.....	287,300	284,515	2,785	—	2,785
Ukrainian Soviet Socialist Republic	720,460	720,460	—	—	—
Union of South Africa.....	366,860	366,860	—	—	—
Union of Soviet Socialist Republics	5,427,760	5,427,760	—	—	—
United Kingdom of Great Britain and Northern Ireland.....	4,552,600	4,552,600	—	—	—
United States of America.....	15,523,040	15,523,040	—	—	—
Uruguay.....	79,560	4,913	74,647	54,217	128,864
Venezuela.....	154,700	154,700	—	—	—
Yemen.....	17,680	—	17,680	—	17,680
Yugoslavia.....	194,480	194,480	—	—	—
	<u>44,200,000</u>	<u>40,639,807</u>	<u>3,560,193</u>	<u>1,884,994</u>	<u>5,445,187</u>

" The amount of \$44,200,000 is made up as follows:

Assessed in respect of the financial year 1953 and credited to income account for 1953 (statement 11)	42,089,500
Assessed in respect of supplementary appropriations for the financial year 1952, and credited to income for that year	2,450,880
	<hr/>
	44,540,380
Deduct—Credits to assessments for the year 1953 from surplus as at 31 December 1952 . . .	340,380
	<hr/>
Total assessments for 1953 as above	44,200,000
	<hr/>

SCHEDULE B

Deferred credits to Members as a result of the transfer of assets from the League of Nations as at 31 December 1953

	\$
Afghanistan	5,652
Argentina	286,704
Australia	379,800
Belgium	211,248
Bolivia	22,068
Canada	500,592
Chile	83,808
China	318,756
Cuba	70,908
Czechoslovakia	306,900
Denmark	146,448
Dominican Republic	8,700
Ecuador	2,568
Egypt	50,436
El Salvador	8,196
France	936,108
Greece	80,976
Guatemala	5,256
Haiti	13,968
Honduras	3,336
India	744,264
Iran	45,144
Iraq	21,060
Luxembourg	15,264
Mexico	49,476
Netherlands	274,260
New Zealand	125,100
Nicaragua	1,860
Norway	119,208
Panama	16,548
Peru	26,544
Poland	348,060
Sweden	279,984
Thailand	98,328
Turkey	70,188
Union of South Africa	236,436
Union of Soviet Socialist Republics	178,260
United Kingdom of Great Britain and Northern Ireland	1,381,632
Uruguay	58,956
Venezuela	41,256
Yugoslavia	219,336
	<hr/>
	7,793,592
	<hr/>

SCHEDULE C

Permanent Headquarters Preliminary and construction expenditures to 31 December 1953

	\$	\$
Completion of Secretariat building, conference area, Assembly Hall and garages...		51,577,137
Library building, including cost of alterations.....		1,650,285
Architectural design and planning.....		2,382,974
Engineering and supervisory costs.....		3,510,173
Reconstruction of Franklin D. Roosevelt Drive.....		2,713,618
Search of title to site property.....		20,020
Relocation and rehabilitation of persons resident in buildings located on the site..	653,701	
<i>Less:</i> refunds by City of New York.....	375,943	277,758
Demolition costs.....		303,517
Landscaping.....		1,106,213
Furniture, furnishings and equipment.....		1,965,992
Administrative expenses—Headquarters Planning Office:		
Salaries and allowances (less staff assessments).....	593,458	
Public accounting and auditing services.....	26,897	
Rental and maintenance of premises and equipment.....	11,187	
Travel on official business.....	14,197	
Stationery and office supplies.....	2,641	
Miscellaneous.....	8,858	657,238
		<u>66,164,925</u>

SCHEDULE D

Working Capital Fund investments as at 31 December 1953

	\$
United States Treasury Bills due 4 February 1954.....	998,775
United States Treasury Bills due 25 March 1954.....	1,992,025
United States Treasury Bonds, 2%, due 15 June 1954 (\$3,500,000).....	3,504,887
United States Treasury Bonds, 2%, due 15 December 1954 (\$1,000,000).....	1,000,898
United States Treasury Certificates of Indebtedness, 2-1/4%, due 15 February 1954 (\$1,000,000).....	1,000,203
United States Treasury Certificates of Indebtedness, 2-1/2%, due 22 March 1954 (\$4,345,000)...	4,346,223
United States Treasury Certificates of Indebtedness, 2-5/8%, due 15 September 1954 (\$500,000).....	503,079
	<u>13,346,090</u>

SCHEDULE E

Advances to specialized agencies and preparatory commissions for the year ended 31 December 1953

	<i>Balance 1 January 1953 \$</i>	<i>Advances during year \$</i>	<i>Repayments during year \$</i>	<i>Balance 31 December 1953 \$</i>
Interim Commission of the International Trade Organization.....	216,774	—	216,774	—
Preparatory Commission of the Inter-Governmental Maritime Consultative Organization...	4,684	—	—	4,684
World Meteorological Organization.....	90,000	—	90,000	—
	<u>311,458</u>	<u>—</u>	<u>306,774</u>	<u>4,684</u>

SCHEDULE F

Advances to finance miscellaneous self-liquidating purchases and activities as at 31 December 1953

	<i>Balance 1 January 1953 \$</i>	<i>Advances during year \$</i>	<i>Repayments during year \$</i>	<i>Balance 31 December 1953 \$</i>
Travel expenses of "extra" representatives to the General Assembly, the Councils and Commissions and "extra" local transportation for delegations.....	20,565	35,277	35,908	19,934
Travel expenses of staff members loaned to specialized agencies, etc.....	892	9,458	9,021	1,329
Rentals and cost of improvements to accommodations occupied by Member delegations and specialized agencies in the Empire State Building.....	7,684	49,768	57,452	—
Purchase of cafeteria equipment.....	266,162	2,919	47,384	221,697
AAUN Guide service operations.....	36,200	—	36,200	—
Advance payments for insurance coverage on Secretariat building for periods extending beyond the current year.....	46,077	—	6,809	39,268
Other self-liquidating purchases.....	9,934	71,054	77,882	3,106
	<u>387,514</u>	<u>168,476</u>	<u>270,656</u>	<u>285,334</u>

SCHEDULE G

Advances from Members for the Working Capital Fund as at 31 December 1953

	Cash advances \$	Credits in connexion with transfer from surplus \$	Total advances \$
Afghanistan	16,000.00	1,200.00	17,200.00
Argentina	290,000.00	23,856.65	313,856.65
Australia	350,000.00	26,497.85	376,497.85
Belgium	274,000.00	20,302.16	294,302.16
Bolivia	12,000.00	900.00	12,900.00
Brazil	290,000.00	23,856.65	313,856.65
Burma	26,000.00	2,197.84	28,197.84
Byelorussian Soviet Socialist Republic	86,000.00	5,334.72	91,334.72
Canada	660,000.00	50,119.60	710,119.60
Chile	66,000.00	5,197.84	71,197.84
China	1,124,000.00	85,910.95	1,209,910.95
Colombia	70,000.00	5,497.84	75,497.84
Costa Rica	8,000.00	600.00	8,600.00
Cuba	68,000.00	4,976.08	72,976.08
Czechoslovakia	210,000.00	15,750.00	225,750.00
Denmark	156,000.00	11,823.92	167,823.92
Dominican Republic	10,000.00	750.00	10,750.00
Ecuador	8,000.00	723.92	8,723.92
Egypt	100,000.00	8,739.20	108,739.20
El Salvador	10,000.00	750.00	10,750.00
Ethiopia	20,000.00	1,500.00	21,500.00
France	1,150,000.00	86,250.00	1,236,250.00
Greece	38,000.00	2,726.08	40,726.08
Guatemala	12,000.00	900.00	12,900.00
Haiti	8,000.00	600.00	8,600.00
Honduras	8,000.00	600.00	8,600.00
Iceland	8,000.00	600.00	8,600.00
India	690,000.00	52,741.37	742,741.37
Indonesia	120,000.00	9,000.00	129,000.00
Iran	66,000.00	5,817.44	71,817.44
Iraq	24,000.00	2,047.84	26,047.84
Israel	34,000.00	2,550.00	36,550.00
Lebanon	10,000.00	873.92	10,873.92
Liberia	8,000.00	600.00	8,600.00
Luxembourg	10,000.00	750.00	10,750.00
Mexico	140,000.00	9,880.40	149,880.40
Netherlands	250,000.00	18,997.84	268,997.84
New Zealand	96,000.00	7,447.84	103,447.84
Nicaragua	8,000.00	600.00	8,600.00
Norway	100,000.00	7,500.00	107,500.00
Pakistan	158,000.00	11,850.00	169,850.00
Panama	10,000.00	750.00	10,750.00
Paraguay	8,000.00	600.00	8,600.00
Peru	36,000.00	2,947.84	38,947.84
Philippines	78,000.00	4,610.80	82,610.80
Poland	316,000.00	20,973.75	336,973.75
Saudi Arabia	14,000.00	1,173.92	15,173.92
Sweden	330,000.00	25,741.36	355,741.36
Syria	16,000.00	1,323.92	17,323.92
Thailand	36,000.00	3,071.76	39,071.76
Turkey	130,000.00	10,989.20	140,989.20
Ukrainian Soviet Socialist Republic	326,000.00	20,360.63	346,360.63
Union of South Africa	166,000.00	13,317.44	179,317.44
Union of Soviet Socialist Republics	2,456,000.00	154,087.37	2,610,087.37
United Kingdom of Great Britain and Northern Ireland	2,060,000.00	157,721.93	2,217,721.93
United States of America	7,024,000.00	548,857.81	7,572,857.81
Uruguay	36,000.00	2,700.00	38,700.00
Venezuela	70,000.00	4,878.24	74,878.24
Yemen	8,000.00	600.00	8,600.00
Yugoslavia	88,000.00	6,476.08	94,476.08
	<u>20,000,000.00</u>	<u>1,500,000.00</u>	<u>21,500,000.00</u>

Note:

The advances listed are all fully paid up with the exception of \$2,000.00 due from Cuba.

SCHEDULE H
Library Endowment Fund
Status of the Fund as at 31 December 1953

	\$	\$
Accumulated income:		
Balance as at 1 January 1953.....	22,055	
Add: Net interest received and accrued during year.....	13,641	
	<u>35,696</u>	
Deduct: Expenditures for library books and equipment.....	11,797	
Balance unexpended as at 31 December 1953.....		23,899
Principal:		
Balance as at 1 January 1953.....	541,715	
Deduct: Loss on principal upon maturity of investment.....	45	
Balance as at 31 December 1953.....		541,670
Total of fund.....		<u>565,569</u>
Represented by:		
Investments:		
German External Loan, 1924.....	1	
Government of Denmark External Loan, 5- $\frac{1}{2}$ %.....	3,180	
United States Savings Bonds, Registered Series G, due 1 June 1960, 2- $\frac{1}{2}$ %.....	103,600	
United States Savings Bonds, Registered Series G, due 1 July 1960, 2- $\frac{1}{2}$ %.....	200,000	
Commonwealth of Australia, 1962, 3- $\frac{3}{8}$ %.....	13,975	
United States Treasury Bonds, 1959-1962, 2- $\frac{1}{4}$ %.....	17,361	
Greek Government Refugee Loan, 1964, 7%.....	4,200	
Government of Sweden Bonds, 1939, 2- $\frac{3}{4}$ %.....	47,185	
United States Treasury Bonds, 2- $\frac{3}{4}$ %, due 15 April 1980.....	41,095	
Government of Sweden Bonds, 1942, 3- $\frac{1}{2}$ %.....	28,556	
Government of Sweden Bonds, 1943, 3- $\frac{1}{2}$ %.....	28,588	
Government of Sweden Bonds, 1944, 3- $\frac{1}{2}$ %.....	28,836	
Dominion of Canada, Perpetual, 3%.....	21,804	
	<u>539,781</u>	
Cash at bank.....	21,676	
Interest accrued.....	4,112	
		<u>565,569</u>
The balance of unexpended income at 31 December 1953, \$23,899, is made up as follows:		
Appropriations made in 1952 unexpended at 1 January 1953.....	7,739	
Appropriations made in 1953.....	13,000	
	<u>20,739</u>	
Less—Expended as above.....	11,797	
Balance of appropriations unexpended.....	8,942	
Income unappropriated.....	14,957	
	<u>23,899</u>	

This Fund was transferred to the United Nations by the League of Nations and is administered in accordance with specific rules to ensure the use of the income derived from the Fund exclusively for the purpose for which it was originally established: that is, the maintenance of a library in the *Palais des Nations*.

SCHEDULE I
International Press House Fund
Status of the Fund as at 31 December 1953

	\$	\$
Balance as at 1 January 1953.....		25,426
Deduct—Safe custody charges.....		31
Balance as at 31 December 1953.....		<u>25,395</u>
Represented by:		
Cash at bank.....	55	
Gold, 726.804 fine ounces.....	25,340	
		<u>25,395</u>

This Fund, established by voluntary contributions to provide an International Press House near the *Palais des Nations* in Geneva, was transferred from the League of Nations, subject to the original terms of its establishment. It is accordingly held as an interim custodianship pending clarification as to the bodies legally competent to dispose of the Fund.

SCHEDULE J

Expanded Programme of Technical Assistance

STATUS OF THE SPECIAL ACCOUNT AS AT 31 DECEMBER 1953

	\$	\$
Balance on hand as at 1 January 1953.....		9,760,520
Contributions received during 1953:		
Against 1953 pledges.....	18,939,010	
Against 1952 pledges.....	1,581,259	
Against 1951 pledges.....	150,500	
	<hr/>	
Less: Exchange adjustments.....	20,670,769	
	518,451	
	<hr/>	
Miscellaneous income.....	20,152,318	
	90,043	
	<hr/>	
		20,242,361
		<hr/>
Less:		30,002,881
Remittances and other charges to participating organizations (including \$20,743 for exchange adjustments on allocations).....		24,822,839
		<hr/>
Balance as at 31 December 1953.....		5,180,042
		<hr/>
Represented by:		
Cash at banks and on hand.....		2,471,674
Investments.....		2,497,034
Advances and deposits (including \$263,382 deposited on account of procurement of equipment and supplies).....		285,081
Contributions in kind, accepted but not yet used.....		179,311
		<hr/>
		5,433,100
Less:		
Advance payments on 1954 pledges.....	88,157	
Advance payments on 1954 local costs.....	164,901	
	<hr/>	
		253,058
		<hr/>
		5,180,042
		<hr/>
This amount of \$5,180,042 is accounted for as follows:		
Special reserve fund.....		3,000,000
Unallocated contributions and other income.....		689,313
Undrawn allocations of specialized agencies:		
International Labour Organisation.....	165,413	
Food and Agriculture Organization.....	104,000	
United Nations Educational, Scientific and Cultural Organization.....	561,672	
International Civil Aviation Organization.....	(9,444)	
World Health Organization.....	357,832	
	<hr/>	
		1,179,473
		<hr/>
As per statement III.....		4,868,786
Undrawn allocations of the United Nations (statement IV).....		289,271
Undrawn allocations for expenses of the Technical Assistance Board secretariat (statement V).....		21,985
		<hr/>
		5,180,042
		<hr/>

**Expanded Programme of Technical Assistance
for Economic Development of Under-Developed Countries**

STATEMENT SHOWING THE STATUS OF ALLOCATIONS TO UNITED NATIONS AS AT 31 DECEMBER 1953

	\$	\$
Excess of allocations over obligations incurred as at 31 December 1952.....		14,834
Redistribution (net) of unobligated allocations of the Programme for 1952.....		325,654
Allocations from contributions and other income during 1953.....		5,020,177
		<hr/> 5,360,665
Less: Exchange adjustments on allocations.....		4,716
		<hr/> 5,355,949
Net amount made available from the Special Account.....		
Amounts made available from the regular budget appropriations of the United Nations for 1953.....		1,779,600
Miscellaneous income.....		42,864
		<hr/> 7,178,413
Obligations incurred during 1953:		
Project costs (schedule A).....	5,607,864	
Technical and operational costs (schedule B).....	982,479	
Central administrative costs (schedule C).....	468,881	7,059,224
	<hr/>	<hr/>
Excess of allocations over obligations incurred.....		119,189
		<hr/> <hr/>
Represented by:		
Cash at banks and on hand.....	901,079	
Undrawn allocations.....	289,271	
Accounts receivable, advances, deposits, etc.....	103,000	1,293,350
	<hr/>	<hr/>
Less:		
Unliquidated obligations.....	866,450	
Sundry credit balances.....	29,202	
Due to other funds.....	99,320	
Savings on liquidation of prior year's obligations (less \$432,277 surrendered during 1953) accountable to the Special Account in 1954.....	179,189	1,174,161
	<hr/>	<hr/>
		119,189
		<hr/> <hr/>
Certified correct	Approved	
(Signed) H. C. ANDERSEN	(Signed) Dag HAMMARSKJOLD	
Director, Bureau of Finance	Secretary-General	

AUDIT CERTIFICATE

The above statement showing the status of allocations made to the United Nations in connexion with the Expanded Programme of Technical Assistance for Economic Development of Under-Developed Countries for the year ended 31 December 1953, has been examined in accordance with our directions. We have obtained all the information and explanations that we have required, and we certify, as a result of the audit, that, in our opinion, the above statement and the related schedules are correct.

(Signed) Watson SELLAR, *Canada*
Luis ACEVEDO RODRÍGUEZ, *Colombia*
Otto F. REMKE, *Denmark*

Schedules to Statement II'

SCHEDULE A

**Expanded Programme of Technical Assistance
for Economic Development of Under-Developed Countries**

OBLIGATIONS INCURRED: PROJECT COSTS BY THE UNITED NATIONS FOR THE YEAR ENDED 31 DECEMBER 1953

<i>Designation</i>	<i>Disbursements \$</i>	<i>Unliquidated obligations \$</i>	<i>Total \$</i>
ASIA AND FAR EAST			
Regional projects.....	113,000	52,717	165,717
Australia.....	3,781	416	4,197
Burma.....	178,185	34,560	212,745
Ceylon.....	84,488	8,717	93,205
China.....	40,065	7,224	47,289
India.....	233,542	32,371	265,913
Indochina.....	12,671	1,012	13,683
Indonesia.....	193,449	31,355	224,804
Japan.....	31,661	3,205	34,866
Korea.....	46,447	3,220	49,667
Nepal.....	6,160	1,313	7,473
New Zealand.....	350	—	350
Pakistan.....	164,583	41,529	206,112
Philippines.....	110,095	20,182	130,277
Thailand.....	30,269	7,683	37,952
Non-Self-Governing and Trust Territories administered by Australia...	371	—	371
Non-Self-Governing and Trust Territories administered by the United Kingdom.....	14,708	12,143	26,851
Non-Self-Governing and Trust Territories administered by the United States of America.....	7,750	—	7,750
Other Non-Self-Governing and Trust Territories of the area.....	18	—	18
	<u>1,271,593</u>	<u>257,647</u>	<u>1,529,240</u>
EUROPE			
Regional projects.....	29,223	6,170	35,393
Greece.....	45,119	6,290	51,409
Yugoslavia.....	149,861	27,546	177,407
Austria.....	1,725	585	2,310
Belgium.....	10,259	4,919	15,178
Denmark.....	2,236	652	2,888
Finland.....	4,505	1,931	6,436
France.....	3,354	2,418	5,772
Netherlands.....	8,009	282	8,291
Norway.....	4,410	618	5,028
Sweden.....	5,980	345	6,325
Switzerland.....	6,783	1,481	8,264
Italy.....	12,089	1,137	13,226
Iceland.....	2,280	224	2,504
Trieste.....	6,563	3,630	10,193
	<u>292,396</u>	<u>58,228</u>	<u>350,624</u>
AFRICA			
Regional projects.....	413	—	413
Ethiopia.....	7,298	6,107	13,405
Liberia.....	11,655	3,465	15,120
Libya.....	151,238	741	151,979
Union of South Africa and South West Africa.....	1,630	—	1,630
Non-Self-Governing and Trust Territories administered by Belgium...	—	—	—
Non-Self-Governing and Trust Territories administered by France...	3,612	1,118	4,730
Non-Self-Governing and Trust Territories administered by the United Kingdom.....	14,905	2,427	17,332
	<u>190,751</u>	<u>13,858</u>	<u>204,609</u>

SCHEDULE A
(continued)

<i>Designation</i>	<i>Disbursements</i> \$	<i>Unliquidated obligations</i> \$	<i>Total</i> \$
LATIN AMERICA, CENTRAL AMERICA AND CARIBBEAN			
Regional projects.....	317,567	57,765	375,332
Bolivia.....	275,500	27,734	303,234
Brazil.....	445,338	8,967	454,305
Chile.....	27,846	3,091	30,937
Colombia.....	67,698	5,279	72,977
Costa Rica.....	10,779	1,801	12,580
Cuba.....	13,806	119	13,925
Dominican Republic.....	5,145	3,088	8,233
Ecuador.....	176,775	28,909	205,684
Guatemala.....	13,753	872	14,625
Haiti.....	82,184	5,724	87,908
Honduras.....	5,935	90	6,025
Mexico.....	56,425	9,619	66,044
Nicaragua.....	12,985	3,412	16,397
Panama.....	33,064	7,065	40,129
Paraguay.....	61,934	13,291	75,225
Peru.....	65,362	12,470	77,832
El Salvador.....	36,563	1,454	38,017
Uruguay.....	15,355	2,372	17,727
Venezuela.....	2,760	190	2,950
Non-Self-Governing Territories of the area.....	34,333	564	34,897
	<u>1,761,107</u>	<u>193,876</u>	<u>1,954,983</u>
MIDDLE AND NEAR EAST			
Regional projects.....	43,445	19,489	62,934
Afghanistan.....	152,607	26,563	179,170
Egypt.....	98,283	17,196	115,479
Iran.....	308,592	27,952	336,544
Iraq.....	22,288	1,866	24,154
Israel.....	227,471	32,641	260,112
Jordan.....	101,611	9,045	110,656
Lebanon.....	18,265	3,567	21,832
Saudi Arabia.....	8,043	108	8,151
Syria.....	13,134	4,778	17,912
Turkey.....	150,059	44,947	195,006
Yemen.....	3,418	1,023	4,441
Non-Self-Governing Territories of the area (including Anglo-Egyptian Sudan).....	8	—	8
	<u>1,147,224</u>	<u>189,175</u>	<u>1,336,399</u>
INTER-REGIONAL			
Inter-regional.....	185,165	41,255	226,420
North America.....	1,039	4,516	5,555
United States of America.....	34	—	34
	<u>186,238</u>	<u>45,771</u>	<u>232,009</u>
TOTAL	<u><u>4,849,309</u></u>	<u><u>758,555</u></u>	<u><u>5,607,864</u></u>

SCHEDULE B

Expanded Programme of Technical Assistance for Economic Development of Under-Developed Countries

OBLIGATIONS INCURRED: TECHNICAL AND OPERATIONAL COSTS BY THE UNITED NATIONS
FOR THE YEAR ENDED 31 DECEMBER 1953

	<i>Disbursements</i> \$	<i>Unliquidated obligations</i> \$	<i>Total</i> \$
Personal services.....	855,023	74,475	929,498
Administrative supplies and materials.....	—	150	150
Administrative property and equipment.....	326	—	326
Travel and transportation:			
Official business.....	7,644	612	8,256
Recruitment, leave and termination.....	38,454	4,738	43,192
Contractual and other services:			
Communications.....	—	—	—
Other.....	1,014	43	1,057
	<u>902,461</u>	<u>80,018</u>	<u>982,479</u>

SCHEDULE C

Expanded Programme of Technical Assistance for Economic Development of Under-Developed Countries

OBLIGATIONS INCURRED: CENTRAL ADMINISTRATIVE COSTS BY THE UNITED NATIONS
FOR THE YEAR ENDED 31 DECEMBER 1953

	<i>Disbursements</i> \$	<i>Unliquidated obligations</i> \$	<i>Total</i> \$
Personal services.....	393,806	26,000	419,806
Administrative supplies and materials.....	1,695	—	1,695
Travel and transportation:			
Official business.....	24,291	1,027	25,318
Recruitment, leave and termination.....	11,025	—	11,025
Contractual and other services:			
Communications.....	10,060	850	10,910
Other.....	127	—	127
	<u>441,004</u>	<u>27,877</u>	<u>468,881</u>

**Expanded Programme of Technical Assistance
for Economic Development of Under-Developed Countries**

TECHNICAL ASSISTANCE BOARD SECRETARIAT
STATEMENT SHOWING THE STATUS OF ALLOCATIONS AS AT 31 DECEMBER 1953

(*Expressed in United States dollars*)

	\$	\$
Allocations during the year ended 31 December 1953.....		1,398,250
Less: Exchange adjustment on allocations.....		187
		<u>1,398,063</u>
Savings effected in liquidating prior years' obligations.....		16,962
Miscellaneous income.....		8,570
		<u>1,423,595</u>
Obligations incurred during the period:		
Resident representatives and liaison officers costs (schedule A).....	812,888	
Central administrative costs (schedule B).....	486,602	1,299,490
		<u>1,299,490</u>
Excess of allocations over obligations incurred.....		<u>124,105</u>
Represented by:		
Cash at banks and on hand.....	196,633	
Allocations made but not drawn.....	21,985	
Accounts receivable, advances, deposits, etc.....	28,272	
Due from other funds.....	3,455	250,345
		<u>250,345</u>
Less:		
Unliquidated obligations.....	87,840	
Sundry credit balances.....	38,400	126,240
		<u>126,240</u>
		<u>124,105</u>

Certified correct
(Signed) H. C. ANDERSEN
Director, Bureau of Finance

Approved
(Signed) Dag HAMMARSKJOLD
Secretary-General

AUDIT CERTIFICATE

The above statement showing the status of allocations made to the Technical Assistance Board secretariat in connexion with the Expanded Programme of Technical Assistance for Economic Development of Under-Developed Countries, for the year ended 31 December 1953, has been examined in accordance with our directions. We have obtained all the information and explanations that we have required, and we certify, as a result of the audit, that, in our opinion, the above statement and the related schedules are correct.

(Signed) Watson SELLAR, *Canada*
Luis ACEVEDO RODRIGUEZ, *Colombia*
Otto F. REMKE, *Denmark*

Schedules to Statement V

SCHEDULE A

Expanded Programme of Technical Assistance for Economic Development of Under-Developed Countries

OBLIGATIONS INCURRED FOR RESIDENT REPRESENTATIVES AND LIAISON OFFICES COSTS
FOR THE YEAR ENDED 31 DECEMBER 1953

((Expressed in United States dollars))

	Disbursements \$	Unliquidated obligations \$	Total \$
Personal services.....	581,506	18,282	599,788
Administrative supplies and materials.....	3,857	710	4,567
Administrative property and equipment.....	17,752	1,450	19,202
Travel and transportation.....	116,984	25,542	142,526
Contractual and other services.....	42,677	4,128	46,805
	<u>762,776</u>	<u>50,112</u>	<u>812,888</u>

SCHEDULE B

OBLIGATIONS INCURRED FOR CENTRAL ADMINISTRATIVE COSTS
OF THE TECHNICAL ASSISTANCE BOARD SECRETARIAT FOR THE YEAR ENDED 31 DECEMBER 1953

	Disbursements \$	Unliquidated obligations \$	Total \$
Personal services.....	359,497	22,800	382,297
Administrative supplies and materials.....	12,757	1,103	13,860
Administrative property and equipment.....	571	—	571
Travel and transport:			
Official business.....	38,150	8,409	46,559
Recruitment, leave and termination.....	13,194	833	14,057
Contractual and other services:			
Communications.....	15,634	2,500	18,134
Other.....	9,071	2,053	11,124
	<u>448,874</u>	<u>37,728</u>	<u>486,602</u>

REPORT OF THE BOARD OF AUDITORS

TO THE GENERAL ASSEMBLY

REPORT OF THE BOARD OF AUDITORS TO THE GENERAL ASSEMBLY ON THE AUDIT OF THE ACCOUNTS OF THE UNITED NATIONS FOR THE YEAR ENDED 31 DECEMBER 1953

1. The Secretary-General is required by the Financial Regulations to submit, on or before 31 March, statements of account to the Board of Auditors for audit certificate. The Secretary-General submitted the following:

Statement of 1953 budget appropriations, obligations incurred and unobligated balances of appropriations;
Statement of income and obligations incurred and surplus account for the year ended 31 December 1953; and
Statements of assets and liabilities as at 31 December 1953.

2. As in previous years, the Board's examinations were made in accordance with generally accepted auditing standards and included tests of accounting records at Headquarters, Geneva and The Hague to the extent considered necessary in order to certify the statements. In accordance with directions in the annex to the Financial Regulations, the Board affirmed by tests the reliability of the internal audits performed by the Inspection Service with respect to accounts related to the financial statements. The Board also caused examinations to be made of financial and accounting practices in order to form an opinion with respect to efficiency of practices and certifications by the Secretariat, and the results were satisfactory. All explanations required in the course of the audit were promptly furnished. The Board now records its appreciation of the courtesies, co-operation and assistance extended by the Inspection Service, the Bureau of Finance, officers of the Secretariat in New York and Geneva, and by the Registrar and staff members of the International Court of Justice at The Hague.

Statement of budget appropriations and obligations incurred

3. The General Assembly appropriated \$48,327,700 for the year 1953. This amount was increased to \$49,869,450 by resolution 785 (VIII) of 9 December 1953. The total of obligations incurred was \$49,292,552, which includes a \$1,500,000 repayment of principal on the Headquarters construction loan. (As at 31 December 1953 the outstanding balance of the loan was \$61,500,000.) The Financial Regulations provide that uncommitted balances of appropriations be surrendered at the year-end in order to reduce future assessments on Members. The surrender at the end of 1953 was \$576,898, which, by coincidence, approximated the combined surrenders of 1951 and 1952:

<i>Year</i>	<i>Total appropriated</i>	<i>Obligations incurred</i>	<i>Surrendered balance</i>
	\$	\$	\$
1951.....	48,925,500	48,628,383	297,117
1952.....	50,547,660	50,270,153	277,507
1953.....	49,869,450	49,292,552	576,898

4. The Secretariat Building has been fully occupied since 1951 and all of Headquarters from a date in 1952; therefore, to give the trend of costs a comparison of obligations incurred in the last three years follows:

	1951 \$	1952 \$	1953 \$
Sessions of the General Assembly.....	1,907,733	1,610,883	720,889
Sessions of Councils, etc.....	588,859	225,493	401,708
Investigations and inquiries.....	4,062,681	3,308,561	2,514,896
Headquarters departments.....	29,767,013	31,501,488	31,127,174
Geneva administration.....	4,698,623	4,999,301	5,114,377
Information centres.....	838,081	844,267	853,871
Economic Commission for Asia and Far East.....	856,211	995,295	1,098,817
Economic Commission for Latin America.....	583,602	732,898	818,745
Hospitality.....	18,251	17,238	17,833
Contractual printing.....	1,753,828	1,448,747	1,496,339
Technical programmes.....	1,307,491	1,309,400	1,392,900
Payment on League of Nations assets.....	649,470	649,466	649,466
Payment on Headquarters Construction Loan.....	1,000,000	1,000,000	1,500,000
Capital costs, Headquarters construction.....	—	1,000,000	1,000,000
International Court of Justice.....	596,540	627,116	585,537
	48,628,383	50,270,153	49,292,552

5. The General Assembly met in Paris in 1951 and that, naturally, increased sessional costs; moreover, the session extending into 1952, that year's obligations also include costs related to the Paris session. The only year in the comparison where costs were entirely associated with a session at Headquarters was 1953, the amount being \$720,889.

6. Material reductions in costs were effected in the period with respect to investigations and inquiries. Part II of the budget is divided into two sections: costs of investigations and inquiries and costs of the United Nations Field Service. The larger outlays being in connexion with the first section, a three-year comparison (rounded to nearest thousand dollars) is now given:

	1951 \$	1952 \$	1953 \$
Palestine.....	778,000	738,000	531,000
Balkans.....	572,000	182,000	86,000
Korea.....	593,000	410,000	352,000
India-Pakistan.....	638,000	843,000	684,000
Libya.....	585,000	216,000	116,000
Somaliland.....	137,000	170,000	151,000
Eritrea.....	235,000	194,000	22,000
re Greek children.....	24,000	25,000	9,000
Indonesia.....	74,000	35,000	—
South Africa.....	—	—	32,000
	<u>3,636,000</u>	<u>2,813,000</u>	<u>1,983,000</u>

7. There was a decrease, as compared with 1952, in the total of departmental costs at New York, although overtime costs increased over 40 per cent—from \$194,800 to \$281,300. The major part of this increase was related to normal operations, but it was observed that extraneous, or special, activities are a growing cause for overtime paid to security personnel, electricians and other artisans, attendants, etc. To illustrate the situation, the Buildings Management Service provided the Board with the following calculations of overtime:

On account of:	Hours	Cost \$
Guided Tour Service.....	9,008	22,770
Receptions and special events.....	5,792	15,460
	<u>14,800</u>	<u>38,230</u>

In some instances the Organization is reimbursed costs incurred by reason of a reception or special event, but the amount is credited to Miscellaneous Income, therefore the net cost of overtime was less than the \$281,300 quoted above.

8. In the previous paragraph, it is noted that some recoveries of overtime cost had been credited to Miscellaneous Income. However, this practice is not invariably followed in accounting for receipts derived from commercial operations. Costs of operation of some commercial activities are charged directly to receipts, with the result that there is no charge to the budget. For example, Guided Tour Service direct costs are paid out of receipts, but the added cost for security guards, etc., is a charge to the budget. The cost of operating the Bookshop is a charge against sales, whereas the cost of a stamp sale to a philatelist is not. The commercial activities present budgetary and accounting problems not foreseen when the Financial Regulations were approved. It is the view of the Board that sufficient experience has now been gained to permit rationalization of financial treatment.

9. The table in paragraph 4 above records that, in the period 1951 to 1953, administrative costs of the Geneva Office increased by about \$415,000, but it is to be borne in mind that the administration of the Office of the High Commissioner for Refugees is a charge to Geneva administration. In the period, administrative expenditures of the High Commissioner increased about \$425,000—from approximately \$220,000 in 1951 to \$645,000 in 1953. Therefore, there was an actual decrease of about \$10,000 in ordinary administrative costs of the Geneva Office despite the fact that, in the period, the 5 per cent differential on salaries to international staff was abolished and a cost of living increase granted to the locally recruited staff.

10. During the audit, a case was noted where grant of leave in excess of the amount provided by the Staff Rules had the effect of increasing entitlement payable out of the Joint Staff Pension Fund. The leave grant was permissive so no audit exception is taken, but it presented a question as to the extent that a participating organization may burden the Fund by extending special treatment to staff members on termination. The point was, therefore, drawn to the notice of the Joint Staff Pension Board. Another case noted also presents a question of policy. Since the cost falls on the United Nations, attention is now drawn to it. The Joint Staff Pension Fund Regulations require staff members to contribute 7 per cent of "pensionable remuneration" and the United

Nations to contribute 14 per cent "of the total monthly pensionable remuneration of the participants employed by it". In the audit it was observed that, in one instance, pensionable remuneration was assumed to be \$2,500 greater than the salary actually paid. The point is whether United Nations has authority to pay 14 per cent on this \$2,500. The administrative view is that the definition in article I of the Regulations vests in the Secretary-General such a power, and that it is a condition of the contract that the amount of pensionable remuneration be regarded as \$2,500 more than the sum actually paid. The definition reads:

"'Pensionable remuneration' means the remuneration of a participant which is pensionable in accordance with his terms of employment. It shall not include any special grants or allowances, such as children's allowances, education grants, expense allowances, cost-of-living allowances, payments for overtime, fees, honoraria, and payments for any expenses incurred in the service of a member organization. If part or the whole of the pensionable remuneration is paid in kind, the value of such payments, if not stated in the terms of employment, shall be determined by the Joint Staff Pension Board."

11. The Board inclines to the view that the second sentence has for its purpose that of making certain that pensionable remuneration is limited to the salary paid for services rendered. Moreover, article XVIII of the Regulations provides a means whereby a participant may purchase additional retirement benefits; in such case, however, no contribution is made by the employing organization, the whole amount being payable by the staff member. The case concerns an officer who previously held a post with the higher salary rate and had contributed on that rate; therefore, the aim is to maintain his "average" when pension benefits will be computed in accordance with the "final average remuneration" definition:

"the average annual pensionable remuneration of the participant during the last ten years of his contributory service."

The point of concern to the Board is the precedent thus established.

12. In various sections of the annual budget, provision is made for costs of travel and, collectively, the sum involved is a substantial one. Since provision is annually made in the resolution fixing the scale of assessments on Member States for accepting a portion of the contributions in currencies other than US dollars, the ways and means to substitute payments in soft currencies in place of dollars is of importance. Therefore, were payments for travel made exclusively, wherever feasible, in soft currencies, and reimbursements of travel costs made in dollars or Swiss francs only when initially incurred in these currencies, that should, in the opinion of the Board, materially expand the use of soft currencies and, in consequence, augment the amount of contributions acceptable in soft currencies.

13. The loan from the Government of the United States for the construction of Headquarters was \$65 million. The General Assembly subsequently voted \$2 million for the same purpose. Thus \$67 million was made available. As at 31 December 1953, the total of obligations incurred was \$66,164,925. No valuation has been placed on gifts by Governments and others. 1953 ended with work still to be started on certain approved projects which, in total, represent about \$280,000, the major one being alterations to the third basement which it is estimated may cost \$81,000. The Board was informed that other proposals are under consideration, but no orders to proceed having been given, no contracts have been entered into. It was indicated to the Board that, if it be decided to proceed with these works, the cost may approximate \$385,000.

Statement of income

14. *Income from assessments.* In all, assessments in 1953 amounted to \$44,200,000. A schedule to the financial statements records that, as at 31 December 1953, collections had amounted to about \$40,640,000, leaving about \$3,560,000 to be collected as of that date. The Board observed that, during the first four months of 1954, a further \$550,000 was received. The balance due on 1952 assessments amounted to \$1,634,994 as at 1 May 1954.

15. *Miscellaneous income.* The General Assembly, in adopting the budget resolution, accepted \$6,238,200 as the estimated receipts in 1953. The amount actually credited was \$549,100 more. In part, this was due to the fact that the budget estimate of miscellaneous income had not taken into calculation the income to be derived either from the Guided Tour Service or the Gift Centre. So far as other sources of income are concerned, comparisons are:

Source	1951	1952	1953	
	Actual \$	Actual \$	Estimated \$	Actual \$
Staff Assessment Plan	4,281,000	4,648,600	4,682,500	4,633,600
Sales of United Nations stamps	375,300	421,300	398,000	372,200
Services to specialized agencies	192,800	212,600	238,200	303,800
Rentals (space)	201,900	283,600	279,000	295,300
Sales of publications	140,000	295,900	208,500	287,300
Investment, etc., income	129,400	152,400	107,000	186,300
Sales used furniture, etc.	184,400	111,900	110,500	118,600
Film and television revenue	34,900	16,700	55,000	31,100

Source	1951	1952	1953	
	Actual \$	Actual \$	Estimated \$	Actual \$
Non-Member State contributions.....	9,200	95,100	59,000	53,800
Other.....	288,900	182,500	100,500	201,600
	<u>5,837,800</u>	<u>6,420,600</u>	<u>6,238,200</u>	<u>6,483,600</u>
Guided Tour Service.....			—	214,300
United Nations Gift Centre.....			—	89,400
			<u>6,238,200</u>	<u>6,787,300</u>

16. It will be observed that sales of publications produced approximately \$80,000 more than had been estimated, although receipts were below those of the previous year. Actually, the net results were more favourable than in 1952 because certain budgetary staff costs were eliminated as a result of an agreement with Columbia University Press which took effect on 1 September 1953. As of that date, Columbia took over the operation of the Bookshop at Headquarters on behalf of the United Nations. All books, etc., offered for sale are supplied by the United Nations, with Columbia University Press paying out of proceeds of sales the expenses of operation. These are defined by the agreement to consist of:

Salaries paid and such benefits as may be considered by both parties to be strictly related to such salaries;
Costs reasonably incurred in recruiting personnel, maintenance of records, etc.;
Insurance premiums;

and any special item of cost which in the opinion of United Nations was necessarily incurred. Columbia University Press receives no commission or fee for its services as operator of the Bookshop. The United Nations received \$69,355 in the period 1 September to 31 December 1953 from Bookshop operations.

17. The Guided Tour Service is operated under an agreement by the American Association for the United Nations, with net profits credited to the United Nations. When the service was inaugurated in 1952, an advance of \$36,200 was made from Working Capital Fund to finance the purchase of uniforms and to provide for other expenses associated with organizing the service. This advance has been repaid. In 1953 receipts were \$475,660 and costs of operation \$259,868. The net revenue of \$215,792, less an adjustment of \$1,520 on 1952 account, has been credited to Miscellaneous Income.

18. In the fall of 1952, the United Nations Co-operative Inc. undertook to organize and operate a Gift Centre in New York Headquarters, but the arrangement was not regularized by formal agreement until 25 February 1954. The Centre is operated as a United Nations activity, the status of the Co-operative being that of an agent. Unlike the arrangements with respect to the Guided Tour Service and the Bookshop, a commission is payable to the Co-operative for its services: 12 per cent of the first \$80,000 of net operating profit in a year, 6 per cent of the next \$40,000, and 3 per cent on any further amount. It is guaranteed a minimum fee of \$5,000. Credits to Miscellaneous Income in 1953 from this source totalled \$89,460.

Statement of assets and liabilities

19. The Assets Statement for the first time includes the cost of the extension to the *Palais des Nations*, Geneva. Construction was completed in 1953 and all accounts, save a few minor items, have been settled. Therefore, the book value of the Palais is increased by \$1,033,765 for Statement of Assets purposes. The cost of the extension was met by the Swiss Government donating Sw.fr. 3 million (equal to US \$700,935) and the \$332,830 balance by the World Health Organization. Although the United Nations is owner, no United Nations contribution was made towards the cost, nor does any liability exist to make any repayment either to the Swiss Government or to WHO. However, the agreement with WHO stipulates that it shall enjoy occupancy of the space (or the equivalent) for a period of ninety-nine years at nominal rental of one Swiss franc per annum.

20. A new method was adopted in 1953 in computing the balances at credit of the United Nations Children's Fund and the Joint Staff Pension Fund. The amounts now stated represent sums actually held by the Secretary-General and do not include other assets which the Funds may have in their possession. The Board regards the change as appropriate.

21. Disagreement exists between the Governments of two Members and the United Nations with respect to sums claimed by the United Nations. In one instance the amount is \$66,152 and in the other \$6,483. There is also a special situation involving \$140,000 which was contributed by India to the Working Capital Fund before India and Pakistan became separate Member States. The share of each in the \$140,000 has not been settled. Also among the accounts receivable are items totalling \$46,077 which represent contributions levied by the

General Assembly and payable by six non-member States in connexion with the international control of narcotics and covering the period 1950-1952. The Financial Regulations give no directions as to the action to be taken when a sum is claimed from a Government and it either denies liability or neglects to settle.

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22. The Secretary-General is the custodian of various special accounts which are subject to audit by the Board of Auditors. Separate reports by the Board of Auditors have already been delivered with respect to the following special accounts:

United Nations Children's Fund

United Nations Joint Staff Pension Fund

United Nations Refugee Emergency Fund

23. The audit report on accounts relating to the Expanded Programme of Technical Assistance is associated with this report as the financial statements form part of the United Nations statements for the year.

24. The financial year of the United Nations Korean Reconstruction Agency and of the United Nations Relief and Works Agency for Palestine Refugees in the Near East ends on 30 June, therefore those accounts will be examined and reported upon later in the year.

25. In accordance with established practice, the Board is drawing to the notice of the Advisory Committee on Administrative and Budgetary Questions various matters noted in the audit which relate to the routine of administration.

(Signed) Watson SELLAR, *Canada*
Luis ACEVEDO RODRÍGUEZ, *Colombia*
Otto F. REMKE, *Denmark*

12 May 1954

REPORT OF THE BOARD OF AUDITORS TO THE GENERAL ASSEMBLY ON THE AUDIT OF THE ACCOUNTS RELATING TO THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE FOR THE YEAR ENDED 31 DECEMBER 1953

1. The Special Account to which contributions by Governments are credited is maintained by the Secretary-General of the United Nations. On 1 January 1953, the balance on hand was \$9,760,520. Contributions received during the year were:

	\$
Against 1951 pledges.....	150,500
Against 1952 pledges.....	1,581,259
Against 1953 pledges.....	18,939,010
	<hr/>
	20,670,769
Less exchange adjustments.....	518,451
	<hr/>
	20,152,318
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After adding miscellaneous income of \$90,043, the total cash resources of the year became \$30,002,881. Remittances made to participating organizations in 1953 totalling \$24,822,839, the balance remaining at credit as at 31 December 1953 was \$5,180,042.

2. Pledges to the equivalent of \$US22,395,687 were made by sixty-nine countries for the 1953 programme. \$18,939,010 was received, forty-seven countries paying the full amount of their pledges, while eight others made payments on account. With respect to prior years' pledges, approximately \$1,156,000 was still outstanding as at 31 December 1953.

3. A resolution of the Economic and Social Council automatically allocated part of the funds contributed but, generally, 1953 total allocations were, in effect, regulated by the ratio of the approved programmes of each participating organization to the over-all programme for the year. The \$24,822,839 referred to in paragraph 1 was, therefore, remitted as follows:

	\$
United Nations.....	5,799,301
Food and Agriculture Organization.....	6,598,207
World Health Organization.....	4,659,410
United Nations Educational, Scientific and Cultural Organization.....	3,215,189
International Labour Organisation.....	2,188,573
International Civil Aviation Organization.....	985,894
Technical Assistance Board.....	1,376,265
	<hr/>
	24,822,839
	<hr/>

4. The Secretary-General submitted the following financial statements for audit certificates:

- Statement showing the status of allocations to the United Nations as at 31 December 1953;
- Statement showing the status of allocations for Technical Assistance Board secretariat as at 31 December 1953.

Allocations to the United Nations

5. The United Nations, in addition to allocations from the special account, appropriated \$1,779,600 in the regular United Nations budget for technical assistance activities. Thus, resources available for projects sponsored by the United Nations, together with its related administrative expenses, totalled \$7,178,413. A list of the projects is given in schedule A to Statement IV, but a geographic summary is:

	<i>Disbursements</i> \$	<i>Unliquidated</i> <i>Obligations</i> \$	<i>Total</i> \$
In Asia and Far East.....	1,271,593	257,647	1,529,240
In Europe.....	292,396	58,228	350,624
In Africa.....	190,751	13,858	204,609
In Latin America, Central America and Caribbean.....	1,761,107	193,876	1,954,983
In Middle and Near East.....	1,147,224	189,175	1,336,399
Inter-regional.....	186,238	45,771	232,009
	<u>4,849,309</u>	<u>758,555</u>	<u>5,607,864</u>

In each annual audit of technical assistance accounts it has been observed that subsequent savings in recorded unliquidated obligations have been substantial. In the course of this year's audit it was noted that in the three months to 31 March 1954, savings in the unliquidated obligations had already amounted to \$40,000. Therefore, the \$758,555 total of unliquidated obligations as at 31 December 1953 is subject to the foregoing observations.

6. Central administrative costs of the United Nations in connexion with programmes administered by it amounted to \$468,881. A comparison between such costs in 1952 and 1953 is:

	1952 \$	1953 \$
Personal services.....	392,016	419,806
Travel:		
Official.....	26,894	25,318
Recruitment, leave and termination.....	9,019	11,025
Communications.....	12,233	10,910
Other.....	1,745	1,822
	<u>441,907</u>	<u>468,881</u>

7. In addition, there were operational costs of \$982,479. A comparison of these with like costs in 1952 follows:

	1952 \$	1953 \$
Personal services.....	680,968	929,498
Travel:		
Official.....	16,698	8,256
Recruitment, leave and termination.....	41,604	43,192
Other.....	26,891	1,533
	<u>766,161</u>	<u>982,479</u>

8. Four *ex gratia* payments were made in the year as charges to technical assistance projects. They totalled \$4,485, the largest being a \$3,000 compassionate grant to the widow of a staff member. Particulars are given in paragraph 19 of the financial report of the Secretary-General. Reference is now made to the payments because the Board was informed that proposals for *ex gratia* payments are not reviewed by TAB. There exists, therefore, the possibility that like considerations may not control decisions of the several participating organizations.

Technical Assistance Board secretariat statement

9. Obligations incurred totalled \$1,299,490 and consisted of:

	\$
Resident representatives' and liaison offices' costs.....	812,888
Central administrative costs.....	486,602
	<u>1,299,490</u>

As this is the first year in which a detailed financial statement of this nature has been submitted, it is noted by way of information that a substantial increase in costs took place in the year due to the adoption of the policy of appointing resident representatives and opening liaison offices. The Board was informed that the adoption of this practice should reduce operational costs of organizations.

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10. All information required was provided and the Board now records its appreciation of assistance extended by officers of the United Nations and of the Technical Assistance Board.

(Signed) Watson SELLAR, *Canada*
Luis ACEVEDO RODRÍGUEZ, *Colombia*
Otto F. REMKE, *Denmark*

12 May 1954