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

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**ACCOUNTS**

**for the year ended 31 December 1965**

*and*

**REPORT OF THE BOARD OF AUDITORS**

**GENERAL ASSEMBLY**

**OFFICIAL RECORDS : TWENTY-FIRST SESSION  
SUPPLEMENT No. 6B (A/6306/Add.2)**

*+ Corr.*

**UNITED NATIONS**

( 31 p. )

**INDEXED**  
AUG 3 1966  
**INDEX SECTION**

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**UNITED NATIONS**

*New York, 1966*

#### NOTE

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

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## LETTER OF TRANSMITTAL

26 May 1966

Sir,

I have the honour to transmit to you the following documents:

(a) The financial statements, certified by the Board of Auditors, of the United Nations Relief and Works Agency for Palestine Refugees in the Near East as at 31 December 1965;

(b) The report of the Board of Auditors with respect to the accounts of the above-mentioned Agency for the year 1965.

One signed copy of the statements, and one signed copy of the report are enclosed for your files.

Accept, Sir, the assurance of my highest consideration.

(Signed) Mushtaq AHMAD  
*Chairman 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 1965, 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.



# A. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1965

Statement I

## Budget, expenditure and commitments

(In US dollars)

Activity	Budget \$	Expenditure \$	Commitments carried forward to 1966 \$	Total of expenditure and commitments \$
<b>Part I. Relief services</b>				
Basic rations .....	10,970,000	12,300,997	2,693	12,303,690
Supplementary feeding .....	1,315,000	1,303,995	10,663	1,314,658
Shelter .....	416,000	379,934	121,965	501,899
Special hardship assistance .....	681,000	479,069	37,060	516,129
Share of common costs from part IV .....	3,235,000	3,127,836	11,719	3,139,555
<b>TOTAL, part I</b>	<b>16,617,000</b>	<b>17,591,831</b>	<b>184,100</b>	<b>17,775,931</b>
<b>Part II. Health services</b>				
Medical services .....	3,081,000	2,949,848	87,165	3,037,013
Environmental sanitation .....	884,000	850,622	70,527	921,149
Share of common costs from part IV .....	1,011,000	986,005	4,560	990,565
<b>TOTAL, part II</b>	<b>4,976,000</b>	<b>4,786,475</b>	<b>162,252</b>	<b>4,948,727</b>
<b>Part III. Education services</b>				
General education .....	9,230,000	9,063,769	145,195	9,208,964
Vocational education .....	3,194,000	2,662,572	138,779	2,801,351
University education .....	459,000	399,587	—	399,587
Placement services .....	64,000	49,397	—	49,397
Share of common costs from part IV .....	2,493,000	2,422,233	12,282	2,434,515
<b>TOTAL, part III</b>	<b>15,440,000</b>	<b>14,597,558</b>	<b>296,256</b>	<b>14,893,814</b>
<b>Part IV. Common costs</b>				
Supply and transport .....	3,360,000	3,128,180	7,389	3,135,569
Other internal services .....	2,123,000	2,132,702	18,157	2,150,859
General administration .....	1,256,000	1,275,192	3,015	1,278,207
<b>TOTAL, part IV</b>	<b>6,739,000</b>	<b>6,536,074</b>	<b>28,561</b>	<b>6,564,635</b>
Costs allocated to operations .....	( 6,739,000)	( 6,536,074)	( 28,561)	( 6,564,635)
Net, part IV .....	—	—	—	—
<b>TOTAL, ALL PARTS</b>	<b>37,033,000</b>	<b>36,975,864</b>	<b>642,608</b>	<b>37,618,472</b>

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

Detailed figures of budget, expenditure and commitments are given in schedules A and B, and details of the liquidation of prior years' commitments are given in schedule F.

CERTIFIED CORRECT

(Signed) Lloyd CALLOW  
Comptroller

APPROVED

(Signed) Laurence MICHELMORE  
Commissioner-General

## AUDIT CERTIFICATE

The above statement of budget, expenditure and commitments 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) Mushtaq AHMAD, S.P.K., Pakistan  
Agustin ALJURE, Colombia  
Roger PELTOT, Belgium

26 May 1966



## Income, expenditure and commitments

(In US dollars)

	For the year ended	
	31 December 1965 \$	31 December 1964 \$
<i>Income</i>		
Contributions pledged by governments (schedule C) . . . . .	34,000,353	33,963,601
Contributions received from non-governmental sources (schedule D) . . . . .	816,050	802,122
Miscellaneous income (schedule E) . . . . .	374,237	416,975
Exchange adjustments . . . . .	( 55,762)	( 20,967)
	<u>35,134,878</u>	<u>35,161,731</u>
<i>Expenditure and commitments</i> (statement I) . . . . .	<u>37,618,472</u>	<u>37,192,861</u>
EXCESS OF EXPENDITURE AND COMMITMENTS OVER INCOME	<u>2,483,594</u>	<u>2,031,130</u>

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) Laurence MICHELMORE  
Commissioner-General

## AUDIT CERTIFICATE

The above statement of income, expenditure and commitments 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) Mushtaq AHMAD, S.P.K., Pakistan  
Agustin ALJURE, Colombia  
Roger PELTOT, Belgium

26 May 1966

**Working capital (operating reserve)**  
(In US dollars)

	<i>For the year ended</i>	
	<i>31 December 1965</i>	<i>31 December 1964</i>
	\$	\$
Balance at 1 January .....	17,620,062	20,573,857
<i>Add</i>		
Net adjustments of prior years' income and expenditure .....	54,209	73,943
Savings in liquidating prior years' commitments (schedule F) .....	88,999	775,567
Unallocated current year's price variations .....	12,500	—
	<u>155,708</u>	<u>849,510</u>
<i>Deduct</i>		
Excess of expenditure and commitments over income (statement II) .....	2,483,594	2,031,130
Unallocated current year's price variations .....	—	10,383
Transfer to provisions for service benefit and other staff separation costs .....	—	1,761,792
	<u>2,483,594</u>	<u>3,803,305</u>
Balance at 31 December .....	<u>15,292,176</u>	<u>17,620,062</u>

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

CERTIFIED CORRECT

APPROVED

(Signed) Lloyd CALLOW  
Comptroller

(Signed) Laurence MICHELMORE  
Commissioner-General

## AUDIT CERTIFICATE

The above statement of working capital (operating reserve) 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) Mushtaq AHMAD, S.P.K., Pakistan  
Agustin ALJURE, Colombia  
Roger PELTOT, Belgium

26 May 1966

## Assets and liabilities

(In US dollars)

	As of	
	31 December 1965	31 December 1964
	\$	\$
<b>ASSETS</b>		
Cash resources .....	19,542,784	20,689,792
Contributions receivable from governments .....	8,073,947	7,386,247
Prepaid expenses and advances to vendors .....	81,729	206,287
Accounts receivable, less provision for uncollectable amounts .....	379,065	328,791
Inventories of supplies and equipment .....	5,088,851	5,095,802
	<u>33,166,376</u>	<u>33,706,919</u>
<b>LIABILITIES</b>		
Accounts payable .....	1,046,524	992,573
Funds held for other organizations .....	59,448	58,192
Funds held for staff health insurance plans .....	146,606	50,500
Provision for service-incurred accidents or illness of staff .....	117,633	120,517
Funds held for staff provident fund .....	10,099,472	8,856,376
Provision for service benefit or pension fund participation for staff not participating in provident fund .....	1,196,737	1,093,840
Provision for other separation costs of staff .....	3,558,029	3,269,660
Reserve of income received in advance .....	499,820	417,793
Reserve for unliquidated budget commitments .....	1,149,931	1,227,406
Working capital (operating reserve) (statement III) .....	15,292,176	17,620,062
	<u>33,166,376</u>	<u>33,706,919</u>

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) Laurence MICHELMORE  
Commissioner-General

## AUDIT CERTIFICATE

The above statement of assets and liabilities 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 statement is correct.

(Signed) Mushtaq AHMAD, S.P.K., Pakistan  
Agustin ALJURE, Colombia  
Roger PELTET, Belgium

26 May 1966

## Budget, expenditure and commitments

(In US dollars)

<i>Relief services</i>	<i>Budget</i> \$	<i>Expenditure</i> \$	<i>Commitments carried forward to 1966</i> \$	<i>Total of expenditure and commitments</i> \$
<i>Basic rations</i>				
Administration .....		66,350	—	66,350
Distribution .....		269,184	2,693	271,877
Quality control .....		37,791	—	37,791
Ration costs .....		11,927,672	—	11,927,672
TOTAL, basic rations	10,970,000	12,300,997	2,693	12,303,690
<i>Supplementary feeding</i>				
Administration .....		85,479	—	85,479
Supplementary feeding .....		1,037,806	10,557	1,048,363
Milk distribution .....		180,710	106	180,816
TOTAL, supplementary feeding	1,315,000	1,303,995	10,663	1,314,658
<i>Shelter</i>				
Administration .....		16,022	—	16,022
Shelter construction and maintenance .....		339,060	95,315	434,375
Roads and camp improvements .....		24,852	26,650	51,502
TOTAL, shelter	416,000	379,934	121,965	501,899
<i>Special hardship assistance</i>				
Administration .....		87,639	—	87,639
Operations .....		391,430	37,060	428,490
TOTAL, special hardship assistance	681,000	479,069	37,060	516,129
<i>Share of common costs</i>				
Supply and transport .....		1,939,472	4,581	1,944,053
Other internal services .....		703,791	5,992	709,783
General administration .....		484,573	1,146	485,719
TOTAL, share of common costs	3,235,000	3,127,836	11,719	3,139,555
TOTAL, RELIEF SERVICES	16,617,000	17,591,831	184,100	17,775,931
<i>Health services</i>	<i>Budget</i> \$	<i>Expenditure</i> \$	<i>Commitments carried forward to 1966</i> \$	<i>Total of expenditure and commitments</i> \$
<i>Medical services</i>				
Administration .....		341,970	28	341,998
Pharmacy services .....		66,365	—	66,365
Laboratory services .....		29,921	—	29,921
General clinics .....		963,859	45,600	1,009,459

## Budget, expenditure and commitments (continued)

(In US dollars)

<i>Health services (continued)</i>	<i>Budget</i> \$	<i>Expenditure</i> \$	<i>Commitments carried forward to 1966</i> \$	<i>Total of expenditure and commitments</i> \$
General hospitals .....		843,019	56	843,075
Maternal and child care .....		275,955	36,258	312,213
Tuberculosis control .....		198,631	—	198,631
Mental health .....		73,450	—	73,450
Dental care .....		32,051	—	32,051
School health services .....		31,796	—	31,796
Health education .....		51,360	1,968	53,328
Other medical services .....		41,471	3,255	44,726
<b>TOTAL, medical services</b>	<b>3,081,000</b>	<b>2,949,848</b>	<b>87,165</b>	<b>3,037,013</b>
<i>Environmental sanitation</i>				
Administration .....		87,215	—	87,215
Surface water drainage .....		11,230	11,026	22,256
Refuse and sewage disposal .....		548,061	40,181	588,242
Water supply .....		158,458	19,194	177,652
Insect and rodent control .....		12,116	—	12,116
Ancillary sanitation facilities .....		14,790	126	14,916
Sanitation in towns .....		18,752	—	18,752
<b>TOTAL, environmental sanitation</b>	<b>884,000</b>	<b>850,622</b>	<b>70,527</b>	<b>921,149</b>
<i>Share of common costs</i>				
Supply and transport .....		406,662	961	407,624
Other internal services .....		362,559	3,087	365,646
General administration .....		216,783	512	217,295
<b>TOTAL, share of common costs</b>	<b>1,011,000</b>	<b>986,005</b>	<b>4,560</b>	<b>990,565</b>
<b>TOTAL, HEALTH SERVICES</b>	<b>4,976,000</b>	<b>4,786,475</b>	<b>162,252</b>	<b>4,948,727</b>

<i>Education services</i>	<i>Budget</i> \$	<i>Expenditure</i> \$	<i>Commitments carried forward to 1966</i> \$	<i>Total of expenditure and commitments</i> \$
<i>General education</i>				
Administration .....		275,339	—	275,339
Elementary education .....		5,371,980	113,577	5,485,557
Preparatory education .....		2,494,058	28,835	2,522,893
Secondary education .....		487,858	—	487,858
In-service staff training .....		351,253	2,283	353,536
Youth activities .....		65,927	420	66,347
Women's activities .....		5,960	—	5,960
Other general education activities .....		11,394	80	11,474
<b>TOTAL, general education</b>	<b>9,230,000</b>	<b>9,096,376</b>	<b>145,105</b>	<b>9,208,961</b>

## Budget, expenditure and commitments (continued)

(In US dollars)

<i>Education services (continued)</i>	<i>Budget \$</i>	<i>Expenditure \$</i>	<i>Commitments carried forward to 1966 \$</i>	<i>Total of expenditure and commitments \$</i>
<i>Vocational education</i>				
<i>Training conducted in UNRWA centres</i>				
Kalandia vocational training centre .....		195,367	15,094	210,461
Wadi Seer vocational training centre .....		215,786	27,414	243,200
Ramallah teacher-training centre .....		161,503	9,806	171,309
Ramallah women's training centre .....		300,501	12,262	312,763
Gaza vocational training centre .....		144,705	11,107	155,812
Beit Hanoun agricultural training centre .....		48,630	1,721	50,351
Siblin vocational training centre .....		238,825	16,745	255,570
Siblin technical and teacher-training centre .....		167,932	26,152	194,084
Damascus vocational training centre .....		173,552	16,755	190,307
Homs teacher-training centre .....		42,310	—	42,310
Adult craft training .....		81,462	657	82,119
TOTAL, training conducted in UNRWA centres		1,770,573	137,713	1,908,286
<i>Training conducted outside UNRWA centres</i>				
Trades training .....		23,404	—	23,404
On the job training (Egypt) .....		23,854	—	23,854
On the job training (Sweden) .....		17,929	—	17,929
On the job training (Switzerland) .....		929	—	929
On the job training (Germany) .....		11,158	—	11,158
On the job training (Belgium) .....		7,813	—	7,813
Training in industrial secondary schools (Egypt) .....		3,549	—	3,549
Basic midwifery training .....		1,274	—	1,274
PARI school of nursing .....		1,209	—	1,209
Basic nursing training .....		7,423	—	7,423
Hotel training .....		5,891	—	5,891
Assistant pharmacist's course .....		64	—	64
Laboratory technician's course .....		4,808	236	5,044
X-Ray technician's course .....		1,411	—	1,411
Secretarial training .....		3,926	—	3,926
Teacher training (Cairo) .....		12,510	—	12,510
Teacher training (Gaza) .....		29,700	—	29,700
Training of handicapped youth .....		56,383	—	56,383
TOTAL, training conducted outside UNRWA centres		213,235	236	213,471
<i>Trades training common costs</i>				
Common training costs .....		384,225	—	384,225
Trades instructor training in UNRWA centres, Jordan .....		630	—	630
Trades instructor training outside UNRWA centres .....		6,815	—	6,815
TOTAL, trades training common costs		391,670	—	391,670

## Budget, expenditure and commitments (continued)

(In US dollars)

<i>Education services (continued)</i>	<i>Budget</i> \$	<i>Expenditure</i> \$	<i>Commitments carried forward to 1966</i> \$	<i>Total of expenditure and commitments</i> \$
<i>Vocational education (continued)</i>				
<i>Teacher training common costs</i>				
Common training costs		128,125	—	128,125
Teacher instructor training outside UNRWA centres		3,844	—	3,844
TOTAL, teacher-training common costs		131,969	—	131,969
<i>Vocational training administration</i>		155,125	830	155,955
TOTAL, vocational education	3,194,000	2,662,572	138,779	2,801,351
<i>University education</i>				
Administration		5,525	—	5,525
University scholarships in Jordan		12,818	—	12,818
University scholarships in Cairo		180,403	—	180,403
University scholarships in Lebanon		164,239	—	164,239
University scholarships in Syria		34,214	—	34,214
University scholarships in Iraq		2,388	—	2,388
TOTAL, university education	459,000	399,587	—	399,587
<i>Placement services</i>				
Placement operations		49,397	—	49,397
TOTAL, placement services	64,000	49,397	—	49,397
<i>Share of common costs</i>				
Supply and transport		782,045	1,847	783,892
Other internal services		1,066,352	9,078	1,075,430
General administration		573,836	1,357	575,193
TOTAL, share of common costs	2,493,000	2,422,233	12,282	2,434,515
TOTAL, EDUCATION SERVICES	15,440,000	14,597,558	296,256	14,893,814
<i>Common costs</i>	<i>Budget</i> \$	<i>Expenditure</i> \$	<i>Commitments carried forward to 1966</i> \$	<i>Total of expenditure and commitments</i> \$
<i>Supply and transport</i>				
Administration		213,951	—	231,951
Supply procurement and control		307,597	—	307,597
Supply warehousing		302,615	2,472	305,087
Supply and transport insurance administration		30,104	—	30,104
Vehicle maintenance		224,700	521	225,221
Passenger transport		524,596	4,360	528,956
Freight transport		1,185,017	—	1,185,017
Port operations		339,600	36	339,636
TOTAL, supply and transport	3,360,000	3,128,180	7,389	3,135,569

## Budget, expenditure and commitments (continued)

(In US dollars)

Common costs (continued)	Budget \$	Expenditure \$	Commitments carried forward to 1966 \$	Total of expenditure and commitments \$
<i>Allocation of supply and transport</i>				
Relief services, 62% .....		( 1,939,472)	( 4,581)	( 1,944,053)
Health services, 13% .....		( 406,663)	( 961)	( 407,624)
Educational services, 25% .....		( 782,045)	( 1,847)	( 783,892)
TOTAL, allocation of supply and transport	( 3,360,000)	( 3,128,180)	( 7,389)	( 3,135,569)
<i>Other internal services</i>				
Eligibility and registration .....		318,530	—	318,530
Personnel services .....		187,333	—	187,333
Administrative services .....		375,662	4,929	380,591
Translation services .....		64,830	—	64,830
Legal services .....		87,080	—	87,080
Finance services .....		511,777	—	511,777
Punched card services .....		144,934	—	144,934
Protective services .....		236,660	5,324	241,984
Technical services ..		192,374	—	192,374
Economics division .....		9,923	—	9,923
Production units .....		3,599	7,904	11,503
TOTAL, other internal services	2,123,000	2,132,702	18,157	2,150,859
<i>Allocation of other internal services</i>				
Relief services, 33% .....		( 703,791)	( 5,992)	( 709,783)
Health services, 17% .....		( 362,559)	( 3,087)	( 365,646)
Education services, 50% .....		( 1,066,352)	( 9,078)	( 1,075,430)
TOTAL, allocation of other internal services	( 2,123,000)	( 2,132,702)	( 18,157)	( 2,150,859)
<i>General administration</i>				
Headquarters and field office administration .....		533,170	—	533,170
Area administration .....		244,282	—	244,282
Camp administration .....		128,847	168	129,015
Public information services .....		251,565	2,847	254,412
New York liaison office .....		34,330	—	34,330
Cairo liaison office .....		27,785	—	27,785
European liaison office (Geneva) .....		55,213	—	55,213
TOTAL, general administration	1,256,000	1,275,192	3,015	1,278,207
<i>Allocation of general administration</i>				
Relief services, 38% .....		( 484,573)	( 1,146)	( 485,719)
Health services, 17% .....		( 216,783)	( 512)	( 217,295)
Education services, 45% .....		( 573,836)	( 1,357)	( 575,193)
TOTAL, allocation of general administration	( 1,256,000)	( 1,275,192)	( 3,015)	( 1,278,207)
TOTAL, COMMON COSTS	6,739,000	6,536,074	28,561	6,564,635
TOTAL, COMMON COSTS ALLOCATED	( 6,739,000)	( 6,536,074)	( 28,561)	( 6,564,635)
NET COMMON COSTS	—	—	—	—



**Production and sales units**  
(In US dollars)

<i>Account</i>	<i>Embroidery centre \$</i>	<i>Audio-visual aids \$</i>	<i>Carpentry shops \$</i>	<i>Tile factory \$</i>	<i>Rotaprint shop \$</i>	<i>Sewing services centre \$</i>	<i>Sanitation supplies factory</i>	
							<i>Gaza \$</i>	<i>Jordan \$</i>
<i>Production and capital costs</i> .....	43,951	143,270	26,399	14,290	38,141	1,565	4,478	1,790
<i>Cost allocated</i>								
Transfer to other activities .....	—	(134,361)	(22,993)	(14,188)	(35,641)	(1,565)	(4,478)	(1,790)
Transfer to sales unit .....	(43,592)	—	(3,406)	—	—	—	—	—
Direct sales at cost .....	—	(367)	—	—	—	—	—	—
	(43,592)	(134,728)	(26,399)	(14,188)	(35,641)	(1,565)	(4,478)	(1,790)
<i>Capital costs not allocated</i>								
Equipment .....	36	8,542	—	102	2,500	—	—	—
Construction .....	323	—	—	—	—	—	—	—
	(359)	(8,542)	—	(102)	(2,500)	—	—	—
Transfer to internal services (schedule A)								
<i>Sales unit</i>								
Sales .....	(56,319)	—	(3,648)	—	—	—	—	—
Cost of goods sold .....	46,914	—	3,406	—	—	—	—	—
	(9,405)	—	(242)	—	—	—	—	—
Net gain on sales .....	9,405	—	242	—	—	—	—	—
Transfer to income .....	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—

**Contributions pledged by Governments**  
(In US dollars)

Name of contributor	Description	Contributions pledged for 1965 \$	Unpaid balances of contributions pledged	
			From prior years \$	For 1965 \$
Australia	Australian pounds .....	201,600	—	—
Austria	United States dollars .....	10,000	—	—
Belgium	Belgian francs .....	30,000	—	—
Canada	Canadian dollars .....	462,963	—	—
Canada	Flour .....	648,148	—	—
Ceylon	Tea .....	1,000	—	—
Cyprus	Pound sterling .....	280	—	—
Denmark	Danish crowns .....	72,400	—	36,200 <sup>a</sup>
Denmark	United States dollars .....	9,000 <sup>b</sup>	—	—
Denmark	United States dollars .....	33,333 <sup>b</sup>	—	—
Dominican Republic	United States dollars .....	—	1,000	—
Federal Republic of Germany	German marks .....	503,145	—	—
Finland	United States dollars .....	10,000	—	—
France	French francs .....	122,449	—	—
France	Rents .....	62,762	—	—
France	Lebanese pounds .....	4,727	—	—
France	French francs .....	20,303 <sup>b</sup>	—	—
France	Staff .....	2,997	—	—
Gaza Authorities	Rents and vaccines .....	154,274	—	—
Gaza Authorities	Egyptian pounds .....	1,028 <sup>b</sup>	—	—
Ghana	United States dollars .....	3,000	—	3,000
Greece	United States dollars .....	15,000	—	—
Holy See	United States dollars .....	1,000	—	—
India	Oil .....	21,008	42,016	21,008
Iran	Iranian rials .....	6,000	6,000	6,000
Ireland	United States dollars .....	25,000	—	—
Italy	United States dollars .....	160,000 <sup>c</sup>	160,000	160,000
Jamaica	United States dollars .....	560	—	—
Japan	United States dollars .....	30,000	—	30,000
Jordan	Rents, water and vaccines .....	105,320	—	—
Kuwait	United States dollars .....	220,000	—	220,000
Lebanon	Rents and vaccines .....	33,495	—	—
Libya	United States dollars .....	20,000	—	—
Luxembourg	United States dollars .....	3,000	—	—
Malawi	United States dollars .....	140	—	—
Malaysia	United States dollars .....	1,500	—	—
Monaco	French francs .....	204	—	—
Morocco	United States dollars .....	19,763	—	—
Netherlands	Netherlands guilders .....	110,497	—	—
Netherlands	Staff .....	19,498	—	—
Netherlands	Netherlands guilders .....	36,233	—	5,339
New Zealand	Sterling and New Zealand pounds ...	140,000	—	—
Nigeria	United States dollars .....	5,000	—	5,000
Norway	Norwegian crowns .....	70,000	—	—
Pakistan	Pounds sterling .....	20,964	—	—
Philippines	United States dollars .....	1,250	—	—
Saudi Arabia	United States dollars .....	200,000	—	—
Saudi Arabia	Fuel .....	97,778	—	—
Sudan	Sudanese pounds .....	—	5,740	—
Sweden	Swedish crowns .....	116,618	—	—

## Contributions pledged by Governments (continued)

(In US dollars)

Name of contributor	Description	Contributions pledged for 1965 \$	Unpaid balances of contributions pledged	
			From prior years \$	For 1965 \$
Sweden	United States dollars .....	221,760	—	—
Sweden	Egyptian pounds and Swedish crowns .....	89,405 <sup>b</sup>	—	—
Sweden	United States dollars .....	3,662 <sup>b</sup>	8,000	3,662
Sweden	Transport to and from Sweden of trainees .....	16,000	—	—
Switzerland	Swiss francs .....	58,140	—	—
Switzerland	Swiss francs .....	188,870 <sup>b</sup>	—	3,685
Switzerland	Staff and farm equipment .....	12,728	—	—
Switzerland	Milk products .....	8,874	—	—
Syrian Arab Republic	Road transport and rent .....	88,965	—	—
Tunisia	United States dollars .....	4,000	—	—
Turkey	United States dollars .....	8,000	8,000	—
United Arab Republic	Rail transport and port services .....	246,712	—	—
United Kingdom of Great Britain and Northern Ireland	Pounds sterling .....	5,400,000	—	—
United States of America	Cash and foodstuffs .....	23,800,000 <sup>d</sup>	4,676	7,344,621 <sup>a</sup>
Yugoslavia	Foodstuffs .....	20,000	—	—
		<u>34,000,353</u>	<u>235,432</u>	<u>7,838,515</u>

<sup>a</sup> This balance results from the Agency's allocation to 1965 of one-half of a regular pledge made for a twelve-month period ending 30 June 1966; for Denmark against its fiscal year ending 31 March 1966, and for the United States of America, against its fiscal year ending 30 June 1966.

<sup>b</sup> Represents the Agency's allocation to 1965 of part of a special pledge covering more than one fiscal year.

<sup>c</sup> Includes the increase of \$80,000 in its 1963 pledge that was announced by Italy in 1965.

<sup>d</sup> Payable on a matching basis to exceed 70% of contributions paid by all Governments for the fiscal periods to which the pledges belong.

## Contributions received from non-governmental sources

For the twelve months ended 31 December 1965

(In US dollars)

<i>Name of contributor</i>	<i>Description</i>	<i>Vocational education scholarships \$</i>	<i>Other education contributions \$</i>	<i>Other contributions \$</i>
<i>Australia</i>				
Inner Wheel Club of Hobart	Cash .....	504	—	—
United Nations Association of Australia —Victoria Branch	Cash .....	502	—	—
United Nations Association—South Australian Division	Cash .....	140	—	—
<i>Austria</i>				
Caritas	Cash .....	500	—	—
<i>Belgium</i>				
Caisse Nationale d'Epargne of Belgium	Cash .....	—	—	1,500
Special stamp sale (Entraide Socialiste Belge and Caritas Catholica)	Cash .....	10,000	—	60,000
<i>Canada</i>				
Baird, Dr. R. P.	Cash .....	926	—	—
Canadian Junior Red Cross, Saskatchewan Division	Cash .....	278	—	—
Canadian Junior Red Cross	Cash .....	463	—	2,037
United Nations Association of Canada	Cash .....	2,155	—	—
United Nations Association of Canada —Peel County Branch	Cash .....	463	—	—
<i>Denmark</i>				
Danish Refugee Council	Supplies .....	—	—	1,979
<i>Federal Republic of Germany</i>				
Abs, Dr. Hermann J.	Cash .....	1,006	—	—
Bayerische Motoren-Werke A. G.	Cash .....	503	—	—
Bosch, Robert GmbH	Cash .....	1,509	—	—
Commerzbank A. G.—Dusseldorf	Cash .....	252	—	—
Daimler Benz Co. Stuttgart	Cash .....	1,006	—	—
Daimler Benz Co. Stuttgart	Supplies .....	—	1,013	—
Frankfurter Bank	Cash .....	503	—	—
Geisler, Dr. Rudolf P.	Cash .....	102	—	—
Index — Werke, Esslingen	Cash .....	503	—	—
MISEREOR	Cash .....	6,250	—	—
Paulus, Dr. Allgemeine Rentenanstalt	Cash .....	503	—	—
Siemens and Halske A. G.	Cash .....	755	—	—
Sundry donors	Cash .....	43	—	—
Sundry donors	Supplies .....	—	—	1
<i>Finland</i>				
Association of Finnish Folk Schools and Folk Academies	Cash .....	1,000	—	—
The Boy Scout Union of Finland	Cash .....	2,000	—	—

## Contributions received from non-governmental sources (continued)

For the twelve months ended 31 December 1965

(In US dollars)

<i>Name of contributor</i>	<i>Description</i>	<i>Vocational education scholarships \$</i>	<i>Other education contributions \$</i>	<i>Other contributions \$</i>
<i>Finland (continued)</i>				
Central Organization for Citizenship Education	Cash .....	300	—	—
Finnish Association of Kindergarten Teachers	Cash .....	500	—	—
Church Groups of Finland	Cash .....	133	—	—
Finnish Elementary School Teachers Association	Cash .....	500	—	—
Naupert, Miss Christina	Cash .....	1,500	—	—
Sipila, Mrs. Helvi	Cash .....	1,500	—	—
The Union of Finnish Girl Guides	Cash .....	5,000	—	—
Timber merchants group	Supplies .....	—	—	1,352
<i>Gaza</i>				
Abu Abdalla Family	Services .....	—	—	101
Abu Middain Family	Services .....	—	—	1,997
Abu Salim Family	Services .....	—	—	490
Abu Shab Family	Services .....	—	—	442
Awada Family	Services .....	—	—	1,127
Awada and Abu Middain Families	Services .....	—	—	321
Daghma Family	Services .....	—	—	110
El Mussaddar Family	Services .....	—	—	281
Mussaddar and Qur'an Families	Services .....	—	—	374
Tarazi Family	Services .....	—	—	115
Waqf Department	Services .....	—	—	6,587
Sundry donors	Services .....	—	—	449
Sundry donors	Cash .....	—	—	326
<i>Iceland</i>				
Women's Club of Nes—Church	Cash .....	100	—	—
<i>Ireland</i>				
Irish National Committee for UNICEF	Cash .....	—	—	700
<i>Jordan</i>				
Municipal Council, Qalqilia	Services .....	—	—	616
Anonymous	Services .....	—	—	3,886
<i>Lebanon</i>				
Greek Orthodox Community	Services .....	—	—	645
Mneinneh and Bohsaly	Services .....	—	—	1,452
Municipality of Mia Mia	Cash .....	—	—	355
Heirs of Saaddine Shatila	Services .....	—	—	1,290
Helou, Charles—His Excellency President of the Republic	Cash .....	—	—	161
Syrian Lebanese Mission	Services .....	—	—	1,935
Sundry donors	Services .....	—	—	28
Anonymous	Services .....	—	—	1,991

## Contributions received from non-governmental sources (continued)

For the twelve months ended 31 December 1965

(In US dollars)

<i>Name of contributor</i>	<i>Description</i>	<i>Vocational education scholarships \$</i>	<i>Other education contributions \$</i>	<i>Other contributions \$</i>
<i>Liechtenstein</i>				
Press and Stanzwork	Supplies . . . . .	—	200	—
<i>Luxembourg</i>				
Association of Girl Guides	Cash . . . . .	1,500	—	—
<i>New Zealand</i>				
New Zealand Council of Organizations for Relief Service Overseas Inc. (CORSO)	Cash . . . . .	15,400	—	8,834
<i>Norway</i>				
Illustrert Familieblad	Cash . . . . .	500	—	—
Norwegian Aid Society for Refugees and International Development	Cash . . . . .	—	—	500
Norwegian Refugee Council	Cash . . . . .	8,000	—	5,100
United Nations Association of Norway	Cash . . . . .	294	—	—
Wenche Myhre Fund	Cash . . . . .	—	—	10,040
Sundry donors	Cash . . . . .	94	—	—
<i>Sweden</i>				
Nordwall, Dr. Ulf	Cash . . . . .	—	—	194
Swedish Red Cross	Supplies . . . . .	1,552	3,000	—
Swedish Save the Children Federation	Cash . . . . .	—	—	17,775
United Nations Association of Sweden	Cash . . . . .	274	—	—
Werbro Hulmstad	Cash . . . . .	—	—	257
<i>Switzerland</i>				
Swiss Pastors	Cash . . . . .	336	—	116
Mrs. Weeks and Miss Krbec	Cash . . . . .	204	—	—
Sundry donors	Cash . . . . .	—	—	12
	Services . . . . .	—	—	2,073
<i>Syrian Arab Republic</i>				
Local Authorities				
<i>United Kingdom of Great Britain and Northern Ireland</i>				
Astor, Viscount and Viscountess	Cash . . . . .	2,604	—	—
British Council for Aid to Refugee	Cash . . . . .	980	—	—
Cambridge University—United Nations Association Refugee Department	Cash . . . . .	—	—	910
Collegiate School for Girls	Cash . . . . .	504	—	—
Colls, Leslie H.	Cash . . . . .	504	—	—
Charles, Lady M.	Cash . . . . .	504	—	—
Lodge, Dr. J. S. H.	Cash . . . . .	224	—	—
Mulford, Mrs. W.	Cash . . . . .	504	—	—
Nowell, Mrs. D. M.				

## Contributions received from non-governmental sources (continued)

For the twelve months ended 31 December 1965

(In US dollars)

Name of contributor	Description	Vocational education scholarships \$	Other education contributions \$	Other contributions \$
<i>United Kingdom of Great Britain and Northern Ireland (continued)</i>				
Oxford Committee for Famine Relief	Cash .....	14,000	—	2,240
Rogers, Miss M.	Cash .....	504	—	—
Symonds, Miss C. G.	Cash .....	504	—	—
Turney, Mrs. E. M.	Cash .....	504	—	—
United Nations Association of Great Britain and Northern Ireland	Cash .....	1,120	700	—
War on Want	Cash .....	700	—	—
The Wings of Friendship	Cash .....	3,024	—	—
The Wings of Friendship	Supplies .....	—	—	91
Sundry donors	Cash .....	111	—	—
Anonymous	Cash .....	—	—	2,800
<i>United States of America</i>				
Abqaiq Women's Group (Aramco)	Cash .....	500	—	—
American Middle East Rehabilitation Inc.	Supplies .....	34,494	—	—
American Friends of the Middle East	Cash .....	1,500	—	—
American Mission	Services .....	—	—	1,026
Arabian American Oil Company (Aramco)	Cash .....	15,000	50,000	—
Berger, Dr. and Mrs. Elmer	Cash .....	500	—	—
Chrysler Corporation	Supplies .....	—	1,666	—
Dahrnan Women's Group (Aramco)	Cash .....	—	—	350
Ford Motor Co.	Cash .....	25,000	—	—
General Motors Corporation	Supplies .....	—	4,428	—
Glenview Community Church	Cash .....	500	—	—
Harvard-Radcliffe Combined Charities Committee	Cash .....	—	—	116
Huntsinger, Mr. A. E.	Cash .....	—	—	700
Thomas J. Lipton Inc.	Supplies .....	—	—	3,993
NAJDA—American Women for the Middle East	Cash .....	1,000	—	—
National City Christian Church (Christian Women's Fellowship)	Cash .....	155	—	—
Near East Council of Churches Committee for Refugee Work	Cash .....	—	—	1,202
Ottinger Foundation Inc.	Cash .....	1,000	—	—
Pickert, Mrs. Dorothea M.	Cash .....	1,000	—	—
United States Committee for Refugees	Cash .....	210	—	—
United Steel Workers of America	Cash .....	1,000	—	—
United States Omen	Cash .....	1,500	—	—
Wagner, Miss Gloria W.	Cash .....	250	—	—
Sundry donors	Cash .....	156	—	396
Anonymous	Cash .....	—	—	5
<i>International Organizations</i>				
International Confederation of Free Trade Unions	Cash .....	3,000	—	—
International Federation of Business and Professional Women Central Committee	Cash .....	5,000	—	—
Australia	Cash .....	504	—	—
Canada	Cash .....	3,233	—	—
New Zealand	Cash .....	1,008	—	—

## Contributions received from non-governmental sources (continued)

For the twelve months ended 31 December 1965

(In US dollars)

<i>Name of contributor</i>	<i>Description</i>	<i>Vocational education scholarships</i> \$	<i>Other education contributions</i> \$	<i>Other contributions</i> \$
<i>International Organizations (continued)</i>				
<i>International Federation of Business and Professional Women (continued)</i>				
Norway	Cash .....	500	—	—
Switzerland	Cash .....	500	—	—
United Kingdom	Cash .....	4,382	—	—
Kaye, Miss Kathleen	Cash .....	700	—	—
Lutheran World Federation	Cash .....	—	—	12,500
United Nations Educational Scientific and Cultural Organization (UNESCO)	Services .....	—	279,294	—
United Nations Emergency Forces	Cash .....	—	—	643
United Nations Emergency Forces (XV Danor Battalion)	Cash .....	—	—	623
United Nations Emergency Forces (XV Danor Battalion)	Supplies .....	—	—	67
United Nations Emergency Forces (XIX Danor Battalion)	Cash .....	—	—	322
United Nations Emergency Forces (XXV Swedish Battalion)	Cash .....	—	—	762
United Nations Emergency Forces (XXV Swedish Battalion)	Supplies .....	—	—	1,944
United Nations Emergency Forces (XXVII Swedish Battalion)	Cash .....	—	—	6,987
UNRWA—International Staff Association	Cash .....	1,113	—	—
UNUC—Congo	Supplies .....	—	—	2,050
Women's Auxiliary of UNRWA	Cash .....	—	—	4,618
Women's International League for Peace and Freedom	Cash .....	314	—	—
World Health Organization (WHO)	Services .....	—	—	51,303
Young Men's Christian Association	Cash .....	—	—	6,000
Zonta International	Cash .....	18,485	—	—
Zonta—District XIII	Cash .....	1,000	—	—
Sundry donors	Cash .....	—	—	700
"International Piano Festival" phonograph records—sales proceeds	Cash .....	16,000	—	—
		<u>235,852</u>	<u>340,301</u>	<u>239,897</u>
<i>Summary</i>			\$	
Vocational education scholarship contributions .....			235,852	
Other education contributions .....			340,301	
Other contributions .....			239,897	
			<u>816,050</u>	



**Miscellaneous income***(In US dollars)*

<i>Description</i>	<i>Amount</i> \$
Sale of empty containers .....	194,483
Bank interest .....	115,792
Sale of unserviceable vehicles, supplies and equipment .....	18,134
Overheads recovered on sale of supplies etc. ....	18,745
Profit on income producing activities .....	10,213
Training centres production sales .....	6,872
Miscellaneous .....	9,998
<b>TOTAL</b>	<b>374,237</b>

**Liquidation of prior years' commitments**  
(In US dollars)

	Commitments brought forward from 1964	Commitments liquidated by expenditure	Commitments carried forward to 1966	Savings on liquidation of prior years' commitments
	\$	\$	\$	\$
<b>RELIEF SERVICES</b>				
<i>Basic rations</i>				
Ration distribution .....	13,114	5,569	7,785	( 240)
Quality control .....	800	800	—	—
TOTAL, basic rations	13,914	6,369	7,785	( 240)
<i>Supplementary feeding</i>				
Supplementary feeding .....	22,148	12,375	10,203	( 430)
TOTAL, supplementary feeding	22,148	12,375	10,203	( 430)
<i>Shelter</i>				
Shelter construction and maintenance .....	282,241 <sup>a</sup>	109,336	169,773	3,132
Roads and camp improvements .....	28,274	16,472	9,345	2,457
TOTAL, shelter	310,515	125,808	179,118	5,589
<i>Special hardship assistance</i>				
Operations .....	260	424	—	( 164)
TOTAL, special hardship assistance	260	424	—	( 164)
TOTAL, RELIEF SERVICES	346,837	144,976	197,106	4,755
<b>HEALTH SERVICES</b>				
<i>Medical services</i>				
Pharmacy services .....	229	226	—	3
Laboratory services .....	485	442	—	43
General clinics .....	19,469	15,207	4,343	( 81)
General hospitals .....	65,456	4,290	58,832	2,334
Maternal and child care .....	44,002	48,344	—	( 4,342)
Tuberculosis control .....	35,174	34,984	—	190
Health education .....	7,400	1,179	723	5,498
TOTAL, medical services	172,215	104,672	63,898	3,645
<i>Environmental sanitation</i>				
Surface water drainage .....	596	912	—	( 316)
Refuse and sewage disposal .....	70,759 <sup>a</sup>	36,834	31,418	2,507
Water supply .....	35,070	27,246	6,172	1,652
Insect and rodent control .....	192	105	—	87
Ancillary sanitation facilities .....	876	482	—	394
TOTAL, environmental sanitation	107,493	65,579	37,590	4,324
TOTAL, HEALTH SERVICES	279,708	170,251	101,488	7,969

## Liquidation of prior years' commitments (continued)

(In US dollars)

	Commitments brought forward from 1964 \$	Commitments liquidated by expenditure \$	Commitments carried forward to 1966 \$	Savings on liquidation of prior years' commitments \$
EDUCATION SERVICES				
<i>General education</i>				
Elementary education .....	316,777	154,000	142,328	20,449
Preparatory education .....	34,741	19,430	2,664	12,647
Handicrafts .....	693	687	—	6
In-service staff training .....	1,258	1,379	—	( 121)
Youth activities .....	12,541	11,407	350	784
Other general education activities .....	3,742	3,292	322	128
TOTAL, general education	369,752	190,195	145,664	33,893
<i>Vocational education</i>				
<i>Training conducted in UNRWA centres</i>				
Kalandia vocational training centre .....	15,364	8,174	2,162	5,028
Wadi Seer vocational training centre .....	20,887	8,626	12,552	( 291)
Ramallah teacher-training centre .....	25,486	10,081	5,446	9,959
Ramallah women's training centre .....	22,973	5,587	14,100	3,286
Gaza vocational training centre .....	11,371	5,785	—	5,586
Beit Hanoun agricultural training centre .....	4,687	3,671	1,328	( 312)
Siblin vocational training centre .....	22,648	4,733	16,000	1,915
Siblin technical and teacher-training centre ....	23,863	21,163	4,662	( 1,962)
Damascus vocational training centre .....	9,542	4,003	184	5,355
Homs teacher-training centre .....	229	166	—	63
Adult craft training .....	1,452	1,168	—	284
TOTAL, training conducted in UNRWA centres	158,502	73,157	56,434	28,911
<i>Teacher training common costs</i>				
Common training costs .....	2,450	—	—	2,450
TOTAL, teacher-training common costs	2,450	—	—	2,450
<i>Vocational training administration</i>				
	7,845	1,425	884	5,536
TOTAL, vocational education	168,797	74,582	57,318	36,897
TOTAL, EDUCATION SERVICES	538,549	264,777	202,982	70,790
COMMON COSTS				
<i>Supply and transport</i>				
Supply warehousing .....	16,646	13,721	—	2,925
Vehicle maintenance .....	466	346	—	120
Passenger transport .....	7,100	7,144	—	( 44)
TOTAL, supply and transport	24,212	21,211	—	3,001

## Liquidation of prior years' commitments (continued)

(In US dollars)

	Commitments brought forward from 1964	Commitments liquidated by expenditure	Commitments carried forward to 1966	Savings on liquidation of prior years' commitments
	\$	\$	\$	\$
COMMON COSTS (continued)				
<i>Other internal services</i>				
Administrative services .....	12,540	9,019	600	2,921
Production units—capital costs .....	10,959	11,331	451	( 823)
TOTAL, other internal services	23,499	20,350	1,051	2,098
<i>General administration</i>				
Headquarters and field office administration ....	712	833	—	( 121)
Camp administration .....	5,229	2,997	1,726	506
Public information services .....	8,660	5,698	2,970	1
TOTAL, general administration	14,601	9,519	4,696	386
TOTAL, COMMON COSTS	62,312	51,080	5,747	5,485
TOTAL, ALL SERVICES	1,227,406	631,084	507,323	88,999

<sup>a</sup> These figures reflect a transfer in 1965 of \$25,200 brought forward under "Shelter Construction and Maintenance" for latrines, to "Refuse and Sewage Disposal" to cover the cost of latrines to be built and chargeable to this latter sub-activity under the Hneicken scheme.

## NOTES TO THE FINANCIAL STATEMENTS

### GENERAL

*Note 1.* The statements are based on the Agency's accounts kept in United States dollars using the following rates of exchange to the dollar:

Canadian dollars ....	1.08
Lebanese pounds ....	3.10
Syrian pounds .....	(4.00—to 30 April 1965)
	(4.16—from 1 May to 31 August 1965)
	(4.00—from 1 September 1965)
Swiss francs .....	4.32
All other currencies..	The official rates of exchange

### STATEMENT OF BUDGET, EXPENDITURE AND COMMITMENTS

*Note 2.* The budget figures reflect the Agency's budget for 1965 as submitted to the nineteenth session of the General Assembly.

### STATEMENT OF INCOME, EXPENDITURE AND COMMITMENTS

*Note 3.* Income from cash resources designated for the Agency's Provident Fund and Health Plans, and expenses of administering these Funds (if any), are not included in statements I and II as they are credited and debited directly to the Funds.

*Note 4.* Also excluded are contributions made direct to the refugees by the host Governments, voluntary agencies and others. (To be included as income to UNRWA, a contribution must be subject to its direct and complete control and be of a type which the Agency can use within its programme.)

*Note 5.* Contributions in kind are recorded at the contributors' valuations, if known and reasonable, otherwise at valuations determined by the Agency with due consideration given to prevailing market valuations.

### STATEMENT OF ASSETS AND LIABILITIES

*Note 6.* Under the Agency's practice of charging the full cost of buildings, equipment, loans to refugees and investments to expenditure in the year of construction, issue for use, loan or investment, the following assets of the Agency and structures and buildings constructed by the Agency are not reflected in statement IV:

	<i>Original cost</i>
	\$
Equipment and vehicles .....	3,219,202
647,500 fully paid class "C" shares in The Development Bank of Jordan Limited .....	1,813,000
Loans to refugees (virtually all uncollectable)	49,076
Structures and buildings:	
Refugee shelters .....	6,444,219
Other structures and buildings (schools, training centres, ration distribution centres, clinics, warehouses, offices etc.) used by the Agency in its programmes .....	9,776,386

*Note 7.* Cash resources comprise:

	\$
Operating cash:	
With United States Treasury, in banks and in hand .....	8,870,303
With procurement agents .....	546,412
As provisions for letters of credit .....	606,883
Cash at banks designated for Agency's Provident Fund and Health Plans .....	9,519,186
	<u>19,542,784</u>

*Note 8.* Inventories have been valued substantially at cost with a suitable provision for possible losses on surplus, obsolete and salvage supplies. These supplies form only a minor part of the total inventories.

*Note 9.* The Agency had, at 31 December 1965, contingent liabilities of \$1,090,547 mainly comprising purchase orders issued for goods and services not yet received. There was also \$164,850 outstanding on procurement requests sent to UNICEF (as a procurement agent of the Agency) but on which purchase orders had not yet been placed.

*Note 10.* The Provision for Other Separation Costs of Staff would be greater by approximately \$2.8 million if provision were made for payment of certain separation benefits in full to all staff members. The Agency has estimated, however, that 30 per cent of its international staff members, 50 per cent of its locally recruited professional and general service staff members and 40 per cent of its locally recruited manual workers will not qualify for payment of these separation benefits under the Agency's staff rules, either by reason of leaving the Agency's service voluntarily or by reason of obtaining employment with other employers immediately following separation from the Agency.

## B. REPORT OF THE BOARD OF AUDITORS

1. The Commissioner-General of UNRWA submitted to the Board of Auditors the following financial statement for audit certificates together with the related schedules:

*Statement I.* Budget, expenditure and commitments

*Statement II.* Income, expenditure and commitments

*Statement III.* Working capital (operating reserve)

*Statement IV.* Assets and liabilities

2. The approved budget for 1965 totalled \$37,033,000. To this was carried forward a sum of \$1,227,406 from the unexpended budget of 1964 or prior years. Thus the total available budget of 1965 amounted to \$38,260,406. As against this, the total expenditure during 1965 was \$37,606,948 and the unexpended budget \$653,458. The commitments carried to 1966 amounted to \$1,149,931.

3. The expenditure and commitments for 1965 were \$37,618,472 and the income \$35,134,878 (statement II). The deficit of \$2,483,594 was met from the working capital. This Working Capital, shown in statement III is in fact a surplus account consisting of surplus accumulated during previous years.

4. At year-end, the number of international staff employed by the Agency was 127 (including 21 staff members loaned by UNESCO and WHO) as against 136 approved posts. The number of area staff was 11,495 as against 12,197 approved posts. As compared with the previous year the decrease in the number of international staff approved posts was 28 and that in the number of area staff approved posts was 216. The main reason for this decrease lies in the financial difficulties of the Agency.

5. The total number of registered refugees as at 31 December 1965 was 1,300,117 as against 1,262,649 at 31 December 1964. Of this total number, 873,123 refugees received rations plus other kinds of assistance and 319,196 refugees received assistance as against 876,297 and 277,514 respectively as at 31 December 1964.

6. *Ex gratia* payments during 1965 were shown as amounting to \$8,314 consisting of 12 items, the highest being \$3,717 in respect of settlement on moral grants for compensation for accident incurred during service. A total amount of \$3,380 was shown as *ex gratia* payments of pensionary benefits.

7. The total losses during 1965 amounted to \$127,896 as against \$121,847 in 1964. A break-up is given below:

	\$
Cash .....	3
Bad debts .....	561
Supplies and equipment .....	116,420
Marine insurance claim balances written off after compromise settlements with underwriters ....	10,912
	<hr/> 127,896

The losses on supplies and equipment (\$116,420) mainly comprise warehousing, transit and disposal losses.

8. The Board of Auditors records its appreciation for the assistance rendered by the UNRWA staff and by the Internal Audit Service.

(Signed) Mushtaq AHMAD, S.P.K., *Pakistan*  
Agustin ALJURE, *Colombia*  
Roger PELTOT, *Belgium*

26 May 1966

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