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AUDIT REPORTS RELATING TO EXPENDITURE BY SPECIALIZED AGENCIES AND THE
INTERNATIONAL ATOMIC ENERGY AGENCY

EARMARKINGS AND CONTINGENCY AUTHORIZATIONS FROM THE TECHNICAL
ASSISTANCE ACCOUNT OF THE UNITED NATIONS DEVELOPMENT PROGRAMME

Audit reports for the year ended 31 December 1966 relating to expenditure
by participating and executing agencies of funds earmarked from the
Technical Assistance Account of the United Nations Development Programme

Seventeenth 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 considered the audit reports for the year ended 31 December 1966 relating to expenditure by participating and executing agencies^{1/} - other than the United Nations - of funds earmarked from the Technical Assistance Account of the United Nations Development Programme (UNDP).^{2/} These reports have been submitted by the Administrator of UNDP in accordance with General Assembly resolution 519 A (VI) and with article 30.3 of the Technical Assistance Finance Manual (DP/TA/CM/16). They relate to the first

^{1/} International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, International Telecommunication Union, World Health Organization, World Meteorological Organization, Universal Postal Union, Inter-Governmental Maritime Consultative Organization and International Atomic Energy Agency.

^{2/} Official Records of the General Assembly, Twenty-second Session, Annexes, addendum 1 to agenda item 78, document A/6901.

year of operation of the United Nations Development Programme established under General Assembly resolution 2029 (XX) of 22 November 1965.

2. The audit report covering expenditures by the United Nations for the year ended 31 December 1966 of funds earmarked from the Technical Assistance Account of UNDP is contained in the financial reports and accounts for that year.^{3/} The audited financial statements of the UNDP (Technical Assistance) Account, the UNDP Administrative Budget of the Secretariat, and the UNDP Revolving Fund are contained in the financial report and accounts of UNDP for the year ended 31 December 1966.^{4/} The Advisory Committee's comments thereon have been submitted in the Advisory Committee's second report to the General Assembly at its current session (A/6673).

3. The Advisory Committee notes from annex I to document A/6901 that total earmarkings in 1966 to the eleven participating and executing agencies (including the United Nations) amounted to \$67,494,440 - an increase of \$13,401,845 (or nearly 25 per cent) over the 1965 figure of \$54,092,595. The obligations incurred during 1966 amounted to \$65,714,475, including \$58,897,794 for project costs and \$6,816,681 for administrative and operational services costs. Earmarkings and other available funds exceeded the obligations incurred by \$1,779,965. Since savings and miscellaneous income amounted to \$1,611,898, the balance as at 31 December 1966 to revert to the UNDP (Technical Assistance) Account was \$3,391,863 - as against \$5,994,217 on 31 December 1965.

4. The external auditors have issued certificates without specific observations in respect of all the participating and executing agencies. The Advisory Committee notes that one agency, replying to a question by the external auditor, indicated that a close watch is being kept to ensure the release to the Special Account at the end of each year of as much of the unliquidated obligations as possible.

^{3/} Ibid., Supplement No. 6 (A/6706).

^{4/} Ibid., Supplement No. 6A (A/6706/Add.1).