



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

---

**ACCOUNTS**

**for the year ended 31 December 1967**

***and***

**REPORT OF THE BOARD OF AUDITORS**

**GENERAL ASSEMBLY**

**OFFICIAL RECORDS : TWENTY-THIRD SESSION  
SUPPLEMENT No. 6C (A/7206/Add.3)**

**UNITED NATIONS**

**( 40 p. )**



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**UNITED NATIONS**

***New York, 1968***

## **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

20 June 1968

Sir,

I have the honour to transmit to you the financial statements of the accounts of the United Nations Relief and Works Agency for Palestine Refugees in the Near East as at 31 December 1967.

In addition to the above, I have the honour to present the report of the Board with respect to the accounts of the above-mentioned Funds for the year 1967.

Accept, Sir, the assurances of my highest consideration.

(Signed) S.M. RAZA  
Chairman of the United Nations  
Board of Auditors

The President of the General Assembly  
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 1967, 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.



Budget, expenditure and commitments

(In US dollars)

<u>Activity</u>	<u>Budget</u> \$	<u>Expenditure</u> \$	<u>Commitments</u> <u>carried forward</u> <u>to 1968</u> \$	<u>Total of</u> <u>expenditure and</u> <u>commitments</u> \$
<b>Part I. Relief services</b>				
Basic rations . . . . .	13 020 000	13 105 830	1 328	13 107 158
Supplementary feeding . . . . .	1 870 000	1 800 073	3 971	1 804 044
Shelter . . . . .	855 000	720 312	11 652	731 964
Special hardship assistance . . . . .	769 000	704 714	18 096	722 810
Share of common costs from part IV . . . . .	3 207 000	3 178 775	77 226	3 256 001
<b>TOTAL, part I</b>	<b>19 721 000</b>	<b>19 509 704</b>	<b>112 273</b>	<b>19 621 997</b>
<b>Part II. Health services</b>				
Medical services . . . . .	3 226 000	3 020 188	61 587	3 081 775
Environmental sanitation . . . . .	934 000	898 698	18 304	917 002
Share of common costs from part IV . . . . .	1 010 000	991 037	35 177	1 026 214
<b>TOTAL, part II</b>	<b>5 170 000</b>	<b>4 909 923</b>	<b>115 068</b>	<b>5 024 991</b>
<b>Part III. Education services</b>				
General education . . . . .	11 028 000	9 921 400	198 013	10 119 413
Vocational education . . . . .	2 921 000	2 230 248	23 036	2 253 284
University education . . . . .	351 000	338 035	-	338 035
Share of common costs from part IV . . . . .	2 479 000	2 422 839	99 871	2 522 710
<b>TOTAL, part III</b>	<b>16 779 000</b>	<b>14 912 522</b>	<b>320 920</b>	<b>15 233 442</b>
<b>Part IV. Common costs</b>				
Supply and transport services . . . . .	3 207 000	3 242 834	22 737	3 265 571
Other internal services . . . . .	2 135 000	2 094 255	177 897	2 272 152
General administration . . . . .	1 354 000	1 255 562	11 640	1 267 202
<b>TOTAL, part IV</b>	<b>6 696 000</b>	<b>6 592 651</b>	<b>212 274</b>	<b>6 804 925</b>
Costs allocated to operations . . . . .	( 6 696 000)	( 6 592 651)	( 212 274)	( 6 804 925)
Net, part IV . . . . .	-	-	-	-
<b>Part V. Replacement or repairs of Agency property lost or damaged and other extraordinary costs due to hostilities</b>	<b>790 000</b>	<b>554 515</b>	<b>105 768</b>	<b>660 283</b>
<b>Part VI. Provision for unit cost increases</b>	<b>300 000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL, ALL PARTS</b>	<b>42 760 000</b>	<b>39 886 664</b>	<b>654 029</b>	<b>40 540 693</b>

The notes to the financial statements are an integral part of these statements and should be read in conjunction therewith. See in particular the note regarding part V above.

Detailed figures of budget, expenditure and commitments are given in schedules A and B, and details 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, subject to the observations in our report.

(Signed) S.M. RAZA, S. Pk., Pakistan  
Roger PELTOT, Belgium  
Evaristo SOURDIS, Colombia

20 June 1968

Income, expenditure and commitments

(In US dollars)

During the year endedIncome

	<u>31 December 1967</u>	<u>31 December 1966</u>
	\$	\$
Contributions pledged by Governments (schedule C) . . .	40 335 873	34 969 322
Contributions received from non-governmental sources (schedule D) . . . . .	2 348 808	822 387
Miscellaneous income (schedule E) . . . . .	1 206 645	493 136
Exchange adjustments . . . . .	( 822 197)	43 206
	<u>43 069 129</u>	<u>36 328 051</u>
<u>Expenditure and commitments</u> (statement I) . . . . .	<u>40 540 693</u>	<u>37 498 420</u>
 EXCESS OF INCOME OVER EXPENDITURE AND COMMITMENTS	 <u>2 528 436</u>	 <u>( 1 170 369)</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 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, subject to the observations in our report.

20 June 1968

(Signed) S.M. RAZA, S. Pk., Pakistan  
Roger PELTOT, Belgium  
Evaristo SOURDIS, Colombia

Working capital (operating reserve)

(In US dollars)

During the year ended

	<u>31 December 1967</u>	<u>31 December 1966</u>
	\$	\$
Balance at 1 January . . . . .	<u>14 274 016</u>	<u>15 292 176</u>
<u>Add</u>		
Net adjustments of prior years' income and expenditure . . . . .	157 719	68 577
Savings in liquidating prior years' commitments (schedule F) . . . . .	218 479	97 838
Excess of income over expenditure and commitments (statement II) . . . . .	2 528 436	(1 170 369)
	<u>2 904 634</u>	<u>(1 003 954)</u>
<u>Deduct</u>		
Unallocated current year's price variations . . . . .	30 873	14 206
Transfer to provision for pension fund validation . . .	460 854	-
	<u>491 727</u>	<u>14 206</u>
Balance at 31 December . . . . .	<u><u>16 686 923</u></u>	<u><u>14 274 016</u></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 working capital (operating reserve) 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, subject to the observations in our report.

20 June 1968

(Signed) S.M. RAZA, S. Pk., Pakistan  
Roger PELTOT, Belgium  
Evaristo SOURDIS, Colombia

Assets and liabilities

(In US dollars)

	<u>As of</u>	
	<u>31 December 1967</u>	<u>31 December 1966</u>
	\$	\$
<u>Assets</u>		
Cash on hand, in banks and with agents . . . . .	12 120 950	9 027 300
Contributions receivable from Governments (schedule C) . . . . .	7 648 686	7 246 312
Accounts receivable, less provision for uncollectible amounts . . . . .	1 630 860	445 806
Amounts recoverable from Near East Emergency Donations Inc. (NEED) . . . . .	575 115	-
Prepaid expenses and advances to suppliers . . . . .	1 277 433	1 192 146
Inventories of supplies . . . . .	6 992 136	5 018 697
Investments held for staff funds . . . . .	12 999 604	10 782 159
	<u>43 244 784</u>	<u>33 712 420</u>
<u>Liabilities</u>		
Accounts payable . . . . .	2 850 357	1 154 611
Funds held for Near East Emergency Donations Inc. (NEED) . . . . .	3 519 572	-
Staff health insurance fund . . . . .	56 983	54 926
Staff provident fund . . . . .	13 414 390	11 596 847
Staff savings fund for non-pensionable service . . . . .	322 570	-
Provision for service benefit, pension fund validation and widows' benefits . . . . .	944 518	1 396 709
Provision for other separation costs of staff . . . . .	4 074 855	3 964 147
Provision for service incurred disability or death of staff . . . . .	110 208	114 108
Reserve for unliquidated commitments . . . . .	878 771	825 285
Income received in advance . . . . .	385 637	331 771
Working capital (operating reserve) (statement III) . . . . .	16 686 923	14 274 016
	<u>43 244 784</u>	<u>33 712 420</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 we have required, and we certify, as a result of the audit, that, in our opinion, the above statement is correct, subject to the observations in our report.

(Signed) S.M. RAZA, S. Fk., Pakistan  
Roger PELTOT, Belgium  
Evaristo SOURDIS, Colombia

20 June 1968

Schedule A

Budget, expenditure and commitments

(In US dollars)

	<u>Budget</u>	<u>Expenditure</u>	<u>Commitments</u>	<u>Total of</u>
	<u>\$</u>	<u>\$</u>	<u>carried</u>	<u>expenditure</u>
			<u>forward</u>	<u>and</u>
			<u>to 1968</u>	<u>commitments</u>
			<u>\$</u>	<u>\$</u>
<b>RELIEF SERVICES</b>				
<u>Basic rations</u>				
Ration costs . . . . .		12 719 469	124	12 719 593
Quality control . . . . .		42 066	--	42 066
Distribution . . . . .		296 010	1 204	297 214
Administration . . . . .		48 285	-	48 285
<b>TOTAL, basic rations</b>	<b>13 020 000</b>	<b>13 105 830</b>	<b>1 328</b>	<b>13 107 158</b>
<u>Supplementary feeding</u>				
Hot meals programme . . . . .		1 081 269	2 300	1 083 569
Milk programme . . . . .		322 846	1 671	324 517
Other supplementary rations . . . . .		328 288	-	328 288
Administration . . . . .		67 670	-	67 670
<b>TOTAL, supplementary feeding</b>	<b>1 870 000</b>	<b>1 800 073</b>	<b>3 971</b>	<b>1 804 044</b>
<u>Shelter</u>				
Shelter construction and maintenance . . . . .		458 019	10 140	468 159
Roads and other camp improvements . . . . .		12 306	1 512	13 818
Camp rentals . . . . .		243 362	-	243 362
Administration . . . . .		6 625	-	6 625
<b>TOTAL, shelter</b>	<b>855 000</b>	<b>720 312</b>	<b>11 652</b>	<b>731 964</b>
<u>Special hardship assistance</u> . . . . .	<b>769 000</b>	<b>704 714</b>	<b>18 096</b>	<b>722 810</b>
<u>Share of common costs</u>				
Supply and transport services . . . . .		2 010 557	14 097	2 024 654
Other internal services . . . . .		691 104	58 706	749 810
General administration . . . . .		477 114	4 423	481 537
<b>TOTAL, share of common costs</b>	<b>3 207 000</b>	<b>3 178 775</b>	<b>77 226</b>	<b>3 256 001</b>
<b>TOTAL, RELIEF SERVICES</b>	<b>19 721 000</b>	<b>19 509 704</b>	<b>112 273</b>	<b>19 621 977</b>

Schedule A (continued)

	<u>Budget</u>	<u>Expenditure</u>	<u>Commitments</u> <u>carried</u> <u>forward</u> <u>to 1968</u>	<u>Total of</u> <u>expenditure</u> <u>and</u> <u>commitments</u>
	\$	\$	\$	\$
<b>HEALTH SERVICES</b>				
<u>Medical services</u>				
Pharmacy services . . . . .		62 889	-	62 889
Laboratory services . . . . .		31 741	-	31 741
General clinics . . . . .		974 390	270	974 660
General hospitals . . . . .		879 686	4 860	884 546
Maternal and child care . . . . .		337 714	53 777	391 491
Tuberculosis control . . . . .		174 171	22	174 193
Mental health care . . . . .		94 647	-	94 647
Dental care . . . . .		31 736	-	31 736
School health services . . . . .		33 125	43	33 168
Health education . . . . .		47 015	-	47 015
Other medical services . . . . .		45 397	2 615	48 012
Administration . . . . .		307 677	-	307 677
<b>TOTAL, medical services</b>	<b>3 226 000</b>	<b>3 020 188</b>	<b>61 587</b>	<b>3 081 775</b>
<u>Environmental sanitation</u>				
Surface water drainage . . . . .		7 214	650	7 864
Refuse and sewage disposal . . . . .		619 895	16 889	636 784
Water supply . . . . .		179 758	765	180 523
Insect and rodent control . . . . .		12 715	-	12 715
Ancillary sanitation facilities . . . . .		8 923	-	8 923
Administration . . . . .		70 193	-	70 193
<b>TOTAL, environmental sanitation</b>	<b>934 000</b>	<b>898 698</b>	<b>18 304</b>	<b>917 002</b>
<u>Share of common costs</u>				
Supply and transport services . . . . .		421 568	2 956	424 524
Other internal services . . . . .		356 024	30 242	386 266
General administration . . . . .		213 445	1 979	215 424
<b>TOTAL, share of common costs</b>	<b>1 010 000</b>	<b>991 037</b>	<b>35 177</b>	<b>1 026 214</b>
<b>TOTAL, HEALTH SERVICES</b>	<b>5 170 000</b>	<b>4 909 923</b>	<b>115 068</b>	<b>5 024 991</b>

**EDUCATION SERVICES**

General education

Elementary education . . . . .	5 924 204	127 486	6 051 690
Preparatory education . . . . .	2 764 105	59 237	2 823 342
Secondary education . . . . .	486 232	-	486 232
Other in-service staff training . . . . .	108 648	1 056	109 704
UNRWA/UNESCO Institute of Education . . . . .	273 163	9 740	282 903
Youth activities . . . . .	19 834	400	20 234
Women's activities . . . . .	3 672	-	3 672
Cinema programme . . . . .	4 302	-	4 302
Pre-school playcentres . . . . .	4 386	-	4 386
Administration . . . . .	332 854	94	332 948
<b>TOTAL, general education</b>	<b>11 028 000</b>	<b>9 921 400</b>	<b>10 119 413</b>

Schedule A (continued)

	<u>Budget</u>	<u>Expenditure</u>	<u>Commitments</u> <u>carried</u> <u>forward</u> <u>to 1968</u>	<u>Total of</u> <u>expenditure</u> <u>and</u> <u>commitments</u>
	\$	\$	\$	\$
<b>EDUCATION SERVICES (continued)</b>				
<u>Vocational education</u>				
<u>Training conducted in UNRWA centres</u>				
Kalandia vocational training centre . . . . .		198 002	816	198 818
Wadi Seer vocational training centre . . . . .		191 367	4 807	196 174
Ramallah teacher-training centre . . . . .		150 161	968	151 129
Ramallah women's training centre . . . . .		264 941	1 178	266 119
Gaza vocational training centre . . . . .		132 566	2 823	135 389
Siblin vocational training centre . . . . .		219 889	6 977	226 866
Siblin technical and teacher training institute . . . . .		167 997	2 689	170 686
Damascus vocational training centre . . . . .		183 549	2 035	185 584
Homs teacher-training centre . . . . .		6 147	-	6 147
Adult craft training . . . . .		63 996	-	63 996
Gaza centre for the blind . . . . .		1 252	743	1 995
		<hr/>	<hr/>	<hr/>
TOTAL, training conducted in UNRWA centres		1 579 867	23 036	1 602 903
		<hr/>	<hr/>	<hr/>
<u>Training subsidized outside UNRWA centres</u>				
<u>On the job training</u>				
Federal Republic of Germany . . . . .		6 803	-	6 803
France . . . . .		874	-	874
Norway . . . . .		3 961	-	3 961
Sweden . . . . .		57 024	-	57 024
Switzerland . . . . .		1 506	-	1 506
United Arab Republic . . . . .		16 514	-	16 514
<u>Other vocational training</u>				
General trades training (Lebanon and Jordan . . . . .		2 660	-	2 660
Industrial secondary schools (United Arab Republic) . . . . .		2 057	-	2 057
Hotel training (Lebanon) . . . . .		683	-	683
Secretarial training (Lebanon) . . . . .		7 097	-	7 097
Training of handicapped youth (all areas). . . . .		52 493	-	52 493
Basic nursing training . . . . .		3 588	-	3 588
<u>Teacher training</u>				
In government training centres (Gaza) . . . . .		23 045	-	23 045
In government training centres (United Arab Republic) . . . . .		11 380	-	11 380
In Ecole supérieure des lettres (Lebanon). . . . .		4 545	-	4 545
		<hr/>	<hr/>	<hr/>
TOTAL, training subsidized outside UNRWA centres		194 230	-	194 230
		<hr/>	<hr/>	<hr/>
<u>Common training costs</u>				
Trades training common costs . . . . .		185 738	-	185 738
Trades instructor training costs . . . . .		5 845	-	5 845
Teacher training common costs . . . . .		116 723	-	116 723
		<hr/>	<hr/>	<hr/>
TOTAL, common training costs		308 306	-	308 306
		<hr/>	<hr/>	<hr/>

Schedule A (continued)

	<u>Budget</u> \$	<u>Expenditure</u> \$	<u>Commitments</u> <u>carried</u> <u>forward</u> <u>to 1968</u> \$	<u>Total of</u> <u>expenditure</u> <u>and</u> <u>commitments</u> \$
<b>EDUCATION SERVICES (continued)</b>				
<u>Placement services</u> . . . . .		38 764	-	38 764
<u>Vocational education administration</u> . . . . .		109 081	-	109 081
TOTAL, vocational education	2 921 000	2 230 248	23 036	2 253 284
<u>University education</u>				
University scholarships in Jordan . . . . .		38 714	-	38 714
University scholarships in the United Arab Republic . . . . .		167 009	-	167 009
University scholarships in Lebanon . . . . .		89 385	-	89 385
University scholarships in Syria . . . . .		30 510	-	30 510
University scholarships in Iraq . . . . .		3 997	-	3 997
Administration . . . . .		8 420	-	8 420
TOTAL, university education	351 000	338 035	-	338 035
<u>Share of common costs</u>				
Supply and transport services . . . . .		810 709	5 684	816 393
Other internal services . . . . .		1 047 127	88 949	1 136 076
General administration . . . . .		565 003	5 238	570 241
TOTAL, share of common costs	2 479 000	2 422 839	99 871	2 522 710
TOTAL, EDUCATION SERVICES	16 779 000	14 912 522	320 920	15 233 442
<b>COMMON COSTS</b>				
<u>Supply and transport services</u>				
Supply procurement and control . . . . .		263 283	-	263 283
Supply warehousing . . . . .		283 991	150	284 141
Supply and transport insurance administration . . . . .		15 268	-	15 268
Vehicle maintenance . . . . .		218 883	1 792	220 675
Passenger transport . . . . .		539 687	5 850	545 537
Freight transport . . . . .		1 155 082	14 945	1 170 027
Port operations . . . . .		524 400	-	524 400
Administration . . . . .		242 240	-	242 240
TOTAL, supply and transport services	3 207 000	3 242 834	22 737	3 265 571
<u>Allocation of supply and transport services</u>				
Relief services, 62 per cent . . . . .	( 2 010 557)	( 14 097)	( 2 024 654)	
Health services, 13 per cent . . . . .	( 421 568)	( 2 956)	( 424 524)	
Education services, 25 per cent . . . . .	( 810 709)	( 5 684)	( 816 393)	
TOTAL, allocation of supply and transport services	( 3 207 000)	( 3 242 834)	( 22 737)	( 3 265 571)

## Schedule A (continued)

	Budget \$	Expenditure \$	Commitments carried forward to 1968 \$	Total of expenditure and commitments \$
COMMON COSTS (continued)				
<u>Other internal services</u>				
Eligibility and registration . . . . .		298 898	-	298 898
Personnel services . . . . .		168 808	-	168 808
Administrative services . . . . .		415 280	4 352	419 632
Translation services . . . . .		38 795	-	38 795
Legal services . . . . .		99 193	-	99 193
Finance services . . . . .		544 204	-	544 204
Data processing services . . . . .		137 581	170 500	308 081
Protective services . . . . .		202 841	3 045	205 886
Technical services . . . . .		186 229	-	186 229
Production units (capital costs) . . . . .		2 426	-	2 426
TOTAL, other internal services	2 135 000	2 094 255	177 897	2 272 152
<u>Allocation of other internal services</u>				
Relief services, 33 per cent . . . . .		( 691 104)	( 58 706)	( 749 810)
Health services, 17 per cent . . . . .		( 356 024)	( 30 242)	( 386 266)
Education services, 50 per cent . . . . .		( 1 047 127)	( 88 949)	( 1 136 076)
TOTAL, allocation of other internal services	( 2 135 000)	( 2 094 255)	( 177 897)	( 2 272 152)
<u>General administration</u>				
Agency administration . . . . .		180 126	-	180 126
Field Office administration . . . . .		337 934	-	337 934
Area administration . . . . .		234 348	3 583	237 931
Camp administration . . . . .		124 926	2 057	126 983
Public information services . . . . .		272 430	6 000	278 430
New York liaison office . . . . .		27 548	-	27 548
Cairo liaison office . . . . .		24 627	-	24 627
European liaison office (Geneva) . . . . .		53 623	-	53 623
TOTAL, general administration	1 354 000	1 255 562	11 640	1 267 202
<u>Allocation of general administration</u>				
Relief services, 38 per cent . . . . .		( 477 114)	( 4 423)	( 481 537)
Health services, 17 per cent . . . . .		( 213 445)	( 1 979)	( 215 424)
Education services, 45 per cent . . . . .		( 565 003)	( 5 238)	( 570 241)
TOTAL, allocation of general administration	( 1 354 000)	( 1 255 562)	( 11 640)	( 1 267 202)
TOTAL, COMMON COSTS	6 696 000	6 592 651	212 274	6 804 925
TOTAL, COMMON COSTS ALLOCATED	( 6 696 000)	( 6 592 651)	( 212 274)	( 6 804 925)
NET COMMON COSTS	-	-	-	-
REPLACEMENT OR REPAIRS OF AGENCY PROPERTY LOST OR DAMAGED AND OTHER EXTRAORDINARY COSTS DUE TO HOSTILITIES				
Replacement of property destroyed or disappeared . . . . .		326 473	72 507	398 980
Repair of damage to property . . . . .		112 821	33 261	146 082
Evacuation of staff and dependents . . . . .		38 636	-	38 636
Rerouting of supplies . . . . .		76 585	-	76 585
	790 000	554 515	105 768	660 283

# Schedule B

## Production and sales units

(In US dollars)

<u>Account</u>	<u>Embroidery</u>	<u>Audio-visual</u>	<u>Carpentry</u>	<u>Printing</u>	<u>Sanitation supplies</u>		<u>Note</u>
	<u>centre</u>	<u>aids</u>	<u>shop</u>	<u>shop</u>	<u>Jordan</u>	<u>factory</u>	<u>production</u>
	\$	\$	\$	\$	\$	\$	in lieu of
							text books
							\$
<u>Production and capital costs</u> . . . . .	24 449	138 737	28 102	56 501	720	1 905	1 627
<u>Costs allocated</u>							
Transfer to other activities . . . . .	-	(137 074)	( 27 399)	( 55 501)	( 720)	( 1 905)	( 1 627)
Transfer to sales unit . . . . .	( 24 152)	-	( 703)	-	-	-	-
Direct sales at cost . . . . .	-	( 534)	-	-	-	-	-
	( 24 152)	(137 608)	( 28 102)	( 55 501)	( 720)	( 1 905)	( 1 627)
<u>Capital costs not allocated</u>							
Equipment . . . . .	-	1 129	-	1 000	-	-	-
Construction . . . . .	297	-	-	-	-	-	-
Transfer to other internal services (schedule A) . . . . .	( 297)	( 1 129)	-	( 1 000)	-	-	-
<u>Sales unit</u>							
Sales . . . . .	( 16 200)	-	( 773)	-	-	-	-
Cost of goods sold . . . . .	18 997	-	703	-	-	-	-
Net gain on sales . . . . .	2 797	-	( 70)	-	-	-	-
Transfer to income (schedule E) . . . . .	( 2 797)	-	70	-	-	-	-
	-	-	-	-	-	-	-

## Schedule C

## Contributions pledged by Governments

(In US dollars)

Name of contributor	Description or purpose	Contributions	Unpaid balances	
		pledged for 1967 \$	of contributions pledged from prior years \$	for 1967 \$
Abu Dhabi	Bahrain dinars . . . . .	20 927	-	-
Australia	Australian and United States dollars	201 600	-	-
Austria	United States dollars . . . . .	10 000	-	-
Austria	United States dollars <u>a/</u> . . . . .	19 350	-	-
Belgium	Belgian francs . . . . .	35 000	-	-
Canada	Canadian dollars . . . . .	462 963	-	-
Canada	Flour . . . . .	925 926	-	-
Canada	Flour and skim milk <u>a/</u> . . . . .	1 073 079	-	-
Canada	Rental of aircraft <u>a/</u> . . . . .	1 800	-	-
Ceylon	Tea . . . . .	1 000	-	-
Ceylon	Tea <u>a/</u> . . . . .	2 000	-	2 000
China	United States dollars . . . . .	20 000	-	-
Congo (Democratic Republic of)	United States dollars <u>a/</u> . . . . .	20 000	-	20 000
Cyprus	Pounds sterling . . . . .	560	-	-
Denmark	United States dollars . . . . .	79 815	-	40 000 <sup>1/</sup>
Denmark	United States dollars (for vocational education) . . . . .	200 000	-	-
Denmark	United States dollars <u>a/</u> . . . . .	217 171	-	-
Federal Republic of Germany	German marks . . . . .	750 000	-	-
Federal Republic of Germany	Jordan dinars (for family kits) <u>a/</u> . .	2 800	-	-
Finland	United States dollars . . . . .	15 000	-	-
Finland	United States dollars <u>a/</u> . . . . .	50 000	-	50 000
France	French francs . . . . .	122 449	-	-
France	Rents . . . . .	60 717	-	-
France	Lebanese pounds (for university scholarships) . . . . .	1 412	-	-
France	French francs <u>a/</u> . . . . .	1 020 408	-	-
France	Services of staff (for teaching French)	11 650	-	-
France	French francs (for teaching French and vocational education) . . . . .	41 501	-	-
Gaza Authorities	Rents and vaccines . . . . .	154 547	-	-
Gaza Authorities	Egyptian pounds (for university scholarships) . . . . .	1 000	-	-
Ghana	United States dollars . . . . .	3 000	-	-
Ghana	United States dollars <u>a/</u> . . . . .	3 000	-	-
Greece	United States dollars . . . . .	15 000	-	-
Holy See	United States dollars . . . . .	2 500	-	-
Holy See	United States dollars <u>a/</u> . . . . .	10 000	-	-
Holy See	United States dollars (special contribution) . . . . .	16 000	-	-
Iceland	United States dollars <u>a/</u> . . . . .	12 000	-	12 000
India	Supplies . . . . .	13 333	-	13 333
Iran	United States dollars . . . . .	6 000	-	-
Iran	Swiss francs <u>c/</u> . . . . .	6 000	-	-
Iran	Medical supplies . . . . .	695	-	-
Iraq	United States dollars . . . . .	100 000	-	100 000
Ireland	United States dollars . . . . .	25 000	-	-
Ireland	United States dollars <u>a/</u> . . . . .	40 000	-	-

## Schedule C (continued)

Name of contributor	Description or purpose	Contributions pledged for 1967 \$	Unpaid balances of contributions pledged	
			from prior years \$	for 1967 \$
Israel	Port and transport services, water and supplies . . . . .	376 142	-	-
Israel	Israeli pounds <u>a/</u> . . . . .	295 238	-	228 571
Israel	Medical supplies and equipment <u>a/</u> . . . . .	12 531	-	-
Italy	United States dollars . . . . .	160 100	-	159 955
Italy	United States dollars <u>c/</u> . . . . .	80 000	-	80 000
Jamaica	United States dollars . . . . .	560	-	560
Jamaica	United States dollars <u>a/</u> . . . . .	2 440	-	2 440
Japan	United States dollars . . . . .	40 000	-	-
Japan	United States dollars <u>a/</u> . . . . .	100 000	-	-
Jordan	Rents, water, port services, vaccines and water pump . . . . .	163 731	-	-
Kuwait	United States dollars . . . . .	220 000	-	-
Lebanon	Rents, laboratory services, water and vaccines . . . . .	51 839	-	-
Liberia	United States dollars . . . . .	3 000	-	3 000
Libya	United States dollars . . . . .	100 000	-	-
Luxembourg	United States dollars . . . . .	3 000	-	-
Malaysia	United States dollars . . . . .	1 500	-	-
Malaysia	United States dollars <u>a/</u> . . . . .	10 000	-	-
Malta	United States dollars <u>a/</u> . . . . .	5 000	-	-
Monaco	French francs . . . . .	204	-	-
Morocco	United States dollars . . . . .	25 000	-	-
Netherlands	United States dollars . . . . .	110 193	-	-
Netherlands	United States dollars (for vocational education) . . . . .	5 325	-	-
New Zealand	Pounds sterling and New Zealand dollars	84 000	-	-
Niger	United States dollars . . . . .	510	-	510
Nigeria	United States dollars . . . . .	5 000	-	-
Norway	United States dollars . . . . .	84 000	-	-
Norway	United States dollars <u>a/</u> . . . . .	209 497	-	-
Pakistan	Pounds sterling . . . . .	20 964	-	-
Philippines	United States dollars . . . . .	1 250	-	-
Qatar	United States dollars . . . . .	10 000	-	-
Republic of Viet-Nam	United States dollars <u>a/</u> . . . . .	3 000	-	-
Saudi Arabia	United States dollars . . . . .	297 778	-	-
Singapore	United States dollars <u>a/</u> . . . . .	1 000	-	-
Spain	Flour and potatoes <u>a/</u> . . . . .	166 481	-	-
Sudan	Sudanese pounds . . . . .	-	5 740	-
Sweden	United States dollars . . . . .	145 773	-	-
Sweden	United States dollars (special contribution) . . . . .	2 000 000	-	108 300
Sweden	Vocational training services in Sweden	55 000	-	-
Sweden	United States dollars (for well for Siblin VTC and T and TTI)	-	11 662	-
Switzerland	Swiss francs . . . . .	104 167	-	-
Switzerland	Swiss francs (for UNRWA/UNESCO Institute of Education) . . . . .	92 593	-	92 593
Switzerland	Swiss francs (for family kits) <u>a/</u> . . . . .	34 722	-	-
Switzerland	Blankets <u>a/</u> . . . . .	23 148	-	-
Syria	Transport, rents and vaccines . . . . .	93 726	-	-
Thailand	Rice <u>a/</u> . . . . .	6 800	-	6 800
Trinidad and Tobago	United States dollars . . . . .	1 000	-	-
Tunisia	United States dollars . . . . .	4 000	-	-
Turkey	United States dollars . . . . .	10 000	-	-
United Arab Republic	Port and transport services and vaccines <u>d/</u> . . . . .	120 452	-	-

Schedule C (continued)

<u>Name of contributor</u>	<u>Description or purpose</u>	<u>Contributions pledged for 1967 \$</u>	<u>Unpaid balances of contributions pledged</u>	
			<u>from prior years \$</u>	<u>for 1967 \$</u>
United Kingdom of Great Britain and Northern Ireland	Pounds sterling . . . . .	4 500 000	-	-
United Kingdom of Great Britain and Northern Ireland	Pounds sterling <u>a/</u> . . . . .	500 000	-	-
United States of America	United States dollars and local currencies <u>e/</u> . . . . .	13 300 000	-	6 650 000 <sup>b/</sup>
United States of America	Foodstuffs <u>e/</u> . . . . .	8 900 000	-	41 222
United States of America	United States dollars <u>a/</u> . . . . .	2 000 000	-	-
Yugoslavia	Supplies . . . . .	20 000	-	20 000
		<u>40 335 873</u>	<u>17 402</u>	<u>7 631 284</u>

- a/ Special contributions for the emergency situation arising from the hostilities of June 1967 and totalling \$5 841 465.
- b/ This balance results from the Agency's allocation to 1967 of one-half of a regular pledge made in respect of the contributor's fiscal year ending after 31 December 1967.
- c/ Pledges made in 1967 in respect of prior years.
- d/ Port and transport services for the period 1 January to 5 June 1967.
- e/ Payable on a matching basis not to exceed 70 per cent of contributions paid by all Governments applicable to the fiscal period to which this United States pledge applies.

Schedule D

Contributions received from non-governmental sources

During the twelve months ended 31 December 1967

(In US dollars)

<u>Name of contributor</u>	<u>Description</u>	<u>Vocational education scholarships</u> \$	<u>Other education contributions</u> \$	<u>Other contributions</u> \$	<u>Special contributions for emergency needs</u> \$
<u>Australia</u>					
United Nations Association of Australia	Cash . . . . .	-	-	-	19 328
United Nations Association of Australia - Victorian Division	Cash . . . . .	1 004	-	-	-
United Nations Junior Set of Sydney	Cash . . . . .	-	-	-	735
Unilever	Cash . . . . .	-	-	-	112
<u>Austria</u>					
Caritas, Austria	Cash . . . . .	3 873	-	-	-
<u>Belgium</u>					
Entraide Socialiste Belge	Cash . . . . .	-	-	1 508	-
Entraide Socialiste Belge and Caritas Catholica	Tents and medical supplies . . . . .	-	-	1 008	13 922
<u>Canada</u>					
Ambassador Maybee	Cash . . . . .	-	-	-	92
Canadian Embassy	Telephone equipment.	-	-	75	-
Canadian Red Cross Youth Quebec Division	Cash . . . . .	464	-	-	-
Ontario Division	Cash . . . . .	925	-	-	-
Saskatchewan Division	Cash . . . . .	460	-	-	-
Canadian Save the Children Fund	Cash . . . . .	-	-	4 378	-
Henderson, Mrs. Dorothy C.	Cash . . . . .	460	-	-	-
Peel County Secondary School	Cash . . . . .	926	-	-	-
The Arab Refugee Emergency Appeal	Cash . . . . .	-	-	124	-
Unitarian Service Committee	Cash . . . . .	-	-	1 811	-
United Nations Association of Canada	Cash . . . . .	-	-	-	1 263
Sundry donors	Cash . . . . .	-	-	23	183
<u>Denmark</u>					
Danish Refugee Council	Cash . . . . .	-	-	-	36 517
Danish Refugee Council	Grinding machines. .	-	-	22 322	-

Name of contributor	Description	Vocational	Other	Other	Special
		education scholarships	education contributions	contributions	contributions for emergency needs
\$					
<u>Federal Republic of Germany</u>					
Berliner Bank	Cash . . . . .	1 000	-	-	-
Bosch, Robert - GmbH	Cash . . . . .	500	-	-	-
Caritas and Chevaliers St. Semulcre	Tents, blankets and food for infants .	-	-	-	53 875
Daimler Benz Co., Stuttgart	Cash . . . . .	1 000	-	-	-
Deutscher Evangelischer Kirchentag	Cash . . . . .	-	-	-	6 590
Diakonisches Werk	Cash . . . . .	-	-	5 000	-
Diakonisches Werk	Prefabricated buildings . . . . .	-	-	-	106 500
Frankfurter Bank	Cash . . . . .	500	-	-	-
Freimaurerisches Hilfswerk, Hanover	Cash . . . . .	-	-	-	1 250
Index - Werke K.G., Esslingen	Cash . . . . .	500	-	-	-
Innre Mission UND Bilfswerk (through the World Council of Churches)	Tents and blankets .	-	-	-	8 630
MISEREOR	Cash . . . . .	12 500	-	-	12 500
Refugee Campaign - Bonn	Cash . . . . .	-	-	21 000	-
Solms, Johann Georg Graf	Cash . . . . .	-	-	-	1 250
The Near East Representatives of German Banks - Beirut	Cash . . . . .	1 000	-	-	-
Sundry donors	Cash . . . . .	37	-	-	59
Sundry donors	Wall charts . . . . .	-	-	5	-
<u>Finland</u>					
Finnish Association of Folk High Schools and Folk Academies	Cash . . . . .	1 500	-	-	-
Finnish Refugee Council	Cash . . . . .	25 000	-	23 900	-
Hufvudstadsbladet, Helsinki	Cash . . . . .	1 000	-	-	-
Paraisten Kalkkivuor, OY	Cash . . . . .	500	-	-	-
Stockmann Department Store, Helsinki	Cash . . . . .	1 000	-	-	-
Sevenska Osterbottens Folkshogskola	Cash . . . . .	500	-	-	-
Folkakademi Yttermark	Cash . . . . .	500	-	-	-
Sipila, Mrs. Helvi	Cash . . . . .	500	-	-	-
Tehtaanpuiston Yhteiskoulon Teinikunta	Cash . . . . .	500	-	-	-
Union of Finnish Girl Guides	Cash . . . . .	500	-	-	-
<u>France</u>					
Alamichel, Claude	Cash . . . . .	-	-	-	210
Cimade	Cash . . . . .	-	-	-	1 020
Communauté de l'Arche	Cash . . . . .	-	-	-	612
Lycée Jeanne d'Arc - Nancy	Cash . . . . .	163	-	-	-
Meyer, George	Cash . . . . .	-	-	-	102

Schedule D (continued)

<u>Name of contributor</u>	<u>Description</u>	<u>Vocational education scholarships</u> \$	<u>Other education contributions</u> \$	<u>Other contributions</u> \$	<u>Special contributions for emergency needs</u> \$
<u>France (continued)</u>					
Secours Catholique de France	Cash . . . . .	-	-	898	-
Sundry donors	Cash . . . . .	-	-	-	41
<u>Gaza</u>					
Abu Abdallah Family	Rent . . . . .	-	-	101	-
Abu Ayyad Family	Rent . . . . .	-	-	37	-
Abu Ayyad and Awada Families	Rent . . . . .	-	-	72	-
Abu Khusa Family	Rent . . . . .	-	-	32	-
Abu Middain Family	Rent . . . . .	-	-	1 997	-
Abu Omar Family and Khalil Khalil	Rent . . . . .	-	-	37	-
Abu Salim Family	Rent . . . . .	-	-	490	-
Abu Salah Naser	Rent . . . . .	-	-	28	-
Abu Sha'b Family	Rent . . . . .	-	-	442	-
Abu Uriban Family	Rent . . . . .	-	-	94	-
Abu Uriban and Abu Middain Families	Rent . . . . .	-	-	48	-
Awada Family	Rent . . . . .	-	-	1 566	-
Awada and Abu Middain Families	Rent . . . . .	-	-	321	-
Daghma Family	Rent . . . . .	-	-	110	-
El Mussaddar Family	Rent . . . . .	-	-	281	-
Gaza Municipality	Rent . . . . .	-	-	55	-
Mussaddar and Qur'an Families	Rent . . . . .	-	-	374	-
Saleh Ali Barbakh	Rent . . . . .	-	-	46	-
Tarazi Family	Rent . . . . .	-	-	115	-
Waqf Department	Rent . . . . .	-	-	6 587	-
<u>Ireland</u>					
Irish National Committee for UNICEF	Cash . . . . .	-	-	-	560
<u>Jamaica</u>					
Manchester High School	Cash . . . . .	-	-	-	264
<u>Japan</u>					
Sundry donors	Cash . . . . .	-	-	52	-
<u>Jordan</u>					
Municipal Council - Qalqilia	Rent . . . . .	-	-	616	-
Anonymous	Services . . . . .	-	-	2 769	-
Sundry donors	Medical supplies . .	-	-	18	-

## Schedule D (continued)

<u>Names of contributor</u>	<u>Description</u>	<u>Vocational education scholarships</u> \$	<u>Other education contributions</u> \$	<u>Other contributions</u> \$	<u>Special contributions for emergency needs</u> \$
<u>Lebanon</u>					
Foreign airlines	Cash . . . . .	-	-	-	6 154
Greek Orthodox Community	Rent . . . . .	-	-	621	-
Mneimneh and Bohsaly	Rent . . . . .	-	-	1 398	-
Heirs of Saaddine Shatila	Rent . . . . .	-	-	1 242	-
Syrian Lebanese Mission	Rent . . . . .	-	-	1 864	-
Sundry donors	Medical supplies . .	-	-	20	-
Anonymous	Services . . . . .	-	-	3 547	-
<u>Liechtenstein</u>					
General and Metal Holding Company	Cash . . . . .	-	-	-	20 000
<u>Netherlands</u>					
Stichting Orphans Aid	Cash . . . . .	-	-	500	-
Van Der Valk, P.C.	Cash . . . . .	-	-	200	-
UNESCO Centrum Netherlands	Cash . . . . .	-	-	-	10 000
<u>New Zealand</u>					
New Zealand Council of Organizations for Relief Services Overseas	Cash . . . . .	28 000	-	8 834	8 834
United Nations Association of New Zealand South Canterbury Branch	UNESCO gift coupons . . . . .	375	-	-	-
<u>Norway</u>					
Kroksnes, Arthur	Cash . . . . .	-	-	141	-
Norwegian Red Cross	Corned beef . . . .	-	-	-	456
Norwegian Refugee Council	Cash . . . . .	8 000	-	29 771	-
Norwegian Refugee Council	Tents, Blankets and medical supplies .	-	-	-	45 935
Norwegian Refugee Council	Services of staff .	-	-	2 164	-
Save the Children Fund (Redd Barna)	Cash . . . . .	490	-	-	-
<u>Portugal</u>					
Calouste Gulbenkian Foundation	Cash . . . . .	5 000	-	7 000	50 000
<u>Saudi Arabia</u>					
Baroodi, Jamil, M.	Cash . . . . .	-	-	-	1 000
College of Petroleum and Minerals	Cash . . . . .	600	-	-	-

Schedule D (continued)

<u>Name of contributor</u>	<u>Description</u>	<u>Vocational education scholarships</u> \$	<u>Other education contributions</u> \$	<u>Other contributions</u> \$	<u>Special contributions for emergency needs</u> \$
<u>Sweden</u>					
Andersson, Malte	Cash . . . . .	500	-	-	-
Ericsson, Messrs. L.M.	Telephone materials	-	583	-	-
Hilson Henning	Cash . . . . .	-	-	99	-
Hult, A.	Cash . . . . .	-	-	-	295
Swedish Committee for Palestine Refugees	Cash . . . . .	-	-	-	610
Swedish Save the Children Federation	Cash . . . . .	5 000	3 000	47 301	127 318
Swedish Save the Children Federation	Blankets . . . . .	-	-	2 968	-
Swedish Organization for Individual Relief	Tents, blankets, wheat, milk powder, primus stoves and cooking pots . . . . .	-	-	-	30 286
The Swedish West Coast Post-War Relief	Blankets . . . . .	-	-	-	5 427
Sundry donors	Motor transport parts	-	-	3	-
Sundry donors	Cash . . . . .	-	-	-	1
<u>Switzerland</u>					
Caritas	International	-	-	-	7 000
Club der Berufs and Geschafstsfrauen	Harvester Truck .	-	-	-	56
Feller, E.	Cash . . . . .	-	-	-	231
Hoffmann La Roche	Cash . . . . .	-	-	-	1 623
Krbec, Miss Eva Marie	Medical supplies . .	-	-	-	232
Waser, Pfr. Heinz	Cash . . . . .	46	-	-	116
Mrs. Weeks and Miss Krbec	Cash . . . . .	139	-	-	-
Sundry donors	Cash . . . . .	-	-	41	73
<u>Syrian Arab Republic</u>					
Local Authorities	Services . . . . .	-	-	2 019	-
Sundry donors	Welding pipes . . .	-	-	20	-
<u>United Kingdom of Great Britain and Northern Ireland</u>					
Anglo Arab Association	Cash . . . . .	-	-	-	24 400
British Bank of the Middle East	Cash . . . . .	-	-	-	70 000
Cadbury Fry Export Department - Birmingham	Milk and chocolate powder . . . . .	-	-	377	-
Cambridge University - United Nations Association, Refugee Department	Cash . . . . .	-	-	280	378
Camden Borough Council	Cash . . . . .	-	-	-	129
Christian Aid	Cash . . . . .	-	-	-	14 000

## Schedule D (continued)

<u>Name of contributor</u>	<u>Description</u>	<u>Vocational education scholarships</u> \$	<u>Other education contributions</u> \$	<u>Other contributions</u> \$	<u>Special contributions for emergency needs</u> \$
<u>United Kingdom of Great Britain and Northern Ireland (continued)</u>					
Council for Education in World Citizenship	Cash . . . . .	-	-	-	5 600
Freedom from Hunger (Tenby) Committee	Cash . . . . .	504	-	-	-
Iraq Petroleum Company	Cash . . . . .	-	-	-	13 846
Luthwaite, Miss Hilda	Cash . . . . .	-	-	-	140
May, E.G.	Cash . . . . .	-	-	-	63
Marrickville R.S.R. Club	Cash . . . . .	-	-	71	-
Mulford, Mr. and Mrs. W.	Cash . . . . .	280	-	-	-
New Milton Christian Aid Week Committee	Cash . . . . .	504	-	-	-
Oxford Committee for Famine Relief (OXFAM)	Cash . . . . .	31 236	-	37 000	42 000
Oxford Committee for Famine Relief (OXFAM)	Blankets and dried eggs . . . . .	-	-	-	14 525
Oxford Committee for Famine Relief, through the World Council of Churches	Tents . . . . .	-	-	-	10 000
Petts Wood Methodist Church	Cash . . . . .	504	-	-	-
Rogers, Miss M.	Cash . . . . .	504	-	-	-
Save The Children Fund	Baked beans . . . . .	-	-	266	-
St. Helen's School	Cash . . . . .	504	-	-	-
Standing Conference of British Organization for Aid to Refugees:					
Astor Bursary Fund	Cash . . . . .	41 020	-	-	-
Menuhin Concert Proceeds	Cash . . . . .	-	-	1 473	-
Middle East Relief Fund	Cash . . . . .	-	-	-	33 600
Other Sources	Tents . . . . .	-	-	-	207 473
Tomlinson, Miss Ruth	Cash . . . . .	-	-	-	140
United Nations Association of Great Britain and Northern Ireland	Cash . . . . .	1 484	-	-	5 600
Veitch, G.	Used motor car . . . . .	-	-	300	-
War on Want	Tents and Dexion Angles . . . . .	-	-	-	68 800
Wings of Friendship	Tools and books . . . . .	1 763	-	130	-
Anonymous	Cash . . . . .	-	-	278	-
Sundry donors	Cash . . . . .	-	-	34	43
<u>United States of America</u>					
American Council for Judaism	Cash . . . . .	-	-	-	5 000
Philanthropic Fund	Cash . . . . .	-	-	-	25 400
American Middle East Rehabilitation Inc. (AMER)					

## Schedule D (continued)

Name of contributor	Description	Vocational education scholarships \$	Other education contributions \$	Other contributions \$	Special contributions for emergency needs \$
United States of America (continued)					
American Middle East Rehabilitation Inc. (AMER)	Medical supplies . .	53 474	-	-	-
American Mission, Beirut	Rent . . . . .	-	-	988	-
American Women's Club of Lebanon	Cash . . . . .	475	-	-	-
Arab American Community of Ann Arbor	Cash . . . . .	-	-	-	1 454
Arab American Community of Michigan	Cash . . . . .	-	-	-	1 375
Arabian American Oil Company (ARAMCO)	Cash . . . . .	15 000	40 000	5 000	-
Arab Refugee Emergency Appeal	Cash . . . . .	-	-	-	3 252
Astor Bursary Fund					
Astor Bursary Fund	Cash . . . . .	5 981	-	-	-
The Hanes Foundation	Cash . . . . .	500	-	-	-
Trustees of the Charles E. Merrill Trust					
Trust	Cash . . . . .	15 000	-	-	-
Baird Foundation	Cash . . . . .	-	-	114	-
Beltran, Dr. Frank A.	Cash . . . . .	-	-	-	50
Boucher, Emile P.	Cash . . . . .	-	-	-	61
Buehrig, Dr. Edward E.	Cash . . . . .	100	-	-	-
Cafarelli, John	Cash . . . . .	-	-	-	75
Cline, Miss Pearl	Cash . . . . .	-	-	-	100
Committee of Concern for Hong Kong Refugees					
Refugees	Cash . . . . .	-	-	-	118
Dahrnan Women's Group (ARAMCO)	Cash . . . . .	-	-	380	-
Decter, Mr. and Mrs. Avi	Cash . . . . .	-	-	-	50
Ellis, Mr. and Mrs. Richard	Cash . . . . .	-	-	-	100
Fallers, A. Lloyd	Cash . . . . .	-	-	-	100
Fellowship Club	Cash . . . . .	-	-	-	50
First Congregational Church	Cash . . . . .	-	-	-	50
Ford Motor Company	Cash . . . . .	25 000	-	-	-
Ford Motor Company	MT spare parts . .	-	1 826	-	-
Gardner, Dr. and Mrs. Cary	Cash . . . . .	-	-	-	100
Garrison, Roy	Cash . . . . .	-	-	-	100
Garth, William le Roy Estate	Cash . . . . .	-	-	2 958	-
Goldburg, Rabbi Robert E.	Cash . . . . .	-	-	-	100
Graef, Mrs. Gretchen	Cash . . . . .	-	-	-	50
Group of families from Rome	Cash . . . . .	-	-	-	75
Habib, Dr. Roshdy	Cash . . . . .	-	-	-	50
Hansen, Mrs. Richard L.	Cash . . . . .	-	-	-	50
Hauser, Ernest	Cash . . . . .	-	-	-	100
Hibner, Mrs. Don T. Jr.	Cash . . . . .	-	-	-	50
Holbrook, Dwight	Cash . . . . .	-	-	-	100
Holy Land Centre Inc.	Cash . . . . .	-	-	-	2 400
Hoppe, Denis and Family	Cash . . . . .	-	-	-	100

## Schedule D (continued)

<u>Name of contributor</u>	<u>Description</u>	<u>Vocational education scholarships</u> \$	<u>Other education contributions</u> \$	<u>Other contributions</u> \$	<u>Special contributions for emergency needs</u> \$
<u>United States of America (continued)</u>					
Howard A. and Martha R. Wolf Fund	Cash . . . . .	-	-	-	500
Howe, Miss Letitia T.	Cash . . . . .	-	-	-	500
Hurburt, G.W.	Cash . . . . .	-	-	-	50
International Rescue Committee	Cash . . . . .	-	-	-	2 500
Islamic Centre of New York	Cash . . . . .	-	-	-	4 755
Islamic Club of Western Michigan	Cash . . . . .	-	-	-	2 375
Kellner, Mrs. Mary	Cash . . . . .	-	-	-	50
Kirkpatrick, Virginia	Cash . . . . .	-	-	-	50
Kirkpatrick, Mr. and Mrs. W.C.	Cash . . . . .	-	-	-	50
La Buhn, Edmund	Cash . . . . .	-	-	-	50
Lawyer, Mrs. Margretta Scott	Cash . . . . .	-	-	-	100
Lawyer, Capt. John E. Jr.	Cash . . . . .	-	-	-	130
Lombardi, Miss Helen Brown	Cash . . . . .	-	-	-	100
McEachern, Miss Janet	Cash . . . . .	-	-	-	100
McLaughlin, Mr. and Mrs. Ronald C.	Cash . . . . .	-	-	-	50
Members of the Faculty Committee for Peace and Reconciliation in the Middle East	Cash . . . . .	-	-	-	77
Mennonite Central Committee	Cash . . . . .	-	-	-	12 000
Mukwonago Union High School	Cash . . . . .	108	-	-	-
NAJDA - American Women for the Middle East	Cash . . . . .	1 500	-	-	-
Near East Christian Committee	Cash . . . . .	-	-	154	-
Nicely, Mrs. Katharine T.	Cash . . . . .	-	-	-	100
N.O.T.S. Hebrew Congregation	Cash . . . . .	-	-	-	67
Pal - Aid International Inc.	Cash . . . . .	-	-	-	1 000
Pal - Aid International Inc.	Medical supplies . . . . .	-	-	-	60
Post, Miss Elizabeth M.	Cash . . . . .	-	-	-	150
Rollform Corporation	Cash . . . . .	-	-	-	50
Sady, Emil J.	Cash . . . . .	-	-	-	50
Seeger, Mr. and Mrs. Peter	Cash . . . . .	300	-	-	-
Selby, Peter Spengler	Cash . . . . .	102	-	-	-
Scheffler, Julius L.	Cash . . . . .	-	-	-	50
Schuller, Mrs. Thomas	Cash . . . . .	-	-	-	62
Shanzer, Dr. Hilda	Cash . . . . .	-	-	-	60
Smith, Richard T. Jr.	Cash . . . . .	-	-	-	74
Sochocki, Mrs. Waltraud	Cash . . . . .	-	-	-	100
Stewart, Mrs. Dunlop	Cash . . . . .	-	-	-	92
The Academy of Islam International	Cash . . . . .	-	-	-	1 000
The Arab Student's Club	Cash . . . . .	-	-	-	64
The Walkathon Committee	Cash . . . . .	-	-	-	351
United Nations Women's Guild	Cash . . . . .	-	-	1 100	-

## Schedule D (continued)

<u>Name of contributor</u>	<u>Description</u>	<u>Vocational education scholarships</u> \$	<u>Other education contributions</u> \$	<u>Other contributions</u> \$	<u>Special contributions for emergency needs</u> \$
<u>United States of America (continued)</u>					
United States Committee for Refugees	Cash . . . . .	60	-	-	450
United States Oman	Cash . . . . .	500	-	-	4 000
Westchester Group of the United Nations Women's Guild	Cash . . . . .	-	-	-	300
Yusuf, Dr. S.	Cash . . . . .	-	-	-	75
Sundry donors	Cash . . . . .	35	-	416	2 064
<u>International organizations</u>					
International Christian Committee	Burghol . . . . .	-	-	357	-
International Federation of Business and Professional Women					
Australia	Cash . . . . .	1 020	-	-	-
Switzerland	Cash . . . . .	499	-	-	-
United Kingdom	Cash . . . . .	2 016	-	-	-
Lutheran World Federation	Cash . . . . .	-	-	-	37 083
The Staff of the International Atomic Energy Agency	Cash . . . . .	-	-	-	255
United Nations Educational, Scientific and Cultural Organization (UNESCO)	Services of staff . . . . .	-	342 221	-	-
United Nations Educational, Scientific and Cultural Organization (UNESCO)	Printing machine . . . . .	-	-	1 000	-
United Nations Emergency Force (Canadian Army Contingent)	Cash . . . . .	-	-	2 916	-
United Nations Emergency Force (XIX Danor Battalion)	Cash . . . . .	-	-	239	-
United Nations Emergency Force (XXV Swedish Battalion)	Cash . . . . .	-	-	1 163	-
Women's Auxiliary of UNRWA	Cash . . . . .	-	-	3 733	-
World Council of Churches - The Near East Council of Churches	Mattresses, tents, blankets and family kits . . . . .	-	-	-	104 890
World Health Organization	Services of staff or reimbursement of UNRWA staff costs in lieu . . . . .	-	-	60 062	-
	Medical equipment . . . . .	-	-	816	-
World Health Organization	Cash . . . . .	-	-	-	1 535
Zonta Helsinki Congress	Cash . . . . .	16 842	-	-	-
Zonta International	UNESCO gift coupons . . . . .	275	-	-	-
Sundry donors					
		<u>321 552</u>	<u>387 630</u>	<u>329 698</u>	<u>1 309 928</u>

Summary

Vocational education scholarships contributions . . . . .	\$ 321 552
Other education contributions . . . . .	387 630
Other contributions . . . . .	329 698
Special contributions for emergency needs . . . . .	1 309 928
	<u>2 348 808</u>

Schedule E

Miscellaneous income

(In US dollars)

<u>Description</u>	<u>Amount</u> \$
Sale of shares in The Development Bank of Jordan Limited - 1967 instalment . . . . .	497 000
Supplies and equipment taken over from the United Nations Emergency Force . . . . .	291 080
Bank interest earned . . . . .	212 923
Sale of empty containers . . . . .	3 130
Overheads recovered on procurement for other parties . . . .	10 944
Donated layette blankets . . . . .	5 002
Sale of unserviceable equipment and scrap . . . . .	4 760
Miscellaneous . . . . .	4 533
Net loss on income producing activities . . . . .	( 2 727 )
TOTAL	<u>1 206 645</u>

Schedule FLiquidation of prior years' commitments

(In US dollars)

	<u>Commitments brought forward from 1966</u> \$	<u>Commitments liquidated by expenditure</u> \$	<u>Commitments carried forward to 1968</u> \$	<u>Savings on liquidation of prior years' commitments</u> \$
RELIEF SERVICES				
<u>Basic rations</u>				
Ration distribution . . . . .	6 670	5 824	-	846
TOTAL, basic rations	6 670	5 824	-	846
<u>Supplementary feeding</u>				
Hot meals programme . . . . .	17 859	1 081	13 610	3 168
TOTAL, supplementary feeding	17 859	1 081	13 610	3 168
<u>Shelter</u>				
Shelter construction . . . . .	146 487	76 766	10 742	58 979
Roads and camp improvements . . .	21 922	20 498	-	1 424
TOTAL, shelter	168 409	97 264	10 742	60 403
<u>Special hardship assistance</u> . . . .	40 489	19 188	-	21 301
TOTAL, RELIEF SERVICES	233 427	123 357	24 352	85 718
HEALTH SERVICES				
<u>Medical services</u>				
General clinics . . . . .	27 056	13 477	8 355	5 224
General hospitals . . . . .	59 098	958	58 000	140
Maternal and child care . . . . .	17 746	14 565	930	2 251
Tuberculosis control . . . . .	12	88	-	( 76)
Health education . . . . .	250	153	-	97
Other medical services . . . . .	520	-	-	520
TOTAL, medical services	104 682	29 241	67 285	8 156
<u>Environmental sanitation</u>				
Refuse and sewage disposal . . . .	55 450	21 077	18 556	15 817
Water supply . . . . .	11 511	5 264	168	6 079
TOTAL, environmental sanitation	66 961	26 341	18 724	21 896
TOTAL, HEALTH SERVICES	171 643	55 582	86 009	30 052

## Schedule F (continued)

	<u>Commitments brought forward from 1966</u> \$	<u>Commitments liquidated by expenditure</u> \$	<u>Commitments carried forward to 1968</u> \$	<u>Savings on liquidation of prior years' commitments</u> \$
<b>EDUCATION SERVICES</b>				
<u>General education</u>				
Elementary education . . . . .	145 332	55 082	66 238	24 012
Preparatory education . . . . .	36 760	20 251	12 776	3 733
UNRWA/UNESCO Institute of Education . . . . .	1 021	741	-	280
Youth activities . . . . .	4 146	3 026	1 120	-
Women's activities . . . . .	67	-	-	67
<b>TOTAL, general education</b>	<b>187 326</b>	<b>79 100</b>	<b>80 134</b>	<b>28 092</b>
<u>Vocational education</u>				
Kalandia vocational training centre.	9 338	902	1 540	6 896
Wadi Seer vocational training centre	19 206	8 801	3 663	6 742
Ramallah teacher training centre . .	6 520	616	-	5 904
Ramallah women's training centre . .	18 849	836	6 000	12 013
Gaza vocational training centre . .	28 256	11 257	-	16 999
Siblin vocational training centre. .	20 541	11 931	5 216	3 394
Siblin technical and teacher training institute . . . . .	15 060	7 382	660	7 018
Damascus vocational training centre.	4 188	3 423	-	765
Adult craft training . . . . .	210	94	-	116
<b>TOTAL, vocational education</b>	<b>122 168</b>	<b>45 242</b>	<b>17 079</b>	<b>59 847</b>
<b>TOTAL, EDUCATION SERVICES</b>	<b>309 494</b>	<b>124 342</b>	<b>97 213</b>	<b>87 939</b>
<b>COMMON COSTS</b>				
<u>Supply and transport services</u>				
Supply warehousing . . . . .	10 000	1 872	8 128	-
Vehicle maintenance . . . . .	95	121	-	( 26)
Passenger transport . . . . .	49 391	37 052	-	12 339
Freight transport . . . . .	23 540	23 986	-	( 446)
<b>TOTAL, supply and transport services</b>	<b>83 026</b>	<b>63 031</b>	<b>8 128</b>	<b>11 867</b>
<u>Other internal services</u>				
Administrative services . . . . .	7 991	6 381	500	1 110
Protective services . . . . .	8 440	-	8 440	-
Production units (capital costs) . .	5 693	5 603	-	90
<b>TOTAL, other internal services</b>	<b>22 124</b>	<b>11 984</b>	<b>8 940</b>	<b>1 200</b>
<u>General administration</u>				
Area administration . . . . .	74	74	-	-
Camp administration . . . . .	2 612	1 602	-	1 010
Public information services . . . . .	2 885	2 092	100	693
<b>TOTAL, general administration</b>	<b>5 571</b>	<b>3 768</b>	<b>100</b>	<b>1 703</b>
<b>TOTAL, common costs</b>	<b>110 721</b>	<b>78 783</b>	<b>17 168</b>	<b>14 770</b>
<b>TOTAL, ALL SERVICES</b>	<b>825 285</b>	<b>382 064</b>	<b>224 742</b>	<b>218 479</b>

## 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:

Lebanese pounds

For income and expenditure

During January 1967 . . . . . 3.10

1 February-30 June 1967 . . . . . 3.16

1 July-31 December 1967 . . . . . 3.25

For assets and liabilities

on 31 December 1967 . . . . . 3.12

Syrian pounds . . . . . 4.16

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 1967 submitted to the twenty-first session of the General Assembly as adjusted to reflect the impact on the Agency's operations of the hostilities of June 1967 and reported to the twenty-second session of the General Assembly.

Note 3. The expenditure and commitments shown in part V of this statement reflect only the costs incurred by the Agency to 31 December 1967 in replacing or repairing property lost, destroyed or damaged during the hostilities of June 1967, costs incurred in evacuating staff members and their dependents from the area and costs of rerouting supplies where normal supply routes were temporarily blocked. The increased costs of operations following the hostilities have been included under the appropriate headings in parts I to IV of this statement. Not all of the property lost or damaged had yet been replaced or repaired. In all, the Agency suffered losses of, or damage to, its property computed at \$834 380 compared with \$545 062 expended or committed to 31 December in replacement or repair of such property.

### Statement of income, expenditure and commitments

Note 4. Income from investments held for the Agency's Staff Provident Fund, Staff Savings Fund for Non-Pensionable Service and Staff Health Insurance Fund, 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 concerned.

Note 5. 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 control and be of a type which the Agency can use within its programme.)

Note 6. 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.

Note 7. The exchange adjustments arose mainly on the Agency's bank balances in sterling and Israeli pounds held at the time these currencies were devalued in November 1967.

#### Statement of working capital (operating reserve)

Note 8. Over the past years, the Agency has been providing for the cost of validating service of its international staff as pensionable under an agreement with the United Nations Joint Staff Pension Fund. The validation became effective in 1967 but at a cost exceeding the provision by \$460,854, which has consequently been charged direct to the working capital account.

#### Statement of assets and liabilities

Note 9. Under the Agency's practice of charging the full cost of buildings, equipment, and loans to refugees to expenditure in the year of construction, issue for use or loan, the following assets of the Agency and structures and buildings constructed by the Agency are not reflected in statement IV:

	<u>Original cost</u>
	\$
Vehicles . . . . .	1 174 773
Other equipment . . . . .	2 345 600
Loans to refugees (virtually all uncollectable) . . .	2 170
Structures and buildings:	
Refugee shelters . . . . .	6 861 173
Other structures and buildings (schools, training centres, ration distribution centres, clinics, warehouses, offices, etc.) used by the Agency in its programmes . . . . .	10 499 153

Also not reflected in statement IV is an amount of \$1 316 000 due to the Agency at 31 December 1967 under an agreement by which the Agency sold its holdings of 647 500 class "C" shares in the Development Bank of Jordan Limited for \$1 813 000. The cost of these shares had been charged to expenditure at time of purchase (see note 6 to the accounts for the year ended 31 December 1966). The proceeds of their sale are receivable in instalments over fifteen years. Instalments, when received, are credited to current income (see schedule E).

Note 10. Inventories have been valued at the Agency's standard prices which approximate cost, with a suitable provision for possible losses on obsolete supplies approved for disposal. These supplies form only a very minor part of the total inventories.

Note 11. The Agency had, at 31 December 1967, contingent liabilities of \$1,295,420 comprising purchase orders issued for goods not yet received.

Note 12. The provision for other separation costs of staff would be greater by approximately \$3 200 000 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. Financial regulation 11.4 (UNRWA) provides that the annual statements shall be submitted to the Board of Auditors not later than 31 March following the close of each financial year. On 14 May 1968, the Commissioner-General of UNRWA submitted the following financial statements 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

The Board took note of the Commissioner-General's explanation for the delay in the submission of the financial statements, which was attributed to the following principal causes:

- (a) The hostilities of June 1967;
- (b) The massive contributions received late in the year;
- (c) The legal difficulties concerning the status of the contributions received from NEED, Inc.;
- (d) The difficulties experienced with the punch-card equipment and the conversion to the computer.

2. The budget for 1967 as revised totalled \$42 760 000. Against this, the total of expenditure and commitments amounted to \$40 540 693 including \$654 029 carried forward to 1968. The carry-over of unliquidated commitments of the 1966 and prior budget totalled \$825 285. Against this, total expenditure amounted to \$382 064, while \$224 742 was carried forward to 1968. The saving of \$218 479 on liquidation of the above-mentioned carry-over was transferred to the working capital account.

3. The expenditure and commitments for 1967 were \$40 540 693 and the income \$43 069 129 (statement II). The excess in income, \$2 528 436, was credited to the working capital, which is in fact a surplus account, consisting of surplus accumulated during previous years. In this connexion, the Board would refer to note 12 to the financial statements, which indicates that the provision for other separation costs of staff, estimated at \$4 074 855, would be higher by approximately \$3 200 000 if provisions were made for payment of certain separation benefits in full to all staff members. In that event, the amount of the working capital at 31 December 1967 would be diminished to that extent.

## Assets

4. Cash on hand, in banks and with agents. The amount of \$12 120 950 includes a sum of \$84 871 upon which the Agency cannot at present draw, owing to the fact that these bank accounts are with banks in occupied territory, which have not been opened since the hostilities in June 1967.

5. Accounts receivable, less provision for uncollectable amounts - \$1 630 860. The accounts receivable amount to \$5 092 372. However, specific provisions against doubtful debts were made for a total amount of \$3 461 512, leaving a net amount of \$1 630 860 recorded as accounts receivable in statement IV.

### Provision for uncollectable amounts

6. Disputed claims against Governments - \$2 179 834. The Agency has a considerable number of claims against Governments, some of which are long-standing. Work has begun on the reinstatement and representation of all the outstanding claims against Jordan, Syria and the United Arab Republic. The claim against Lebanon, Jordan and Syria jointly in respect of excess rail charges, which originated in 1951, amounts to \$1 451 299. The rest of the outstanding claims relate to taxes, customs, portage fees, losses, damages arising out of riots, etc. Some of the claims are consolidated, which means that they have arisen from legislation applied in the past, but which is no longer applicable to the Agency, so that the final amount of the claim can be determined. Some claims are, however, considered as continuing as they arise from legislation still being applied against the Agency and therefore increasing annually in value. Those not included, however, are the claims in respect of losses or damage to the Agency, its installations, property and staff arising out of the hostilities which began in June 1967. The Agency will present these claims where appropriate after conducting a comprehensive loss survey.

7. Sale of shares in the Development Bank of Jordan Limited - outstanding balance as at 31 December 1967 - \$1 316 000. On 1 January 1967, the Agency owned 647 500 fully paid class C shares in the Development Bank of Jordan Limited, representing a book value of \$1 813 000. These disbursements were treated as expenditure by the Agency and a Memorandum Asset Account kept to identify them, properly referred to in a note to the statements. During 1967, the Development Bank of Jordan was dissolved and an agreement reached between the successor of the Bank, the "Agricultural Credit Corporation" and the Agency. This agreement provides the payment by the corporation to the Agency of the full par value of its paid-up shares in yearly instalments over a period of fifteen years. The 1967 instalment of \$497 000 was received and credited to miscellaneous income.

8. In the view of the Commissioner-General, the nature of this account and the very long terms of repayment fully justify the Agency's conservative view of the present value of the account. The prospective income over a period of years cannot, in his view, be presently considered as an asset which can be used in the Agency's programme.

9. In accordance with financial rule 10.2 (UNRWA), the accounts of the Agency must be kept on an accrual basis and the Board is therefore of the opinion that the whole amount should be credited to the current income and deferred income accounts.

## Liabilities

10. Staff Provident Fund - \$13 414 390. This account relates to the Area Staff Provident Fund. It records as credits the Agency's and staff members' contributions plus interest earned. Debited against it are the Provident Fund benefits paid to members on separation and expenses of administering the Fund. According to the relevant staff rules, the Provident Fund is administered and controlled by the Commissioner-General. The Provident Fund assets set aside by the Agency are placed on deposit in reputable banks or financial institutions with a view to earning income, provided that from time to time the Commissioner-General may at his discretion invest in Government or other high-grade securities, part or all of the Provident Fund assets.

The break-up of the above liability is as follows:

Participants account . . . . .		\$ 12 448 298
Surplus of the Provident Fund		
Carry-over from 1966 . . . . .	\$ 10 663	
Net earnings for 1967 . . . . .	<u>666 329</u>	676 992
Agency reserve against exchange losses . . . . .		276 405
Emoluments for separated staff kept with the Agency .		<u>12 695</u>
		<u>13 414 390</u>

11. The participants accounts are kept in local currency, while Provident Fund assets are kept in other currencies. As a result of the devaluation of the pound sterling, the assets of the Provident Fund sustained, in the course of 1967, a dollar equivalent loss of \$456 207. The loss was related to a bank deposit of £1 185 867. 9s. 2d. The Comptroller pointed out that the Agency's decision to hold Provident Fund assets in currencies other than those of the liabilities of the Fund was principally motivated by the belief that this would result in greater safety for these assets, both physically and in terms of capital value. While the latter unfortunately has proved unfounded in the present case, he feels that the former was - and still is - valid, and that it was essentially in the interest of the Agency that the decision was taken to ensure the availability of assets to meet the Agency's liabilities. Under the circumstances, it was decided that any risks or gains resulting from the decision to hold Provident Fund assets outside the area must be suffered - or enjoyed - solely by the Agency. As such, the sterling devaluation loss of \$456 207 was charged entirely to current gain or loss on exchange account of the Agency. It was, however, believed that this experience requires a review of existing policies and practices.

12. The Board, however, is of the opinion that the devaluation loss should be charged to the special reserve in the Provident Fund accounts for gain or loss on the value of the Provident Fund liabilities, and the difference to the 1967 net earnings of the Provident Fund as the "net income" allowed by the staff rules for distribution must normally include gains or losses on investments made.

Assets. Amounts recoverable from Near East Emergency Donations, Inc. (NEED) -  
\$575 115  
Liabilities. Funds held for Near East Emergency Donations, Inc. (NEED) -  
\$3 519 572

13. Note 5 to the statements points out that to be included as income to UNRWA, a contribution must be subject to its direct control and be of a type which the Agency can use within its programme.

14. Following the hostilities of June 1967, an ad hoc committee was created in the United States of America under the name NEED, Inc. with the aim of raising money from private sources to meet the most urgent needs of the newly displaced persons and refugees who suffered damage. The transactions relating to contributions of NEED, Inc. have not been reflected in the Agency's income and expenditure accounts. The expenditures amounting to \$575 115 have been recorded as assets. The receipts amounting to \$3 500 000 increased by the amount of interest received, \$19 572 have been recorded as liabilities.

#### Working capital

15. The Board refers to note 8 to the statements wherein it has been pointed out that the cost of validating the service of the international staff of UNRWA under an agreement with the United Nations Joint Staff Pension Fund exceeded the provision made by the Agency during previous years by \$460 854 which has consequently been charged directly to the working capital account.

16. The Board considers that this procedure constitutes a deviation from financial regulation 9.7, which provides that no expenditure or commitments shall be incurred in excess of or for purposes other than provided for in the budget.

#### Miscellaneous income

17. An amount of \$291 080 has been credited to miscellaneous income as supplies and equipment taken over from the United Nations Emergency Force (UNEF). According to information supplied to the Board, it was never intended that the UNEF supplies should be surrendered free of charge and that UNRWA would be billed for the agreed value in the near future. The necessary adjustments will have to be reflected in the accounts for 1968.

18. The Board refers to note 9 to the statements wherein it has been pointed out that some assets of the Agency are not reflected in statement IV. During 1967, the Agency wrote off an amount of unpaid reintegration loans in Syria, equivalent to \$45 085. These loans were made to refugees in the years 1951, 1952 and 1953 and were considered to be uncollectable.

19. At the end of the year, the number of international staff employed by the Agency was ninety-seven (including twenty-four staff members loaned by UNESCO, WHO, the European Office at Geneva and the French Government), as against 108 approved posts. As compared with the previous year, the decrease in the number of international staff approved posts was seven. The main reason for this new decrease lies, as was the case last year, in the financial difficulties of the

Agency. The number of Area staff was 10 908 as against 12 524 approved posts. While the number of approved area staff posts increased by 485, the number of employed personnel nevertheless continued to decrease even after the events of June 1967. The explanation of this was a considerable movement of staff out of areas subject to outbursts of hostility.

20. Ex gratia payments during 1967 amounting to \$434 were shown in the accounts.

21. The normal losses during 1967 amounted to \$98 363 as against \$110 124 in 1966. An analysis is given below:

Handling and warehousing losses of supplies . . . . .	\$ 76 984 <sup>a/</sup>
Losses on disposal of obsolete materials	
Medical . . . . .	8 738 <sup>b/</sup>
Educational . . . . .	813 <sup>b/</sup>
Other . . . . .	8 216
Losses of materials while in transit to Agency's area not covered by marine insurers . . . . .	2 473
Losses of equipment . . . . .	523
Loss of cash . . . . .	213
Bad debts written off . . . . .	122
Other losses . . . . .	<u>281</u>
Total, normal losses	<u><u>98 363</u></u>

a/ In conformity with the Agency's loss control procedures, this amount reflects all losses arising from internal transit, handling, warehousing and distribution of materials, including loss of moisture in flour, rice, etc. The bulk of the amount represents unavoidable handling, storage and distribution losses of basic commodities.

b/ These amounts reflect the difference between the book value of stocks declared for disposal as obsolete in 1967 and the proceeds of disposal in 1967.

22. The losses due to the hostilities in June 1967 amounted to \$834 380. An analysis is given below:

	\$
Property destroyed or disappeared <sup>a/</sup>	
Vehicles and equipment . . . . .	120 623
Non-consumable supplies . . . . .	241 283
Consumable supplies . . . . .	286 096
Cash . . . . .	1 342
Damage to property <sup>b/</sup>	
Buildings . . . . .	176 267
Vehicles and equipment . . . . .	<u>8 769</u>
Total losses due to hostilities	<u><u>834 380</u></u>

- a/ Property destroyed or disappeared is valued at Agency's standard prices, cost prices or estimated prices where standard or cost prices were not available.
- b/ Damage to property is estimated repair cost, or actual repair cost where known.

23. The Board of Auditors records its appreciation for the co-operation and assistance extended by the Commissioner-General, his staff and the Internal Audit Service.

(Signed) S.M. RAZA, S.Pk., Pakistan  
 Roger FELTOT, Belgium  
 Evaristo SOURDIS, Colombia

20 June 1968