



UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/6674
25 July 1967

ORIGINAL: ENGLISH

Twenty-second session

REPORT OF THE UNITED NATIONS JOINT STAFF PENSION BOARD*

Third report of the Advisory Committee on Administrative and Budgetary
Questions to the General Assembly at its twenty-second session

1. The Advisory Committee on Administrative and Budgetary Questions has examined the statements of assets and liabilities and of income and expenses of the Joint Staff Pension Fund for the period of 1 October 1965 to 30 September 1966 and the related report of the Board of Auditors.^{1/}
2. In paragraph 2 of the Board's report reference is again made to the need for an annual reconciliation in values between the investment account of the Pension Fund and the statements prepared by the Fiduciary Trust Co. of New York, as depository of the Fund's portfolio.
3. It will be recalled that since 22 May 1964 the Board of Auditors has drawn attention to the fact that there were discrepancies between the statements mentioned above. The Board "stressed the need for the Pension Fund itself to make a reconciliation of the investment account".^{2/} Since then the Audit certificates have been issued with the proviso that the statement of assets and liabilities are correct "subject to the observations in the report of the Board of Auditors".
4. The Advisory Committee has commented on this matter in its thirteenth report to the General Assembly at its twentieth session^{3/} and in its fifth report to the

* Item 84 of the provisional agenda.

1/ Official Records of the General Assembly, Twenty-second Session, Supplement No. 8 (A/6708).

2/ Ibid., Twentieth Session, Supplement No. 8 (A/6008), annex II, para. 5.

3/ Ibid., Twentieth Session, Annexes, agenda item 85, document A/6108.

General Assembly at its twenty-first session.^{4/} The Committee indicated that it had been informed that the statements referred to above served different purposes and that reconciliation would result in unnecessary expense to no real advantage. The Committee suggested "that a determined joint effort be made to arrive at a satisfactory solution".

5. The Committee has noted in paragraph 3 of the report of the Board of Auditors that a "corrective" procedure has been proposed by the Secretary-General after consultation with the Board of External Auditors, and that it has been suggested that a study be undertaken of the feasibility of "commissioning the depository with full accounting responsibilities under the supervision of a certified public accounting firm".

6. The Committee welcomes this initiative as a step towards a satisfactory solution of the problem which will enable the Board of Auditors to issue audit certificates without any qualifications. The Committee expects that the study will be undertaken without any delay.

7. On the other hand, the Committee believes that the fact of this study being undertaken should not prevent the Board of Auditors itself from applying customary audit techniques to the examination of the component factors of the statement of assets and liabilities of the Fund, particularly the investment portfolio.

^{4/} Ibid., Twenty-first Session, Annexes, agenda item 82, document A/6380.