

UNITED



NATIONS

**UNITED NATIONS RELIEF AND WORKS AGENCY
FOR PALESTINE REFUGEES IN THE NEAR EAST**

ACCOUNTS

for the year ended 31 December 1960

and

REPORT OF THE BOARD OF AUDITORS

GENERAL ASSEMBLY

OFFICIAL RECORDS : SIXTEENTH SESSION

✓ SUPPLEMENT No. 6B (A/4782)

SECRETARIAT

COPY

NEW YORK

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NOTE

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

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LETTER OF TRANSMITTAL

New York 19 May 1961

Sir,

I have the honour to transmit to you for presentation to the General Assembly the certified financial statements and report of the Board of Auditors on the accounts of the United Nations Relief and Works Agency for Palestine Refugees in the Near East for the year 1960.

Accept, Sir, the assurances of my highest consideration.

(Signed) L. GÖTZEN
On behalf of the Board of Auditors

The Secretary-General of the United Nations,
New York

NOTE BY THE SECRETARY-GENERAL

1. The financial statements of the United Nations Relief and Works Agency for Palestine Refugees in the Near East for the year ended 31 December 1960, together with the report of the Board of Auditors thereon, are presented herewith pursuant to the provisions of resolution 302 (IV) adopted by the General Assembly on 8 December 1949. In paragraph 21 of that resolution, the General Assembly:

“Requests the Director to submit to the General Assembly of the United Nations an annual report on the work of the United Nations Relief and Works Agency for Palestine Refugees in the Near East, including an audit of funds . . .”

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

FINANCIAL STATEMENTS

Statement I

Budget and expenditure

For the year ended 31 December 1960

(In US dollars)

Activity	Budget			Expenditure
	From 1959	For 1960	Total budget	
Basic subsistence.....	27,290	14,700,000	14,727,290	13,580,002
Supplementary feeding.....	7,374	1,590,000	1,597,374	1,547,906
Health care.....	85,800	2,920,000	3,005,800	2,809,049
Environmental sanitation.....	42,578	380,000	922,578	941,658
Elementary and secondary education.....	341,293	6,910,000	7,251,293	6,683,233
Vocational and university education.....	305,415	2,710,000	3,015,415	1,332,813
Social welfare.....	22,102	870,000	892,102	799,445
Placement services.....	—	230,000	230,000	148,681
Shelter.....	1,108,722	870,000	1,978,722	807,332
Projects and special activities.....	37,605	1,000,000	1,037,605	409,385
Eligibility and registration.....	—	210,000	210,000	211,388
Transport within UNRWA area.....	19,316	1,720,000	1,739,316	1,780,939
Supply control and warehousing.....	277,730	650,000	927,730	660,885
General administration.....	1,414	660,000	661,414	684,510
General internal services.....	20,802	1,680,000	1,700,802	1,828,537
Operations administration and services.....	—	320,000	320,000	475,513
Operational reserve.....	—	800,000	800,000	—
TOTAL BUDGET AND EXPENDITURE	2,297,441	38,720,000	41,017,441	34,701,276

The notes to the financial statements are an integral part of these statements and should be read in conjunction therewith. For details of expenditure see schedules A to P.

CERTIFIED CORRECT

(Signed) Lloyd CALLOW
Comptroller

APPROVED

(Signed) John H. DAVIS
Director

AUDIT CERTIFICATE

The above statement of budget and expenditure 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) L. GÖTZEN, Netherlands

J. MURGUEITIO, Colombia

Lars BREIE, Norway

Income and expenditure
For the year ended 31 December 1960
(In US dollars)

Income	
Contributions from governments (schedule Q)	32,852,870
Contributions from others (schedule R)	1,307,903
Miscellaneous income (schedule S)	483,283
Exchange adjustments	837,949
	<hr/>
Expenditure (statement I)	35,482,005
	<hr/>
Surplus of income over expenditure	780,729
	<hr/>

The notes to the financial statements are an integral part of these statements and should be read in conjunction therewith.

CERTIFIED CORRECT

(Signed) Lloyd CALLOW
Comptroller

APPROVED

(Signed) John H. DAVIS
Director

AUDIT CERTIFICATE

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

(Signed) L. GÖTZEN, *Netherlands*
J. MURGUEITIO, *Colombia*
Lars BREIE, *Norway*

Statement III

Working Capital
For the year ended 31 December 1960
(In US dollars)

Balance at 1 January 1960	22,131,106
Add	
Adjustments for prior years and unallocated price variations ...	150,084
	<hr/>
	22,281,190
Add	
Surplus of income over expenditure (statement II)	780,729
	<hr/>
Balance at 31 December 1960	23,061,919
	<hr/>

The notes to the financial statements are an integral part of these statements and should be read in conjunction therewith.

CERTIFIED CORRECT

(Signed) Lloyd CALLOW
Comptroller

APPROVED

(Signed) John H. DAVIS
Director

AUDIT CERTIFICATE

The above statement of working capital 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) L. GÖTZEN, *Netherlands*
J. MURGUEITIO, *Colombia*
Lars BREIE, *Norway*

Assets, liabilities and working capital

As at 31 December 1960

(In US dollars)

ASSETS

<i>Cash resources</i>	
(Cash in banks and on hand, securities, guarantee deposits, etc. See note 10 for details)	24,056,190
<i>Prepaid expenses and advances to vendors</i>	
(Prepaid costs, applicable to following period)	122,492
<i>Accounts receivable</i>	
(Claims against Governments and insurance companies, and miscellaneous receivables, less reserve for possibly uncollectable amounts)	244,427
<i>Inventories of supplies and equipment</i>	
(Supplies on hand or in transit and equipment not issued for use)	5,284,955
	<hr/>
TOTAL ASSETS	29,708,064
	<hr/>

LIABILITIES AND WORKING CAPITAL

<i>Liabilities and reserves</i>	
Accounts payable	1,272,006
Reserve for staff separation costs	5,273,339
Reserve of income received in advance	100,800
	<hr/>
	6,646,145
<i>Working capital</i> (statement III)	23,061,919
	<hr/>
TOTAL LIABILITIES AND WORKING CAPITAL	29,708,064
	<hr/>

The notes to the financial statements are an integral part of these statements and should be read in conjunction therewith.

CERTIFIED CORRECT

(Signed) Lloyd CALLOW
Comptroller

APPROVED

(Signed) John H. DAVIS
Director

AUDIT CERTIFICATE

The above statement of assets, liabilities and working capital 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) L. GÖTZEN, *Netherlands*
J. MURGEITIO, *Colombia*
Lars BREIE, *Norway*

Expenditure for basic subsistence
For the year ended 31 December 1960
(In US dollars)

Description	Distribution administration	Distribution	Quality control	Ration costs	Total
International staff costs.....	18,575	—	14,033	—	32,608
Area staff costs.....	40,243	274,229	19,643	—	334,115
Blankets.....	—	—	—	326,819	326,819
Domestic fuel.....	—	—	—	121,040	121,040
Soap.....	—	—	—	319,545	319,545
Tents.....	—	323	—	—	323
Basic food ration.....	—	—	—	12,344,144	12,344,144
Other supplies.....	977	9,592	1,589	—	12,158
Rental of premises.....	—	12,811	—	—	12,811
Maintenance of premises.....	261	11,969	2	—	12,232
Equipment.....	640	2,696	1,925	—	5,261
Buildings and structures.....	—	29,295	—	—	29,295
Travel.....	1,354	81	1,754	—	3,189
Contractual services.....	8	1,062	17,941	—	19,011
Grants and subsidies.....	—	561	—	—	561
Handling losses (net).....	—	11,181	—	—	11,181
Expenditure charged to other activities.....	—	(97)	(610)	(3,584)	(4,291)
TOTAL BASIC SUBSISTENCE	62,058	353,703	56,277	13,107,964	13,580,002

Schedule B

Expenditure for supplementary feeding
For the year ended 31 December 1960
(In US dollars)

Description	Supplementary feeding administration	Supplementary feeding	Milk distribution	Total
International staff costs.....	10,282	—	—	10,282
Area staff costs.....	57,589	294,695	74,216	426,500
Skim milk ration.....	—	—	81,913	81,913
Whole milk ration.....	—	—	149,122	149,122
Fresh supplementary food ration.....	—	385,790	—	385,790
Dry supplementary food ration.....	—	175,438	—	175,438
Nursing and pregnant women's ration.....	—	159,727	—	159,727
Non-hospitalized TB ration.....	—	20,935	—	20,935
Vitamin ration.....	—	19,462	—	19,462
Other supplies.....	1,214	29,313	20,735	51,262
Rental of premises.....	—	18,986	9,536	28,522
Maintenance of premises.....	—	14,407	7,448	21,855
Equipment.....	—	832	545	1,377
Buildings and structures.....	—	3,559	2,597	6,156
Travel.....	2,269	—	—	2,269
Contractual services.....	—	11,479	1,032	12,511
Grants and subsidies.....	—	749	—	749
Losses.....	—	—	6	6
Expenditure charged to CARE.....	—	—	(5,970)	(5,970)
TOTAL SUPPLEMENTARY FEEDING	71,354	1,135,372	341,180	1,547,906

Expenditure for health care
For the year ended 31 December 1960
(In US dollars)

Description	Health administration	Pharmacy services	Laboratory services	General clinics	General hospitals	Maternal and child care	Tuberculosis control
International staff costs	135,663	12,009	—	—	—	—	—
Area staff costs	128,364	56,926	11,332	623,128	87,847	110,745	77,792
Layettes	—	—	—	—	—	48,945	—
Non-hospitalized TB ration	—	—	—	—	—	—	5,473
Food supplies	—	—	—	—	21,148	7,644	35,026
Medical supplies	—	796	1,498	134,460	19,176	3,303	16,575
Other supplies	2,725	2,074	—	4,014	6,227	953	1,743
Rental of premises	300	1,569	—	23,099	5,465	342	5,600
Maintenance of premises	—	740	210	14,402	3,259	2,580	6,142
Equipment	—	566	311	3,104	2,156	922	585
Buildings and structures	—	11,007	—	8,600	340	246	—
Transport equipment	—	—	—	2,040	—	—	—
Travel	5,898	534	—	7,092	—	208	90
Communications	—	29	—	955	700	—	151
Contractual services	—	17	5,379	7,622	13,794	1,550	2,490
Grants and subsidies	—	—	6,766	17,328	779,839	23,498	109,469
Losses	727	—	—	48	—	—	—
Income from paying patients	—	—	—	(36)	(5,643)	—	(1,147)
TOTAL	273,677	86,267	25,496	845,856	934,308	200,936	259,989

Description	Mental health care	Dental care	School health services	Health education	Other medical services	Total
International staff costs	—	—	—	—	—	147,672
Area staff costs	—	16,050	25,135	33,389	5,309	1,176,017
Layettes	—	—	—	—	—	48,945
Non-hospitalized TB ration	—	—	—	—	—	5,473
Food supplies	—	—	—	—	—	63,818
Medical supplies	—	3,029	1,047	—	—	179,884
Other supplies	—	—	15	11,355	62	29,168
Rental of premises	—	135	—	—	—	36,510
Maintenance of premises	—	112	—	—	—	27,445
Equipment	—	2,081	30	—	—	9,755
Buildings and structures	—	31	—	—	404	20,628
Transport equipment	—	—	—	—	—	2,040
Travel	—	116	1,746	1,116	550	17,350
Communications	—	—	—	—	—	1,835
Contractual services	427	5,963	—	—	5,675	42,917
Grants and subsidies	51,128	—	—	—	17,615	1,005,643
Losses	—	—	—	—	—	775
Income from paying patients	—	—	—	—	—	(6,826)
TOTAL HEALTH CARE	51,555	27,517	27,973	45,860	29,615	2,809,049

Expenditure for environmental sanitation

For the year ended 31 December 1960

(In US dollars)

Description	Sanitation administration	Drainage	Refuse and sewage disposal	Water supply
International staff costs.....	13,465	—	—	—
Area staff costs.....	73,738	447	477,010	26,733
Sanitation supplies.....	2	—	—	602
Other supplies.....	1,101	—	3,287	109,812
Rental of premises.....	—	—	210	50
Maintenance of premises.....	—	2,321	23,700	11,092
Equipment.....	—	—	1,188	13,612
Buildings and structures.....	—	16,366	11,737	15,306
Transport equipment.....	—	—	12,968	—
Travel.....	1,684	—	—	—
Contractual services.....	—	—	35,143	2,511
Grants and subsidies.....	—	—	—	—
Losses.....	—	—	—	—
Expenditure charged to other activities.....	—	—	—	—
TOTAL	89,990	19,134	565,243	179,718

Description	Insect and rodent control	Ancillary camp facilities	Sanitation in towns	Sanitation supplies factory	Total
International staff costs.....	—	—	—	—	13,465
Area staff costs.....	8,295	16,950	22,112	3,338	628,623
Sanitation supplies.....	13,017	—	476	—	14,097
Other supplies.....	202	8,820	5,251	3,928	132,401
Rental of premises.....	—	—	—	—	260
Maintenance of premises.....	—	1,384	369	—	38,866
Equipment.....	241	100	—	—	15,141
Buildings and structures.....	—	1,911	—	—	45,320
Transport equipment.....	—	—	—	—	12,968
Travel.....	104	—	—	—	1,783
Contractual services.....	85	118	3,687	—	41,544
Grants and subsidies.....	—	190	4,192	—	4,382
Losses.....	—	—	69	—	69
Expenditure charged to other activities.....	—	—	—	(7,266)	(7,266)
TOTAL ENVIRONMENTAL SANITATION	21,944	29,473	36,156	—	941,658

Expenditure for elementary and secondary education

For the year ended 31 December 1960

(In US dollars)

Description	Education administration	Elementary education	Preparatory education	Handicrafts	Secondary education	In-service staff training	Total
International staff costs.....	41,069	—	—	21,498	—	48,056	110,623
Area staff costs.....	142,397	3,227,981	844,775	242,078	18,897	3,774	4,479,902
Food supplies.....	—	—	—	—	—	858	858
Educational supplies.....	—	231,217	148,815	46,363	1,517	5,138	433,050
Other supplies.....	5,079	12,759	4,468	1,229	304	316	24,155
Tents.....	—	2,766	—	—	—	—	2,766
Rental of premises.....	—	174,095	17,331	—	—	—	191,426
Maintenance of premises.....	—	62,252	7,334	3,276	32	75	72,969
Equipment.....	—	66,559	15,938	13,679	—	—	96,176
Buildings and structures.....	271	207,878	1,457	17,483	—	—	227,089
Travel.....	3,287	—	—	2,478	—	3,129	8,894
Communications.....	—	—	56	—	—	—	56
Hire of vehicles.....	—	—	—	—	—	2,141	2,141
Contractual services.....	11	19,879	6,159	1,202	52	11,918	39,221
Grants and subsidies.....	—	295,714	483,755	—	158,768	5,627	943,864
Losses.....	412	—	—	368	—	—	780
Transport costs.....	—	1,894	32,251	—	17,516	668	52,329
Income from paying pupils.....	—	(2,603)	—	—	—	(463)	(3,066)
TOTAL ELEMENTARY AND SECONDARY EDUCATION	192,526	4,300,391	1,562,339	349,654	197,086	81,237	6,683,233

Schedule F

Expenditure for vocational and university education

For the year ended 31 December 1960

(In US dollars)

Description	Jordan							
	Vocational education administration and common costs	Teachers' training administration and common costs	Kalandia vocational training centre	Midwifery training	Wadi Seer vocational training centre	Ramallah teacher- training centre	Nablus teacher- training centre	Ramallah vocational training centre
International staff costs.....	11,743	—	—	—	—	—	—	—
Area staff costs.....	5,368	4,274	83,120	—	35,536	16,856	25,929	—
Food supplies.....	—	659	27,898	—	8,056	4,306	6,601	—
Medical supplies.....	—	—	175	—	55	24	34	—
Educational supplies.....	—	235	8,029	—	5,843	4,902	3,254	—
Other supplies.....	388	179	9,197	—	1,953	1,454	2,423	—
Rental of premises.....	—	—	—	—	—	—	5,392	—
Maintenance of premises.....	—	44	5,491	—	1,891	1,685	2,525	—
Equipment.....	44	—	22,277	—	101,194	43,406	2,851	—
Buildings and structures.....	—	—	20,500	—	86,800	25,486	—	102
Travel.....	806	167	97	—	146	17	30	—
Communications.....	—	—	672	—	455	653	225	—
Hire of vehicles.....	—	515	—	—	—	—	—	—
Contractual services.....	14	1,534	2,701	—	805	297	996	—
Grants and subsidies.....	—	—	22,129	1,277	23,229	5,973	6,337	—
Transport costs.....	—	—	4,694	—	617	1,518	227	—
Expenditure charged to staff or other activities.....	—	(13)	(1,698)	—	(193)	(218)	(714)	—
TOTAL	18,363	7,594	205,282	1,277	266,387	106,359	56,110	102

Expenditure for vocational and university education
(continued)

Description	Lebanon					
	Vocational education administration and common costs	Commercial and secretarial courses	Course in the English language	Secretarial training course	Arc welding course	Maternity nurse training
International staff costs.....	—	—	—	—	—	—
Area staff costs.....	2,746	—	—	—	8,867	1,510
Food supplies.....	—	—	—	—	—	—
Medical supplies.....	—	—	—	—	7	—
Educational supplies.....	—	—	—	—	8,808	—
Other supplies.....	—	—	—	—	3,055	—
Rental of premises.....	—	—	150	—	625	—
Maintenance of premises.....	—	—	—	—	30	—
Equipment.....	—	—	—	—	38	46
Buildings and structures.....	—	—	—	—	—	—
Travel.....	55	—	—	—	4	—
Communications.....	—	—	—	—	97	—
Contractual services.....	—	—	1,560	—	824	—
Grants and subsidies.....	—	5,322	298	4,008	9,817	1,491
Transport costs.....	—	—	—	—	—	—
Expenditure charged to staff or other activities....	—	—	—	—	—	—
TOTAL	2,801	5,322	2,008	4,008	32,172	3,047

Description	Gaza		Syria	
	Vocational training centre	Teacher training	PARI nursing training	Damascus vocational training centre
International staff costs.....	—	—	—	—
Area staff costs.....	49,599	—	—	—
Food supplies.....	15,333	—	—	—
Medical supplies.....	36	—	—	—
Educational supplies.....	4,649	—	—	—
Other supplies.....	3,882	—	—	—
Rental of premises.....	4,248	—	—	—
Maintenance of premises.....	3,049	—	—	—
Equipment.....	1,036	—	—	—
Buildings and structures.....	11,716	—	—	1,079
Travel.....	48	—	—	—
Communications.....	43	—	—	—
Hire of vehicles.....	—	—	—	—
Contractual services.....	1,745	—	—	189
Grants and subsidies.....	12,278	7,440	933	—
Transport costs.....	1,486	742	—	—
Expenditure charged to staff or other activities.....	—	—	—	—
TOTAL	109,148	8,182	933	1,268

Expenditure for vocational and university education
(continued)

Description	Headquarters				Agency total
	Vocational education administration and common costs	University scholarships	Teacher's training administration and common costs	United Kingdom nursing training	
International staff costs.....	154,541	—	44,280	—	210,564
Area staff costs.....	11,683	4,198	—	—	249,686
Food supplies.....	—	—	—	—	62,853
Medical supplies.....	—	—	—	—	331
Educational supplies.....	964	—	—	—	36,684
Other supplies.....	2,832	—	2,467	—	27,830
Rental of premises.....	—	—	—	—	10,415
Maintenance of premises.....	—	—	—	—	14,715
Equipment.....	—	—	172	—	171,064
Buildings and structures.....	—	—	—	—	145,683
Travel.....	5,890	7,177	491	650	15,578
Communications.....	—	—	—	—	2,145
Hire of vehicles.....	—	—	—	—	515
Contractual services.....	4	56	—	—	10,725
Grants and subsidies.....	302	266,743	—	—	367,577
Transport costs.....	—	—	—	—	9,284
Expenditure charged to staff or other activities.....	—	—	—	—	(2,836)
TOTAL VOCATIONAL AND UNIVERSITY EDUCATION	176,216	278,174	47,410	650	1,332,813

Schedule G

Expenditure for social welfare
For the year ended 31 December 1960
(In US dollars)

Description	Welfare administration	Case work	Distribution of non-programme donations	Community development	Other welfare services	Clothing for children	Total
International staff costs.....	6,245	—	—	10,090	—	—	16,335
Area staff costs.....	60,995	59,158	7,059	80,101	2,767	196	210,276
Cloth supplies.....	—	—	—	—	—	5,361	5,361
Educational supplies.....	—	—	—	27,104	—	—	27,104
Other supplies.....	1,242	102	203	30,941	—	810	33,298
Rental of premises.....	—	—	873	5,634	—	—	6,507
Maintenance of premises.....	—	—	162	5,340	—	—	5,502
Equipment.....	—	—	—	7,518	—	214	7,732
Buildings and structures.....	—	—	—	4,189	656	—	4,845
Travel.....	1,020	287	75	2,391	—	—	3,773
Inland freight.....	—	—	34,618	—	—	—	34,618
Ocean freight.....	—	—	256,098	—	—	—	256,098
Port and customs services.....	—	—	31,387	—	—	—	31,387
Other contractual services.....	—	—	—	4,154	—	—	4,154
Grants and subsidies.....	—	44,683	—	53,783	11,366	—	109,832
Burial grants.....	—	—	—	—	37,856	—	37,856
Aid to religious institutions.....	—	—	—	—	3,830	—	3,830
Transport costs.....	—	—	—	937	—	—	937
TOTAL SOCIAL WELFARE	69,502	104,230	330,475	232,182	56,475	6,581	799,445

Expenditure for placement services
For the year ended 31 December 1960
(In US dollars)

<i>Description</i>	<i>Placement administration</i>	<i>Placement</i>	<i>Migration</i>	<i>Total</i>
International staff costs	6,246	—	—	6,246
Area staff costs	12,876	33,993	7,715	54,584
Supplies	414	257	6	677
Travel	126	764	—	890
Contractual services	—	3,347	—	3,347
Grants and subsidies	—	766	82,088	82,854
Losses	—	83	—	83
TOTAL PLACEMENT SERVICES	19,662	39,210	89,809	148,681

Expenditure for shelter
For the year ended 31 December 1960
(In US dollars)

<i>Description</i>	<i>Shelter administration</i>	<i>Shelter construction and maintenance</i>	<i>Road construction and maintenance</i>	<i>Total</i>
Area staff costs	19,602	1,578	1,420	22,600
Medical supplies	2	—	—	2
Other supplies	394	20	2	416
Rental of premises	—	162,774	—	162,774
Maintenance of premises	—	72,769	6,498	79,267
Buildings and structures	—	497,252	44,325	541,577
Travel	260	—	—	260
Contractual services	—	17	174	191
Grants and subsidies	—	—	245	245
TOTAL SHELTER	20,258	734,410	52,664	807,332

Expenditure for projects and special activities

For the year ended 31 December 1960

(In US dollars)

PROJECTS					
Description	Total budget reservation	Expenditure			Unexpended budget reservation
		Prior to 1 Jan. 1960	Current	Total	
<i>Training of handicapped youths</i>					
Area staff costs	2,166	2,166	—	2,166	—
Travel	7,372	3,509	2,005	5,514	1,858
Grants and subsidies	250,199	56,529	18,797	75,326	174,873
Reserve for contingencies	11,038	—	—	—	11,038
	<u>270,775</u>	<u>62,204</u>	<u>20,802</u>	<u>83,006</u>	<u>187,769</u>
<i>Treatment of handicapped youths</i>					
Grants and subsidies	41,246	26,028	6,854	32,882	8,364
Reserve for contingencies	10,086	—	—	—	10,086
	<u>51,332</u>	<u>26,028</u>	<u>6,854</u>	<u>32,882</u>	<u>18,450</u>
<i>Motor service station — Iraq</i>					
Travel	346	346	—	346	—
Contractual services	147	147	—	147	—
Grants and subsidies	1,333	1,333	—	1,333	—
Loans and investments	1,663	3,014	(2,340)	674	989
	<u>3,489</u>	<u>4,840</u>	<u>(2,340)</u>	<u>2,500</u>	<u>989</u>
<i>Marj Na'aja settlement — Jordan</i>					
Grants and subsidies	289,275	276,705	6,238	282,943	6,332
Losses	1,515	1,515	—	1,515	—
	<u>290,790</u>	<u>278,220</u>	<u>6,238</u>	<u>284,458</u>	<u>6,332</u>
<i>Jisr el Majameh settlement — Jordan</i>					
Grants and subsidies	263,116	242,141	20,970	263,111	5
<i>Reintegration loans — Jordan</i>					
Loans and investments	110,507	110,507	(1,736)	108,771	1,736
<i>Individual grants — Jordan</i>					
International staff costs	55,321	40,797	14,524	55,321	—
Area staff costs	23,310	10,337	9,457	19,794	3,516
Supplies	428	28	198	226	202
Equipment	73	73	—	73	—
Travel	501	261	372	633	(132)
Contractual services	2,770	2,271	302	2,573	197
Grants and subsidies	2,815,918	2,482,254	333,914	2,816,168	(250)
Transport costs	5,104	5,104	—	5,104	—
Expenditures charged to other activities	—	—	(170)	(170)	170
	<u>2,903,425</u>	<u>2,541,125</u>	<u>358,597</u>	<u>2,899,722</u>	<u>3,703</u>
TOTAL PROJECTS	3,893,434	3,265,065	409,385	3,674,450	218,984

Expenditure for projects and special activities
(continued)

SPECIAL ACTIVITIES

<i>Description</i>	<i>Amount</i>
<i>Arts and Crafts—Gaza</i>	
<i>Production costs</i>	
Area staff costs.....	13,490
Production wages.....	15,301
Supplies.....	26,327
Rental of premises.....	248
Maintenance of premises.....	677
Equipment.....	18
Losses.....	818
Communications.....	44
Laundrying and pressing.....	1,829
Total production costs.....	58,752
Less costs transferred to inventories.....	(58,752)
	—
<i>Selling costs</i>	
Production cost of goods sold.....	57,908
Sales.....	(68,199)
Net gain on sales.....	(10,291)
Transfer to miscellaneous income.....	10,291
	—

Schedule K

Expenditure for eligibility and registration

For the year ended 31 December 1960

(In US dollars)

<i>Description</i>	<i>Eligibility and registration administration</i>	<i>Eligibility</i>	<i>Registration</i>	<i>Total</i>
International staff costs.....	16,762	3,372	—	20,134
Area staff costs.....	36,073	60,368	84,394	180,835
Supplies.....	1,979	109	796	2,884
Equipment.....	—	—	280	280
Travel.....	360	5,463	533	6,356
Losses.....	899	—	—	899
TOTAL ELIGIBILITY AND REGISTRATION	56,073	69,312	86,003	211,388

Expenditure for transport within UNRWA area

For the year ended 31 December 1960

(In US dollars)

Description	Transport administration	Vehicle maintenance	Passenger transport	Freight transport	Port operations	Port Said office	Total
International staff costs.....	35,304	14,856	—	5,259	5,259	—	60,678
Area staff costs.....	54,190	179,674	293,078	242,943	56,689	13,014	839,588
Automotive fuel and lubricants.....	—	11,935	59,612	51,183	29	367	123,126
Automotive repair supplies.....	—	103,198	—	—	—	138	103,396
Other supplies.....	2,060	7,150	—	15	1,320	427	10,972
Rental of premises.....	10,716	6,727	252	115	1,603	772	20,185
Maintenance of premises.....	—	3,610	—	—	221	125	3,956
Repair equipment.....	—	2,479	66	—	—	—	2,545
Buildings and structures.....	137	1,586	—	—	—	—	1,723
Transport equipment.....	—	—	101,887	106,794	—	—	208,681
Travel.....	811	1,452	8,523	11,559	1,301	283	23,929
Communications.....	—	96	—	—	461	430	987
Hire of vehicles.....	—	—	117,679	2,403	100	272	120,454
Hired freight transport.....	—	—	—	1,169,179	—	—	1,169,179
Port and customs services.....	—	—	—	—	233,818	116,509	350,327
Aircraft services.....	—	—	105,325	—	—	—	105,325
Contractual services.....	30	5,305	4,272	86,917	96	983	97,603
Losses.....	—	—	—	6,305	—	—	6,305
Expenditure charged to other activities	(2,550)	—	(61,588)	(1,011,394)	(253,151)	(121,010)	(1,449,693)
Income from repair services.....	—	(5,478)	—	—	—	—	(5,478)
Income from bus riders.....	—	—	(9,593)	—	—	—	(9,593)
Income from UNRWA vehicle users..	—	—	(3,256)	—	—	—	(3,256)
TOTAL TRANSPORT WITHIN UNRWA AREA	100,698	332,590	616,257	671,278	47,746	12,370	1,780,939

Schedule M

Expenditure for supply control and warehousing

For the year ended 31 December 1960

(In US dollars)

Description	Supply administration	Supply control	Warehousing	Insurance administration	Total
International staff costs.....	31,468	18,524	12,025	—	62,017
Area staff costs.....	39,667	111,206	258,972	6,254	416,099
Supplies.....	3,285	1,895	9,595	140	14,915
Rental of premises.....	—	—	76,951	—	76,951
Maintenance of premises.....	246	—	9,293	—	9,539
Equipment.....	—	1,203	5,745	—	6,948
Buildings and structures.....	—	—	27,177	—	27,177
Travel.....	312	1,696	398	186	2,592
Communications.....	2,488	—	1,274	—	3,762
Contractual services.....	—	78	7,740	4	7,822
Losses.....	4,740	—	30,548	999	36,287
Expenditure charged to other activities.....	—	—	(3,224)	—	(3,224)
TOTAL SUPPLY CONTROL AND WAREHOUSING	82,206	134,602	436,494	7,583	660,885

Expenditure for general administration

For the year ended 31 December 1960

(In US dollars)

Description	Director's office	Country repre- sentatives' offices	Area administration	Camp administration	New York liaison office	Advisory commission	Iraq liaison office	Total
International staff costs.....	65,968	110,257	—	—	39,065	14,746	—	230,036
Area staff costs.....	—	40,749	208,543	120,956	—	3,591	911	374,750
Automotive fuel and lubricants.....	—	952	—	—	—	—	—	952
Automotive repair supplies.....	—	24	—	—	—	—	—	24
Supplies.....	440	922	5,573	423	70	88	78	7,594
Rental of premises.....	—	1,670	18,849	521	—	—	416	21,456
Maintenance of premises.....	—	652	6,945	1,076	—	—	—	8,673
Equipment.....	—	75	1,110	648	—	—	—	1,833
Buildings and structures.....	—	—	—	637	—	—	—	637
Travel.....	12,409	1,467	1,531	180	2,261	—	—	17,848
Communications.....	—	1,772	11,341	2,264	6	—	5	15,408
Hire of vehicles.....	—	1,121	—	—	—	—	—	1,121
Hired freight transport.....	—	104	—	—	—	—	—	104
Port and customs services.....	—	128	—	—	—	—	—	128
Aircraft services.....	—	947	—	—	—	—	—	947
Contractual services.....	75	2,553	884	66	84	—	—	3,662
Exgratia payments.....	2,400	—	—	—	—	—	—	2,400
Grants and subsidies.....	—	2,509	—	—	—	—	—	2,509
Income from UNRWA vehicle users..	—	(233)	—	—	—	—	—	(233)
Expenditure charged to other activities	—	—	—	—	(5,200)	—	(139)	(5,339)
TOTAL GENERAL ADMINISTRATION	81,292	165,669	254,776	126,791	36,286	18,425	1,271	684,510

Schedule O

Expenditure for general internal services

For the year ended 31 December 1960

(In US dollars)

Description	General services administration	Personnel services	Office facilities	Communications services	Travel services	Translation services
International staff costs.....	127,285	69,391	—	8,406	—	25,535
Area staff costs.....	38,673	108,764	90,021	70,928	23,020	36,352
Supplies.....	1,086	8,813	22,157	694	184	302
Rental of premises.....	—	—	41,236	—	—	—
Maintenance of premises.....	—	—	54,650	—	—	—
Equipment.....	—	—	20,243	1,462	—	—
Travel.....	1,952	916	46	326	2	—
Communications.....	—	—	—	58,879	—	—
Contractual services.....	—	3,344	9,315	5	—	—
Grants and subsidies.....	—	500	—	—	—	—
Losses.....	—	—	229	—	—	—
Expenditure charged to other activities.....	—	(2,217)	—	—	(2,571)	—
TOTAL	168,996	189,511	237,897	140,700	20,635	62,189

Expenditure for general internal services
(continued)

<i>Description</i>	<i>Procurement services</i>	<i>Rotaprint</i>	<i>Legal services</i>	<i>Finance services</i>	<i>Punched card services</i>	<i>Archives services</i>	<i>Total</i>
International staff costs.....	35,701	—	118,720	232,764	21,433	—	639,235
Area staff costs.....	68,827	11,976	26,199	234,300	80,877	11,474	801,411
Supplies.....	2,292	18,988	894	5,013	17,480	630	78,533
Rental of premises.....	—	—	—	—	—	—	41,236
Maintenance of premises.....	—	5	—	—	—	—	54,655
Equipment.....	216	—	—	642	11,209	2,336	36,108
Travel.....	707	—	1,791	9,727	629	84	16,180
Communications.....	—	—	—	—	—	—	58,879
Contractual services.....	75,026	1,323	5,609	45,857	5,088	557	146,124
Grants and subsidies.....	—	—	—	—	—	—	500
Losses.....	—	—	—	208	176	—	613
Expenditure charged to other activities	—	(32,292)	—	(7,857)	—	—	(44,937)
TOTAL GENERAL INTERNAL SERVICES	182,769	—	153,213	520,654	136,892	15,081	1,828,537

Schedule P

Expenditure for operations administration and services

For the year ended 31 December 1960

(In US dollars)

<i>Description</i>	<i>Operations administration</i>	<i>Economics division</i>	<i>Public information services</i>	<i>Technical services</i>	<i>Audio-visual services</i>
International staff costs.....	92,092	—	48,571	44,880	20,508
Area staff costs.....	30,852	8,812	42,793	190,742	28,710
Production wages.....	—	—	—	—	—
Supplies.....	436	138	41,618	4,007	7,567
Rental of premises.....	—	—	—	1,704	—
Maintenance of premises.....	—	—	—	—	155
Equipment.....	—	—	—	19,760	975
Travel.....	1,704	558	4,544	3,069	1,843
Contractual services.....	—	76	13,738	382	6,262
Losses.....	—	—	—	—	1,940
Expenditure charged to other activities.....	—	—	—	(74,963)	(67,266)
Sales.....	—	—	—	—	(694)
TOTAL	125,084	9,584	151,264	189,581	—

Expenditure for operations administration and services
(continued)

<i>Description</i>	<i>Carpentry shop</i>	<i>Tile factory</i>	<i>Sewing services centre</i>	<i>Total</i>
International staff costs.....	—	—	—	206,051
Area staff costs.....	18,730	20,070	1,332	342,041
Production wages.....	—	—	639	639
Supplies.....	43,720	18,568	348	116,402
Rental of premises.....	173	80	—	1,957
Maintenance of premises.....	41	314	—	510
Equipment.....	72	—	—	20,807
Travel.....	—	—	—	11,718
Contractual services.....	5,217	36	472	26,183
Losses.....	—	—	—	1,940
Expenditure charged to other activities.....	(67,931)	(39,068)	(2,791)	(252,019)
Sales.....	(22)	—	—	(716)
TOTAL OPERATIONS ADMINISTRATION AND SERVICES	—	—	—	475,513

Pledges and contributions from Governments to UNRWA

For the year ended 31 December 1960

(In US dollars)

Name of contributor	Pledge	Unpaid from prior years	Contribution received		Balance of unpaid pledge	
			From prior years' pledge	From 1960 pledge	Prior years' pledge	1960 pledge
Australia	£42,500 Australian (half of 1959/60 pledge)	—	—	95,200	—	—
Australia	£45,000 Australian (half of 1960/61 pledge)	—	—	100,800	—	—
Austria	United States dollars	—	—	2,000	—	—
Belgium	1,000,000 Belgian francs	—	—	20,000	—	—
Brazil	United States dollars	25,000	25,000	—	—	—
Burma	United States dollars ^a	—	—	1,046	—	—
Canada	17,464 metric tons of flour	—	—	1,530,000	—	—
Canada	11,596 metric tons of flour ^a	—	—	1,020,000	—	—
Canada	500,000 Canadian dollars	—	—	510,000	—	—
Denmark	300,000 Danish crowns (1959/60 pledge)	21,720	21,720	21,720	—	—
Denmark	150,000 Danish crowns (half of 1960/61 pledge) ^b	—	—	21,720	—	21,720
Federation of Malaya	United States dollars	—	—	1,500	—	—
France	600,000 New francs	—	—	122,450	—	—
France	16,982 Lebanese pounds for scholarships	—	—	5,307	—	—
France	Rent of camp and warehouse sites	—	—	55,000	—	—
Gaza authorities	Rent of clinics and camp sites	—	—	130,045	—	—
Germany, Federal Republic of	1,000,000 German marks	—	—	238,095	—	—
Ghana	United States dollars	—	—	3,000	—	3,000
Greece	53 metric tons of raisins	15,000	15,000	—	—	—
Greece	United States dollars	—	—	15,000	—	15,000
Greece	United States dollars ^a	—	—	2,500	—	—
India	44 metric tons of vegetable ghee	—	—	13,235	—	—
Iran	225,000 Iranian rials (half of 1959/60 pledge)	10,504	10,504	13,235	—	—
Iran	225,000 Iranian rials (half of 1960/61 pledge)	—	—	3,000	—	—
Ireland	£2,500 sterling	—	—	7,000	—	3,000
Israel	Port services, wharfage and storage	35,616	—	—	35,616	—
Italy	United States equivalent of 75 million lire	120,000	—	—	120,000	—
Italy	United States equivalent of 50 million lire ^b	—	—	—	—	80,000
Japan	United States dollars	—	—	10,000	—	—
Japan	United States dollars ^a	—	—	2,500	—	—
Jordan	Water, rents and medical supplies	—	—	98,550	—	—
Laos	United States dollars	—	—	500	—	—
Lebanon	Refund of port charges (1 Nov. 1949 to 30 June 1951)	100,063	—	—	100,063	—
Lebanon	Water and rent of camp sites	—	—	23,844	—	—
Liberia	United States dollars	—	—	5,000	—	—

Pledges and contributions from Governments to UNRWA
(continued)

Name of contributor	Pledge	Unpaid from prior years	Contribution received		Balance of unpaid pledge
			From prior years' pledge	From 1960 pledge	
Libya	United States dollars.....	14,000	—	—	14,000
Luxembourg	United States dollars.....	—	—	—	—
Monaco	1,000 new French francs.....	2,000	—	204	2,000
Morocco	2,000,000 Moroccan francs.....	4,000	—	—	4,000
Netherlands	250,000 Dutch florins.....	65,790	—	65,790	—
New Zealand	£50,000 sterling.....	140,000	—	140,000	—
New Zealand	£10,000 sterling ^a	28,000	—	28,000	—
Norway	300,000 Norwegian crowns (1959/60 pledge).....	21,000	21,000	21,000	—
Norway	150,000 Norwegian crowns (half of 1960/61 pledge).....	21,000	—	21,000	—
Pakistan	100,000 Pakistani rupees.....	20,964	—	20,964	—
Pakistan	5,000 Pakistani rupees ^a	1,050	—	1,050	—
Saudi Arabia	4,000 metric tons of kerosene.....	170,618	85,618	—	85,000
Spain	1,000,000 pesetas.....	16,667	16,667	—	—
Sweden	300,000 Swedish crowns.....	57,915	—	57,915	—
Switzerland	150,000 Swiss francs.....	35,046	—	35,046	—
Thailand	25 metric tons of rice ^a	3,125	3,125	—	—
Tunisia	United States dollars.....	4,000	—	—	4,000
Turkey	United States dollars.....	5,000	—	5,000	—
United Arab Republic:	Transport and port services.....	—	—	339,083	—
Egyptian Region	Rent, transport, teachers' salaries, sanatorium and camp services.....	—	—	83,474	—
Syrian region	—	—	—	—	—
United Kingdom of Great Britain and Northern Ireland	£1,928,572 sterling.....	—	—	5,400,000	—
United Kingdom of Great Britain and Northern Ireland	£80,000 sterling (through United Kingdom Committee for World Refugee Year) ^a	—	—	224,000	—
United States of America	United States dollars (half of 1959/60 pledge).....	—	—	11,500,000	—
United States of America	United States dollars and foodstuffs (half of 1960/61 pledge) ^a	—	—	10,647,418	852,582 •
Uruguay	United States dollars.....	5,000	5,000	—	—
Yugoslavia	274 metric tons of rice.....	—	—	40,000	—
	TOTALS	562,313	203,634	32,649,236	358,679
					981,302

^a Special contribution for World Refugee Year.

^b Subject to parliamentary approval.

• The United States' pledge is \$23,000,000 in cash and foodstuffs for fiscal period 1 July 1960 to 30 June 1961 payable on a matching basis not to exceed 70 per cent of contributions

paid by all Governments. The Agency has for its own accounting purposes allocated this pledge half to its 1960 fiscal year and half to its 1961 fiscal year. The balance shown as unpaid is therefore only in terms of the Agency's allocation of the pledge. A further payment of \$4,250,000 was received on 14 January 1961.

Contributions from others to UNRWA

For the year ended 31 December 1960

(In US dollars)

<i>Name of contributor</i>	<i>Description</i>	<i>Value</i>
Abu Selim Family—Gaza	Rents.....	511
Anonymous ^a	Cash.....	2,800
Arabian American Oil Company—Saudi Arabia ^a	Cash.....	20,000
Association des Femmes Protestant Jurassiennes—Geneva ^a	Cash.....	115
Awada Family—Gaza	Rents.....	427
Anne Labouisse Farnsworth—U.S.A.	Cash.....	12,500
Barbados WRY Fund ^a	Cash.....	134
Friends Service Council—London	Cash.....	4,200
R. Buck Minster Fuller—U.S.A.	Plydome unit.....	3,000
Greek Orthodox Community—Lebanon	Rents.....	156
Haj Freih Musaddar, Abu Uraiban, Abu Mallouh and Abu Selim el Aqra Families—Gaza	Rents.....	1,357
Heirs of Saadedin Shatila—Lebanon	Rents.....	312
Iranian WRY Committee ^a	Cash.....	9,000
Iraq Petroleum Company—Lebanon	Vocational training equipment.....	3,130
Irish Red Cross Society ^a	Cash.....	42,005
Jabalia Local Village Council—Gaza	Services.....	75
Ladies of Awali—Bahrein ^a	Cash.....	209
Middle East Relief Association—Lebanon	Medical supplies.....	2,267
Mohd. Jaber 'Uraiban—Gaza	Rents.....	67
Mneimneh and Bohsaly—Lebanon	Rents.....	469
Municipal Council, Kalkilyah—Jordan	Rents.....	616
Near East Christian Council Committee—Jordan	Rents.....	3,360
Netherlands Committee for World Refugee Year ^a	Cash.....	30,676
New Zealand Council of Organizations for Relief Overseas Inc. (CORSO) ^a	Cash.....	14,093
Oxford Committee for Famine Relief—London	Cash.....	2,783
Oxford University Committee for WRY—United Kingdom ^a	Cash.....	840
Saleh Ali Barback—Gaza	Rents.....	493
Sheikh Ali Abu Middein—Gaza	Rents.....	376
Syrian Lebanese Mission—Lebanon	Rents.....	2,906
Syrian Local Authorities	Services.....	3,865
Uganda WRY Appeal ^a	Cash.....	7,096
United Kingdom Committee for World Refugee Year ^{ab}	Cash.....	910,000
Unitarian Service Committee of Canada	Layettes.....	20,605
United Nations Educational, Scientific and Cultural Organization (UNESCO)	Services of seconded staff.....	164,121
United Nations staff, UNESCO ^a	Cash.....	347
United Nations Emergency Force, Gaza	Cash.....	352
United Nations staff "Co-operative" Geneva (CAFCO) ^a	Cash.....	467
United Nations staff, New York ^a	Cash.....	4,275
United Nations staff, various agencies ^a	Cash.....	4,673
Wings of Friendship—London	Supplies and cash.....	1,152
Women's Voluntary Services—United Kingdom	Layettes.....	3,632
World Health Organization (WHO)	Services of seconded staff.....	25,254
Sundry other donors	Miscellaneous.....	691
Sundry other donors for World Refugee Year ^a	Cash.....	2,496
		<u>1,367,903</u>

^a Special contribution for World Refugee Year.^b A further £80,000 sterling (\$224,000) contributed by this Committee is shown under Pledges and Contributions from

Governments to UNRWA (schedule Q). This amount was paid to the Committee by the Government of the United Kingdom of Great Britain and Northern Ireland.

Miscellaneous income**For the year ended 31 December 1960***(In US dollars)*

<i>Description</i>	<i>Amount</i>
Bank interest.....	242,679
Sale of empty containers.....	181,361
Sale of scrap.....	3,654
Profit on sub-charter of aircraft.....	15,823
Profit on income producing projects.....	10,870
Overheads recovered on sales of supplies.....	5,987
Despatch money earned on clearance of ships.....	12,094
Penalties for breach of contracts by suppliers.....	2,559
Miscellaneous.....	8,256
TOTAL MISCELLANEOUS INCOME	483,283

Notes to the financial statements

For the year ended 31 December 1960

STATEMENT OF BUDGET AND EXPENDITURE

Note 1. The budget figures for 1960 shown in statement I reflect the Agency's budget as prepared under the provisions of General Assembly resolution 1456 (XIV). The budget figures for 1959 represent unexpended allotments against that year's budget carried forward for expenditure in 1960.

Note 2. The budget and expenditure figures appearing in the financial statements and supporting schedules are based upon the Agency's gross requirements on an accrual basis, modified to the extent that buildings and structures and equipment have been charged to expenditure in the period of construction or issue for use, see note 12.

Note 3. The figures shown under "Basic subsistence" for expenditure on basic food rations, and those shown under "Supplementary feeding" for milk and other foods include amounts of approximately \$1,311,500 and \$74,000 respectively which have been transferred from expenditure in "Transport within UNRWA Area". These transfers represent the cost of internal transport from ship to warehouse.

Note 4. Income and expenditure based on non-dollar transactions are stated in United States dollars at standard rates employed by the Agency. These rates are the official exchange rates both for convertible and non-convertible currencies except in the case of Canadian dollars, Lebanese pounds, Syrian pounds and Swiss francs where the rates are:

Canadian dollars.....	1.00 = US \$1.02
Lebanese pounds.....	3.20 = US \$1.00
Syrian pounds.....	3.60 = US \$1.00
Swiss francs.....	4.28 = US \$1.00

STATEMENT OF INCOME AND EXPENDITURE

Note 5. Income as reflected in statement II represents only income to UNRWA and excludes contributions made direct to the refugees by voluntary agencies and others. To be classified as "income to UNRWA" a contribution must be subject to direct and complete control by the Agency, and must, in addition, be of a type which the Agency can use in its programme.

Note 6. Contributions in kind to the Agency are stated at values indicated by the contributors, if known; otherwise at values considered by the Agency as appropriate.

Note 7. Exchange adjustments result from recording transactions in currencies other than United States dollars at the Agency's standard rates of exchange, see note 4 above.

Note 8. Income from investments of assets designated for the Agency's Provident Fund scheme, and expenses associated with the administration of the Provident Fund scheme, are not included in statements I and II but have been credited and debited, respec-

tively, to the Reserve for Staff Separation Costs in accordance with Provident Fund Regulations.

STATEMENT OF ASSETS, LIABILITIES AND WORKING CAPITAL

Note 9. Assets and liabilities in currencies other than United States dollars are shown in United States dollars at standard rates employed by the Agency, as described in note 4 above.

Note 10. Cash resources comprise the following:

		\$
Cash in banks, with United States Treasury and in hand (including accrued interest).....	20,265,341	
Cash with agents other than banks		
UNICEF.....	431,238	
Australian Government Trust.....	221,508	
Others.....	1,111	
Provisions for letters of credit.....	266,600	
Deposits for bank guarantees.....	256,173	
Short term securities:		
United States treasury certificate of indebtedness.....	2,600,000	
Accrued interest.....	14,219	2,614,219
		<u>24,056,190</u>

Note 11. Inventories of usable supplies and equipment are valued at cost or approximate cost. Inventories of surplus and salvage supplies and equipment are valued at approximately half cost.

Note 12. The following assets of the Agency are not reflected as such in the statement of assets and liabilities:

(a) Loans to refugees totalling \$107,272 most of which amount is believed to be uncollectable;

(b) Capital stock of The Development Bank of Jordan Limited, which cost \$1,470,000;

(c) Equipment and vehicles in use, which cost \$3,448,604;

(d) Structures and buildings (principally refugee shelters, class-rooms and distribution centres), which cost \$9,684,896 to construct.

Disbursements for these assets have been treated as expenditure in the current financial statements or in the statements for prior periods (see also note 2).

Note 13. The Agency had, at 31 December 1960, contingent liabilities of \$1,016,269, mainly comprising purchase orders issued for goods and services not yet received. There was also \$594,180 outstanding on procurement requests sent to UNICEF (as the Agency's procurement agent) but on which purchase orders had not yet been placed.

Note 14. The adjustments to working capital of \$150,084 shown in statement III include a credit of \$53,131 representing the difference resulting from accounting for ancillary supplies at the Agency's standard costs and the cost of these supplies, not allocated to activity accounts.

REPORT OF THE BOARD OF AUDITORS ON THE ACCOUNTS OF THE UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST FOR THE YEAR ENDED 31 DECEMBER 1960

1. The Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East submitted to the Board of Auditors the following financial statements for audit certifications:

Statement I. Budget and expenditure for the year ended 31 December 1960;

Statement II. Income and expenditure for the year ended 31 December 1960;

Statement III. Working capital for the year ended 31 December 1960;

Statement IV. Assets, liabilities and working capital as at 31 December 1960.

2. Examinations of transactions, accounts and inventories were conducted to the extent deemed necessary. All information required was provided and the Board wishes to record its appreciation of the co-operation and assistance extended by the Director and officers of the Agency.

3. The approved budget for 1960 totalled \$38,720,000. In addition, the Agency has carried forward from the 1959 budget \$2,297,441, thus increasing the budget for 1960 to \$41,017,441.

When the accounts for 1959 were certified by the Board the carry-forward from 1959 to the 1960 budget was established at \$1,766,272. Taking this into consideration, the overspending last year would be \$1,461,117 as stated in paragraph 5 of last year's report. However, as the Agency discovered some errors in the calculation of the amount for carry-forward, this amount was later increased to \$2,297,441.

The Board considers it irregular to change any figures after the Board has certified the statements.

As the figures for the carry-forward from 1959 to 1960 were not shown in the 1959 statements, the Board has suggested that in the future the amounts carried forward into the following year should be taken up in the statement of budget and expenditures. This will give a more complete picture of the year's total commitments and make it quite clear that any change in the figures cannot be made after the Board has certified the statements.

4. According to statement I, there is overspending of the budgetary provisions under some headings offset by underspending under other headings. Taking into consideration the amounts carried forward to the 1961 budget, \$2,270,625, the overspending is \$575,876 against an operational reserve of \$800,000 and savings of \$3,821,416 under other headings.

5. According to statement II, the expenditure in 1960 was \$34,701,276 and the income \$35,482,005. The Working Capital has been increased by the balance, \$780,729 (statement III).

The Working Capital shown in statement III is in fact no working capital but a surplus account consisting of accumulated surplus during previous years.

6. *The Development Bank of Jordan Limited.* The Agency is owner of 525,000 class "C" shares (see note 12(B) to the financial statements).

During the year ended 31 March 1960, the Bank made a net profit of \$63,843, and paid 5 per cent dividend, \$4,203, to class "A" shareholders.

7. The payment of a cost-of-living bonus to all locally recruited staff, mentioned in paragraph 7 of last year's report,¹ was continued until 1 August 1960 when a new salary scale for the locally recruited staff was introduced in conformity with the recommendations made in the survey report mentioned in paragraph 7 of last year's report.

The new salary scale has been approved after consultation with the United Nations Secretariat.

8. *Exgratia payments.* According to schedule N, *exgratia* payments totalling \$2,400 have been made during 1960. The payments can be grouped as follows:

	\$
Payment made to a wife of a deceased staff member.	868
Payment made to a separated staff member.....	168
Payment made to beneficiaries for loss or damage while on Agency's premises or in the Agency's service.....	1,170
Other payments in the interest of the Agency.....	194

9. The total losses for 1960 are \$81,195 comprised of the following:

	\$
Cash.....	56
Supplies.....	54,890
Equipment.....	1,214
Irrecoverable claims and bad debts.....	3,593
Sub-total charged to 1960 expenditures (schedules A to P).....	59,753
Losses on disposals of surplus and salvage inventories charged to the reserve mentioned in paragraph 9 of last year's report.....	21,364
Equipment losses charged to Memo Assets Reserve	78
TOTAL LOSSES	81,195

Not included in the amount of \$54,890 for supplies are the normal losses in connexion with ration distribution and the normal losses on basic commodities in connexion with transportation and warehousing according to the percentages approved by the Agency.

The Board has noted that some losses of supplies are due to thefts and that there also are losses due to fraud, such as false certification by Agency officials. These losses were of comparatively minor amount and the Agency has taken appropriate action against the offenders and necessary steps to improve the control procedures.

¹Official Records of the General Assembly, Fifteenth Session, Supplement No. 6B (A/4383).

10. Statement II shows exchange adjustments of \$837,949. The main part of this amount is not a real gain on exchange but is due to the official rate used by the Agency which is still \$2.88 to E£1.

11. Included in the amount of \$5,284,955 for inventories of supplies and equipment, statement IV, are basic commodities revalued from Agency's standard prices to cost price for the last purchases at the year-end. Last year basic commodities were revalued on the basis of "first in, first out".

The Board has no objection to this change. However, when it is found necessary or desirable to make major changes in the practice of revaluation of inventories of supplies and equipment, the Board is of the opinion that the practice thus established should be maintained over a longer period of time.

12. The number of registered refugees receiving rations or one or another kind of services was 1,044,102 as at 31 December 1960, an increase of 26,772 from 31 December 1959.

13. At the year-end, the number of international staff was 145 as against 161 approved posts. The number of area staff was 10,945 as against 11,016 approved posts.

The increase of the area staff since last year is mainly due to a reorganization within the Agency effective as at 1 August 1960. By this reorganization a large number of casual daily paid labourers employed by the Agency for years was taken up as manning table employees.

(Signed) L. GÖTZEN, *Netherlands*
J. MURGUEITIO, *Colombia*
Lars BREIE, *Norway*