

UNITED NATIONS
FUND FOR POPULATION ACTIVITIES

FINANCIAL REPORT
and
AUDITED FINANCIAL STATEMENTS
for the year ended 31 December 1983
and
REPORT OF THE BOARD OF AUDITORS

GENERAL ASSEMBLY

OFFICIAL RECORDS: THIRTY-NINTH SESSION

SUPPLEMENT No. 5G (A/39/5/Add.7)



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New York, 1984

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.

[26 July 1984]

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LETTERS OF TRANSMITTAL

30 April 1984

Sir,

Pursuant to financial rule 114.1, I have the honour to submit the annual accounts of the United Nations Fund for Population Activities as at 31 December 1983, which I hereby approve.

As required by regulation 15.1, copies of these financial statements are also being transmitted to the Advisory Committee on Administrative and Budgetary Questions.

Accept, Sir, the assurances of my highest consideration.

(Signed) Rafael M. SALAS
Executive Director of the
United Nations Fund for
Population Activities

The Chairman of the Board of Auditors
United Nations
New York

18 June 1984

Sir,

I have the honour to transmit to you the financial statements of the United Nations Fund for Population Activities as at 31 December 1983, which were submitted by the Executive Director. These statements have been examined and include the audit opinion of the Board of Auditors.

In addition to the above, I have the honour to present the report of the Board of Auditors with respect to the accounts of the United Nations Fund for Population Activities for the financial period ended 31 December 1983.

Accept, Sir, the assurances of my highest consideration.

(Signed) A. K. Azizul HUQ
Comptroller and Auditor General
of Bangladesh, and Chairman of the
United Nations Board of Auditors

The President of the General Assembly
of the United Nations
New York, N.Y.

I. FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 1983

1. The Executive Director of the United Nations Fund for Population Activities has the honour to submit herewith the annual financial report of the United Nations Fund for Population Activities (UNFPA) for the year ended 31 December 1983 and the report of the Board of Auditors. The accounts consist of four statements supported by nine schedules accompanied by notes which are an integral part of the financial statements, and also cover the trust funds authorized by the Governing Council for population activities.

2. This submission is made in conformity with regulation 15.1, as amended, of the Financial Regulations and Rules of the United Nations Fund for Population Activities, originally approved by the Governing Council of the United Nations Development Programme (UNDP) at its seventeenth session.

Executing agency accounts

3. In accordance with UNFPA financial regulation 15.2, the UNFPA financial statements incorporate the data obtained from the 1983 annual accounts of the executing agencies in regard to the status of funds allocated to them for the execution of UNFPA projects in 1983. As of the date of this report, the World Health Organization (WHO) has been the only agency transmitting audited accounts to UNFPA.

4. The following executing agencies have provided financial statements as submitted for audit:

United Nations Children's Fund (UNICEF)

United Nations Educational, Scientific and Cultural Organization (UNESCO)

5. In respect of the following executing agencies, the UNFPA financial statements incorporate the information contained in the financial statements for the biennium 1982-1983, as submitted for audit.

United Nations

Economic Commission for Europe (ECE)

Economic and Social Commission for Asia and the Pacific (ESCAP)

Economic Commission for Latin America (ECLA)

Economic Commission for Africa (ECA)

Economic Commission for Western Asia (ECWA)

United Nations Industrial Development Organization (UNIDO)

International Labour Organisation (ILO)

Food and Agriculture Organization of the United Nations (FAO)

6. Should any changes be reported in the audited accounts of any of the executing agencies, they will be reported to the General Assembly and to the Governing Council at subsequent sessions. The Executive Director will submit to a subsequent session of the Governing Council copies of the audited statements and audit

reports, if any, of the executing agencies and copies of any relevant resolutions adopted by their governing bodies, as required under UNFPA financial regulation 15.2.

Financial status of the Fund

7. On 1 January 1983, the balance of the Fund was \$9,083,060. Statement I shows that, during 1983, UNFPA received income of \$134,676,105 and had expenditures of \$122,590,608, which resulted in an excess of income over expenditure of \$12,085,497.

8. As shown in statement III, the balance of the Fund as at 31 December 1983 was \$19,168,557 (i.e. the opening balance as at 1 January 1983 of \$9,083,060, plus the excess of income over expenditure for 1983 of \$12,085,497, less the transfer of \$2,000,000 to the operational reserve). The 1983 unspent allocations as at 31 December 1983 amounted to \$16,852,461.

1983 programme and administrative budget and expenditures

9. At its twenty-eighth session, the Governing Council gave to the Executive Director an approval authority for 1983 of \$149 million. As shown in schedule 8, total allocations at year-end consisted of \$122,452,389 for project allocations, of which \$14,153,548 was the carry over of unspent allocations from the previous year and \$5,895,414 was in allocations to the United Nations to the regional commissions and to Executing Agencies for programme support costs. Also, as shown in schedule 4, net appropriations for the 1983 administrative and programme support services budget of UNFPA totalled \$11,171,573, as approved by the Governing Council at its twenty-ninth session.

10. Expenditure for 1983 totalled \$122,590,608 compared to 1982 expenditures of \$123,740,567. The breakdown of 1983 expenditure is shown in statement I. These included administrative and programme support costs of \$11,095,266.

11. Project implementation, calculated as the ratio of project expenditure to project allocations was 86.2 per cent compared to 88.2 per cent in 1982. Of the total of 1983 project expenditure, 49.6 per cent was spent by executing agencies, 28.0 per cent by Governments, 14.5 per cent by UNFPA itself, including the cost of UNFPA deputy representatives, and 7.9 per cent corresponded to expenditure of non-governmental organizations' projects and special population grants.

Contributions from Governments for special population programmes

12. As authorized by the Governing Council at its seventeenth session, UNFPA received contributions from several Governments which were designated for special population programmes. Schedule 6 shows the details of the contributions totalling \$10,993,268 received in 1983 from the Governments of Japan, the Netherlands and Norway for five special programmes, namely the International Planned Parenthood Federation, the Population Council, the International Union for the Scientific Study of Population, the International Committee on the Management of Population Programmes and the Programme of Social Research on Population in Latin America, as well as the amounts remitted to these special programmes.

Trust funds

13. Schedule 7 shows the statement of account as at 31 December 1983 of the trust funds authorized by the Governing Council for special population activities. At the beginning of 1983, the unexpended balance of the trust funds was \$3,649,481. Contributions received from the Governments during 1983 were \$6,032,795 and interest income amounted to \$634,802. The total amount available for programming in 1983 was therefore \$10,317,073, of which \$5,640,628 was spent, leaving at year-end an unexpended balance of \$4,676,450 to finance trust fund activities in 1984.

Operational reserve

14. During 1983, UNFPA maintained a fully funded operational reserve. In accordance with decision 81/7, section III, paragraph 5, of the Governing Council at its twenty-eighth session, the Executive Director will endeavour to achieve in gradual stages the increase in the level of the operational reserve to the targeted 25 per cent of the annual estimated contributions by the end of 1989. During 1983, \$2,000,000 was transferred from the UNFPA account to the operational reserve, bringing its balance to \$23,000,000 (statement II).

Financial regulations and rules

15. At its thirtieth session in June 1983, the Governing Council approved the revised Financial Regulations of UNFPA, which came into effect on 1 January 1984. Pending the promulgation of the revised set of financial rules, in accordance with financial regulation 14.1 (a), the existing Financial Rules will remain in effect in 1984, in so far as they are not inconsistent with the Financial Regulations.

II. REPORT OF THE BOARD OF AUDITORS

Introduction

1. As required by General Assembly resolution 74 (I) and article XV of the Financial Regulations of the United Nations Fund for Population Activities (UNFPA), the Board of Auditors has audited the accounts of UNFPA for the year ended 31 December 1983.

2. The examination was made in accordance with article XII of the Financial Regulations of the United Nations and the annex thereto and with the common auditing standards adopted by the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency. The examination was conducted at UNFPA headquarters in New York, but also included an on-the-spot audit of field office activities in Indonesia and the Philippines.

3. Our audit covered budgetary and accounting controls, use of consultant services, travel, communications costs and cash management. We further examined the procurement and inventory procedures at headquarters and special attention was given to trust funds and project activities.

4. Weaknesses identified in the internal control system have been reported to the Administration with appropriate recommendations for corrective action. The following are the most significant matters arising from our 1983 audit examination. We have discussed these matters with the Administration, whose responses are incorporated where appropriate.

Summary of findings

5. Our audit of the project delivery reports revealed that, in many cases, expenditures exceeded the allotments or were even incurred without them while, on the other hand, in some projects allotments remained unutilized.

6. As regards the use of outside expertise, we noted insufficient adherence to the relevant instructions on the use of former staff members as consultants and the procedures for follow-up and evaluation of consultant services.

7. We further noted that UNFPA travel procedures and arrangements are not fully cost effective, especially in the areas of the standard of accommodation entitlements and the processing of travel requests and authorizations.

8. Our examination of communication costs disclosed weaknesses with regard to internal controls over the duration of long distance telephone calls and the reimbursement to the Organization of all costs related to personal telephone calls.

9. We noted with concern that the unexpended balance of the trust funds increased again during 1983 and thus amounted to \$4,676,450 at the end of the period under review.

Accounting matters

Budgetary control

10. We noted that in 1983, as in previous years, for many projects executed by the organization itself, as well as by Governments, expenditures exceeded the allotments and some expenditures were even incurred without allotments. On the other hand, some allotments remained unutilized.

11. The Administration explained the factual circumstances of the noted budgetary deficiencies which, in most cases, were due to administrative shortcomings of one of the parties involved.

12. We, therefore, recommended once more that control of project allotments and expenditures should be strengthened and that the new instructions for approval of project budgets, in effect since 1 January 1984, should be strictly adhered to.

Use of consultants

Use of former staff members as consultants

13. Our examination revealed that, in some cases, consultants were hired in 1983 who were former staff members of the Organization, without exploring the possibility of hiring outside experts.

14. Consequently, we recommended that the provisions of the relevant instructions should be complied with. The Administration promised to act accordingly.

Follow-up and evaluation of consultant services

15. We noted that there were no follow-up reports with regard to the conclusions and recommendations of consultant missions or any evaluation of the performance of individual consultants.

16. In this respect, we emphasized the need for ensuring that the services rendered by consultants are of the highest quality and are delivered in the most effective manner. We, therefore, pointed out that the provisions of the relevant administrative instruction ST/AI/296 dated 19 November 1982 should strictly be complied with in the future. The Administration took note of our recommendations in this regard.

Travel

17. We noted that the standard on which UNFPA travel accommodation is based, namely, allowing business class entitlement for flights exceeding six hours as determined in the instruction UNDP/ADM/HQTRS/323/Rev.1 of 22 September 1983, is less economical than the United Nations standard as outlined in the administrative instruction ST/AI/249/Rev.2 of 15 August 1983. A direct consequence of this business class entitlement is that, to a large extent, UNFPA cannot take advantage of such discount fares as excursion tickets, advance purchase tickets (APEX), mid-week tickets, etc.

18. Moreover, as is the case now, a large part of the travel authorizations are only issued by UNFPA a few days before departure so that, in our view, substantial savings could still be realized by the Organization if all travel authorizations were forwarded to the United Nations Development Programme Travel Services Section long enough in advance to give this section sufficient time to search effectively the most economical arrangement.

19. We, therefore, recommended that the cost effectiveness of UNFPA travel procedures and arrangements should be closely examined.

20. The Administration pointed out that travel arrangements are based on standards established by UNDP but that, on the other hand, the internal procedures would be reviewed to concur with our recommendations.

Communications costs

Long-distance telephone calls

21. Our audit revealed that the system which has been introduced for recording all long-distance calls is ineffective. We noted that a great number of calls lasted up to one hour or more, and that the honour system for distinguishing between official and personal telephone calls does not operate satisfactorily.

22. The Administration informed us that the above points were well taken and that, if the cost factor justified it, a station message detail reporting mechanism would be installed.

23. In the meantime, we advised that the internal control system should be strengthened as soon as possible.

Trust funds

24. Our review disclosed that the unexpended balance of the trust funds continued to increase and amounted to \$4,676,450 at the end of the year 1983 compared with the corresponding figure of \$3,649,481 at the end of 1982.

25. The Administration replied that the above-mentioned financial situation should be revised to take only into account the multi-bilateral programme projects, and explained that approximately \$3.1 million of the programme resources for 1983 represented carry-over from 1982 and another \$0.6 million was due to 1983 interest income. Similarly, accumulated interest accounted for more than \$1.4 million of the total \$4.3 million expended balance as at 31 December 1983. We were also informed that the cumulative income remains in each trust fund unless expended for specific project needs after agreement has been negotiated with the respective donors.

26. In our opinion, the sizeable unexpended balance of \$4,265,812 as at 31 December 1983 for the multi-bilateral programme requires firm measures to initiate an adequate use of available funds.

27. The Administration agreed and is discussing with several of the donors ways and means to improve implementation.

Agency statements

28. The financial statements of UNFPA include amounts reported by the participating and executing agencies. The Board of Auditors, as in prior years, and in consideration of UNFPA financial regulation 15.2, has not audited these balances and, as in the past, will rely upon certificates provided to UNFPA by the agencies' external auditors.

Comments on matters dealt with in the 1982 report

29. The matters contained in our 1982 report 1/ have either been dealt with to our satisfaction or have been raised again in this report.

Acknowledgement

30. The Board of Auditors wishes to express its appreciation for the co-operation and assistance extended by the Executive Director, his officers and members of their staff.

(Signed) A. K. Azizul HUQ
Comptroller and Auditor General
of Bangladesh

(Signed) R. T. NELSON
Auditor General of Ghana

(Signed) A. DEFOY
Senior President of the Court
of Accounts of Belgium

III. OBSERVATIONS OF THE EXECUTIVE DIRECTOR OF UNFPA
ON THE COMMENTS AND RECOMMENDATIONS OF THE BOARD
OF AUDITORS

Introduction

1. The report of the Board of Auditors on the 1983 account and financial statements is contained in section II above. For ease of reference, the pertinent paragraph numbers are referred to in the same order as they appear in the report of the Board of Auditors.

Accounting matters (audit, paras. 10-12)

2. The question of expenditures and allotments has been a recurring problem and it has been raised by the Board in the past. Based on previous recommendations of the Board, the Administration has issued a new set of instructions for approval of project budgets which came into effect from 1 January 1984. With a close monitoring by the Administration of the application of the new instructions, it is expected that there will be considerable improvement in the financial management of project budgets.

Use of former staff members as consultants
(audit, paras. 13 and 14)

3. It was explained to the Board's UNFPA audit team that the Administration had endeavoured in the past to recruit outside consultants who were not previously related to the Organization and that such recruitment was not always possible in some cases as a thorough knowledge of the Organization was essential for undertaking the assignment. However, in future, for such recruitments, every attempt will be made to comply with the Board's recommendation.

Follow-up and evaluation of consultant services
(audit, paras. 15 and 16)

4. The Administration will in future endeavour to comply with the provisions of Administrative Instruction ST/AI/296 dated 19 November 1982. The Board's recommendation in regard to evaluation of consultants is appreciated and the possibility of initiating a suitable system for evaluation will be explored.

Travel (audit, paras. 17-20)

5. The cost effectiveness of UNFPA travel procedures and arrangements will be examined in consultation with UNDP as travel standards and procedures are established by that organization. In regard to travel procedures within UNFPA, the recommendation of the Board will be taken into account in the review of these procedures.

Long distance telephone calls (paras. 21-23)

6. The Administration agrees with the Board that the procedures for recording long distance calls should be reviewed and the controlling aspect strengthened. Presently, the cost effectiveness of the computerization of the recording systems is being examined.

Trust funds (paras.24-27)

7. The recommendation of the Board is appreciated; the Administration is at present discussing with the donor Governments ways and means of improving implementation in order to achieve early fulfilment of the objectives of the trust funds.

IV. AUDIT OPINION

We have examined the following appended financial statements, numbered I to IV, properly identified, and relevant schedules of the United Nations Fund for Population Activities for the financial period ended 31 December 1983. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances. As a result of our examination, we are of the opinion that the financial statements present fairly the financial position as at the end of the period and the results of its operations for the period then ended. The financial statements were prepared in accordance with the stated accounting principles which were applied on a basis consistent with that of the preceding financial period and the transactions were in accordance with the Financial Regulations and legislative authority.

(Signed) A. K. Azizul HUQ
Comptroller and Auditor General
of Bangladesh

(Signed) R. T. NELSON
Auditor General of Ghana

(Signed) A. DEFOY
Senior President of the Court of
Accounts of Belgium

13 June 1984

V. CERTIFICATION OF THE FINANCIAL STATEMENTS

30 April 1984

I certify that the appended Statements, numbered I to IV, are correct.

(Signed) M. Douglas STAFFORD
Director
Division of Finance
United Nations Development Programme

VI. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1983

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Statement of income and expenditure for the year ended 31 December 1983

(United States dollars)

<u>1982</u>			<u>1983</u>
INCOME			
Contributions from Governments			
128 274 850	Pledges for current year	(schedule 1)	129 602 161
(50 834)	Additions and adjustments to pledges for prior years	(schedule 1)	(78 791)
<u>426 368</u>	Exchange adjustments on collection of contributions	(note 1 (c))	<u>662 895</u>
128 650 384			130 186 265
2 861 454	Interest income		4 564 426
17 686	Donations		2 444
<u>(660 728)</u>	Miscellaneous income (expenditure) net	(schedule 2)	<u>(77 030)</u>
<u>130 868 796</u>	TOTAL INCOME	(statement IV)	<u>134 676 105</u>
EXPENDITURE			
Programme expenditure (note 2)			
96 854 293	By executing agencies	(schedule 3)	97 231 705
9 440 801	By non-governmental organizations and special population grants	(schedule 3)	8 368 223
<u>6 747 973</u>	Reimbursement of programme support costs to executing agencies	(schedule 3)	<u>5 895 414</u>
113 043 067			111 495 342
<u>10 697 500</u>	UNFPA administrative and programme support costs	(schedule 4)	<u>11 095 266</u>
<u>123 740 567</u>	TOTAL EXPENDITURE	(statement IV)	<u>122 590 608</u>
<u>7 128 229</u>	EXCESS OF INCOME OVER EXPENDITURE	(statement III)	<u>12 085 497</u>

The accompanying notes are an integral part of the financial statements.

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Statement of assets and liabilities as at 31 December 1983

(United States dollars)

<u>1982</u>			<u>1983</u>
	ASSETS		
	Cash		
51 073	Convertible currencies		25 650
<u>400</u>	Accumulated non-convertible currencies		<u>-</u>
51 473			25 650
<u>47 718 825</u>	Investments	(schedule 5)	<u>61 407 778</u>
<u>47 770 298</u>		(statement IV)	61 433 428
	Advances and accounts receivable		
6 915 660	Operating funds provided by UNFPA to executing agencies (net)	(note 3)	9 390 641
3 987 743	Due from United Nations Development Programme		52 075
80 592	Other accounts receivable and deferred charges		123 754
<u>771 293</u>	Accrued interest		<u>794 745</u>
11 755 288			10 361 215
2 019 707	Pledges receivable from Governments for current and prior years	(schedule 1 and note 4)	1 285 614
<u>61 545 293</u>			<u>73 080 257</u>
	LIABILITIES AND RESERVES		
	Liabilities		
838 143	Accounts payable		1 136 432
22 974 109	Unliquidated obligations of executing agencies	(note 3)	25 098 818
3 649 481	Due to UNFPA trust funds	(schedule 7)	4 676 450
4 000 000	Due to special population programmes	(schedule 6)	-
<u>500</u>	Deferred income		<u>-</u>
31 462 233			30 911 700
	Reserves		
9 083 060	Revenue reserve	(statement III)	19 168 557
<u>21 000 000</u>	Operational reserve	(note 5)	<u>23 000 000</u>
30 083 060			42 168 557
<u>61 545 293</u>			<u>73 080 257</u>

The accompanying notes are an integral part of the financial statements.

UNITED NATIONS FUND FOR POPULATION ACTIVITIES
Statement of fund balance as at 31 December 1983
(United States dollars)

<u>1982</u>			<u>1983</u>
2 954 831	Balance as at 1 January		9 083 060
<u>7 128 229</u>	Excess of income over expenditure	(statement I)	<u>12 085 497</u>
10 083 060			21 168 557
<u>1 000 000</u>	Less: Transfer to the Operational Reserve	(note 5)	<u>2 000 000</u>
<u>9 083 060</u>	Balance as at 31 December	(statement II and note 6)	<u>19 168 557</u>

The accompanying notes are an integral part of the financial statements.

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Statement of changes in the financial position for the year ended 31 December 1983

(United States dollars)

<u>1982</u>		<u>1983</u>
	SOURCE OF FUNDS	
130 868 796	Total income for the year (statement I)	134 676 105
854 925	Decrease in pledges receivable from Governments	734 093
4 838 095	Increase in liabilities	-
	Decrease in funds provided to the United Nations	
73 795	Development Programme	3 935 668
	Decrease in accounts receivable, deferred	
754 789	charges and accrued interest	-
<u>137 390 400</u>	<u>Total funds provided</u>	<u>139 345 866</u>
	APPLICATION OF FUNDS	
123 740 567	Total expenditure for the year (statement I)	122 590 608
	Increase in operating funds provided to	
6 227 094	executing agencies	2 474 981
50 388	Decrease in deferred income	500
-	Decrease in liabilities	550 033
	Increase in accounts receivable, deferred	
-	charges and accrued interest	66 614
<u>130 018 049</u>	<u>Total funds used</u>	<u>125 682 736</u>
<u>7 372 351</u>	INCREASE IN CASH AND INVESTMENTS	<u>13 663 130</u>
40 397 947	Cash and investments at beginning of year	47 770 298
<u>7 372 351</u>	Increase in cash and investments	<u>13 663 130</u>
<u>47 770 298</u>	Cash and investments at end of year (statement II)	<u>61 433 428</u>

The accompanying notes are an integral part of the financial statements.

Schedule 1

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Statut of voluntary contributions pledged as at 31 December 1983

(United States dollars)

Government	Balance due 31 December 1982 for 1982 and prior years	Additions and adjustments for 1982 and prior years	Pledges for 1984		Total	Payments received	Unpaid pledges as at 31 December 1983	Composition of balance due for 1983	
			Local currency	\$US				for 1983 end prior years	for 1984
Afghanistan	2 000	-	-	2 000	6 000	4 000	2 000	-	2 000
Algeria	250 000	-	-	-	250 000	-	250 000	250 000	-
Antigua and Barbuda	1 000	-	-	-	1 000	-	1 000	1 000	-
Australia	-	-	-	1 041 667	3 002 467	1 960 800	1 041 667	-	1 041 667
Austria	-	-	1 125 000	33 368	69 568	36 200	33 368	-	33 368
Bahamas	-	-	634 000	-	2 000	2 000	-	-	-
Bangladesh	23 200	-	-	14 500	50 900	36 400	14 500	-	14 500
Barbados	-	-	-	-	3 000	-	3 000	3 000	-
Belgium	530 612	11 931	19 000 000	345 455	1 242 357	896 902	345 455	3 000	345 455
Benin	4 000	-	-	-	6 000	6 000	-	-	-
Bhutan	1 265	-	-	-	4 585	2 775	1 810	-	1 810
Botswana	-	-	1 400	-	2 416	1 132	1 284	-	1 284
Bulgaria	23 474	(2 749)	-	1 284	20 725	20 725	-	-	-
Burma	-	-	50 000	-	12 392	6 219	6 173	-	6 173
Burundi	22 334	-	500 000	4 299	29 213	22 334	6 879	-	4 299
Cameroon	-	-	500 000	-	3 874	3 874	-	2 560	-
Canada	-	-	10 250 000	-	16 666 666	8 333 333	8 333 333	-	8 333 333
Chile	-	-	-	8 333 333	10 000	5 000	5 000	-	5 000
China	-	-	-	5 000	730 000	330 000	400 000	-	400 000
Colombia	44 000	(44 000)	-	400 000	88 000	44 000	44 000	-	44 000
Congo	500	-	-	44 000	500	-	500	500	-
Cook Islands	357	-	-	-	1 291	1 291	-	-	-
Costa Rica	20 000	(30)	-	-	20 000	-	20 000	20 000	-
Cyprus	-	-	-	-	750	-	750	-	750
Democratic Yemen	3 466	-	-	2 000	7 199	5 199	2 000	-	2 000
Denmark	6 000	-	46 000 000	4 693 878	9 317 237	4 623 359	4 693 878	-	4 693 878
Djibouti	-	-	-	-	8 000	-	8 000	8 000	-
Dominica	20 000	-	-	-	1 000	-	1 000	-	-
Ecuador	25 557	-	-	20 000	60 000	38 000	22 000	-	20 000
Egypt	-	-	-	228 921	483 399	254 478	228 921	2 000	228 921
El Salvador	-	-	188 100	-	5 000	5 000	-	-	-
Ethiopia	10 000	-	-	-	10 000	10 000	-	-	-
Fiji	-	-	-	-	4 000	2 000	2 000	-	2 000
Finland	-	-	-	2 000	2 667 440	1 201 923	1 465 517	-	1 465 517
France	-	-	8 500 000	1 465 517	443 700	177 033	266 667	-	266 667
Germany, Federal Republic of	-	-	2 200 000	266 667	26 374 874	13 411 911	12 962 963	-	12 962 963
Ghana	-	-	35 000 000	12 962 963	17 600	17 600	-	-	-
Greece	-	-	-	-	10 000	5 000	5 000	-	5 000
Guatemala	5 000	-	-	5 000	10 000	5 000	5 000	5 000	-
Guinea-Bissau	864	2 062	-	-	2 926	2 926	-	-	-
Haiti	-	-	-	-	333	333	-	-	-
Honduras	3 500	-	-	-	3 500	2 100	1 400	1 400	-
Hungary	500	-	20 000	10 000	22 588	11 242	11 346	500	10 000
Iceland	-	-	500 000	11 346	5 200	2 600	2 600	-	11 346
	-	-	-	2 600	-	-	2 600	-	2 600

Schedule 1 (continued)

Government	Balance due 31 December 1982 for 1982 and Prior Years		Additions and adjustments for 1982 and Prior Years		Pledges for 1983		Pledges for 1984		Total	Payments received	Unpaid pledges as at 31 December 1983	Composition of balance due	
	1982	1981	1982	1981	Local currency	US\$	Local currency	US\$				for 1983 and Prior Years	for 1984
India	-	-	-	-	326 198	318 091	3 200 000	318 091	644 289	326 198	318 091	-	318 091
Indonesia	-	-	-	-	150 000	150 000	-	150 000	300 000	150 000	150 000	-	150 000
Iraq	40 322	-	-	-	-	40 322	-	40 322	40 322	-	40 322	40 322	-
Italy	-	-	-	-	1 886 792	2 147 239	3 500 000 000	2 147 239	4 034 031	1 886 792	2 147 239	2 147 239	2 147 239
Ivory Coast	10 000	-	-	-	10 959	10 959	-	10 959	20 959	10 959	10 000	10 000	-
Jamaica	16 854	-	(16 854)	-	561	-	-	-	561	561	-	-	-
Japan	-	-	-	-	27 350 000	-	-	-	27 350 000	27 350 000	-	-	-
Jordan	39 590	-	-	-	22 000	-	-	-	61 590	39 938	-	-	21 652
Kenya	30 000	-	-	-	3 309	3 309	45 000	3 309	6 618	3 309	6 618	3 309	3 309
Kuwait	30 000	-	-	-	25 000	25 000	-	25 000	80 000	50 000	30 000	5 000	25 000
Laos	1 000	-	-	-	1 500	1 500	-	1 500	1 500	-	1 500	1 000	500
Lesotho	3 000	-	-	-	1 500	1 500	-	1 500	4 000	2 500	1 500	-	1 500
Liberia	3 000	-	-	-	-	-	-	-	3 000	-	3 000	3 000	-
Luxembourg	5 408	-	(590)	-	4 818	4 818	265 000	4 818	14 454	310	14 454	9 636	4 818
Madagascar	1 200	-	-	-	1 179	1 179	-	1 179	2 664	1 179	1 485	188	5 890
Malawi	188	-	-	-	10 000	10 000	-	10 000	10 000	10 000	-	-	1 297
Malaysia	-	-	-	-	871	871	-	871	1 742	871	871	-	871
Maldives	-	-	-	-	465	-	-	-	465	465	-	-	-
Malta	4 000	-	-	-	-	-	-	-	4 000	-	4 000	4 000	-
Mauritania	-	-	-	-	-	-	-	-	3 199	3 199	-	-	-
Mauritius	-	-	3 199	-	-	-	-	-	3 199	-	-	-	-
Mexico	-	-	-	-	5 408	-	-	-	5 408	5 408	-	-	-
Mongolia	-	-	7	-	514	501	1 700	501	1 022	521	501	-	501
Morocco	-	-	-	-	4 000	4 000	-	4 000	8 000	8 000	-	-	4 000
Nepal	-	-	-	-	3 000	-	-	-	3 000	3 000	-	-	-
Netherlands	-	-	-	-	10 752 406	11 386 139	3 450 000	11 386 139	22 138 545	10 752 406	11 386 139	-	11 386 139
New Zealand	-	-	-	-	229 425	-	-	-	229 425	229 425	-	-	-
Nigeria	-	-	30 675	-	11 538 999	-	90 000 000	-	30 675	30 675	-	-	-
Norway	-	-	-	-	10 000	10 000	-	10 000	30 000	10 000	20 000	-	12 000 000
Oman	10 000	-	-	-	300 000	325 000	-	325 000	625 000	281 955	343 045	18 045	325 000
Pakistan	-	-	-	-	1 000	1 000	-	1 000	3 000	-	3 000	2 000	1 000
Panama	1 000	-	-	-	1 191	1 176	1 000	1 176	2 367	1 191	1 176	-	1 176
Papua New Guinea	15 000	-	-	-	-	-	-	-	15 000	-	15 000	-	-
Paraguay	-	-	-	-	-	-	-	-	25 000	-	25 000	-	25 000
Peru	255 814	-	(55 814)	-	157 143	118 929	1 665 000	118 929	476 072	200 000	276 072	157 143	118 929
Philippines	-	-	-	-	-	10 526	1 000 000	10 526	10 526	-	10 526	-	10 526
Poland	15 965	-	-	-	20 000	20 000	-	20 000	55 965	-	55 965	-	20 000
Portugal	-	-	-	-	30 000	-	-	-	30 000	30 000	-	-	35 965
Qatar	-	-	-	-	30 000	-	-	-	82 000	30 000	82 000	-	41 000
Republic of Korea	-	-	-	-	41 000	41 000	-	41 000	82 000	4 338	82 000	-	41 000
Romania	-	-	-	-	4 338	4 338	60 000	4 338	8 676	4 338	4 338	-	4 338
Rwanda	1 000	-	1 000	-	1 000	1 000	-	1 000	4 000	3 000	1 000	-	1 000
Saint Christopher and Nevis	264	-	(264)	-	-	-	-	-	-	-	-	-	-
Saint Lucia	1 000	-	-	-	500	-	-	-	1 500	-	1 500	-	1 500

Schedule 1 (concluded)

Government	Balance due 31 December 1982 for 1982 and prior years	Additions and adjustments for 1982 and prior years	Pledges for 1983		Total	Payments received	Unpaid pledges on at 31 December 1983	Composition of balance due for 1983 and prior years		for 1984
			Pledges for 1983	Local currency				for 1983	for 1984	
Bahama	-	-	633	-	633	633	-	-	-	-
Saudi Arabia	-	-	30 000	-	60 000	30 000	30 000	-	-	30 000
Senegal	100 000	-	20 000	-	127 000	7 000	127 000	120 000	-	7 000
Seychelles	1 000	-	-	-	1 000	1 000	500	-	-	500
Sierra Leone	5 000	-	-	10 000	9 000	-	9 000	5 000	-	4 000
Singapore	7 500	-	-	-	7 500	-	7 500	7 500	-	-
Somalia	-	-	641	22 500	1 916	641	1 295	-	-	1 295
Spain	60 000	-	-	-	60 000	-	148 000	60 000	-	88 000
Sri Lanka	7 754	(18)	7 500	-	22 736	7 736	15 000	7 500	-	7 500
Rudan	255 000	-	25 000	-	305 000	-	305 000	280 000	-	25 000
Suriname	5 000	-	2 500	-	7 500	2 500	5 000	5 000	-	-
Sweden	-	-	6 215 220	48 000 000	12 215 220	6 215 220	6 000 000	-	-	6 000 000
Switzerland	-	-	1 745 192	4 000 000	3 580 054	1 745 192	1 834 862	-	-	1 834 862
Syrian Arab Republic	-	-	5 500	-	11 000	5 500	5 500	-	-	5 500
Thailand	-	-	44 000	-	92 400	44 000	48 400	-	-	48 400
Togo	10 000	(2 492)	-	-	7 508	7 508	-	-	-	-
Tonga	3 000	-	-	-	3 000	-	3 000	3 000	-	-
Tunisia	14 091	(1 369)	18 203	13 200	50 135	15 000	35 135	16 005	-	19 130
Turkey	-	-	5 000	-	10 000	-	10 000	5 000	-	5 000
Uganda	-	-	3 058	500 000	4 587	-	4 587	3 058	-	1 529
United Kingdom of Great Britain and Northern Ireland	-	-	3 985 728	3 000 000	8 365 290	3 985 728	4 379 562	-	-	4 379 562
British Virgin Islands	-	-	500	-	500	500 b/	-	-	-	-
United States of America	-	(494)	33 760 000	500 000	33 760 000	33 760 000	3 632	2 421	-	1 211
Upper Volta	2 915	-	1 000	-	4 000	1 000	3 000	2 000	-	1 000
Viet Nam	41 500	-	2 500	-	46 850	-	46 850	44 000	-	2 850
Yemen	23 713	(2 991)	4 400	555 000	29 562	10 122	19 440	1 000	-	4 440
Yugoslavia	-	-	-	-	1 000	-	1 000	-	-	1 000
Zaire	31 500	-	-	7 500	37 097	-	37 097	31 500	-	5 597
Zambia	-	-	2 604	2 400	4 826	2 604	2 222	-	-	2 222
Zimbabwe	-	-	-	-	-	-	-	-	-	-
Total	2 019 707	(70 791)	129 602 161 a/	68 986 363	200 529 440	130 257 463	70 271 977	1 285 614	68 986 363	(statement II and note 4)

a/ Of this amount, \$31,341,213 represents pledges for 1983 made in 1982.

b/ Received in 1982 in respect of a pledge for 1983.

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Miscellaneous income and expenditure for the year ended 31 December 1983

(United States dollars)

<u>1982</u>			<u>1983</u>
401 925	Miscellaneous income from accounts of executing agencies (net)		668 800
(1 070 875)	Net losses on exchange and revaluation of currencies	(note 1 (c))	(746 895)
<u>8 222</u>	Other income		<u>1 065</u>
(660 728)	Total net expenditure	(statement I)	(77 030)
<u><u> </u></u>			<u><u> </u></u>

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

1983 expenditure by agencies, non-governmental organizations
and special population grants
(United States dollars)

	<u>Personnel services</u>	<u>Sub-contracts</u>	<u>Training (fellowships)</u>	<u>Equipment and supplies</u>	<u>Miscellaneous</u>	<u>Subtotal</u>	<u>Programme support costs</u>	<u>Total</u>
UNITED NATIONS (Work programme)	2 159 978	218 096	81 487	32 720	83 737	2 576 018	291 611	2 867 629
UNITED NATIONS (Department of Technical Co-operation for Development)	5 687 994	20 007	1 538 692	3 617 285	541 403	11 405 381	1 579 014	12 984 395
ECE	283 917	-	-	52 586	27 862	364 365	47 367	411 732
ESCAP	496 110	120 100	259 898	134 057	44 340	1 064 505	138 388	1 202 893
ECLA	1 457 522	-	104 380	148 129	79 981	1 790 012	271 595	2 061 607
ECA	2 060 805	-	655 131	42 424	243 740	3 002 100	390 273	3 392 373
ECWA	199 234	-	-	500	16 000	215 734	28 045	243 779
ILO	3 890 268	97 715	520 113	320 570	297 484	5 126 150	-	5 126 150
PAO	744 746	4 841	78 332	33 975	(120 412)	741 462	71 993	813 455
UNESCO	2 678 198	248 168	1 173 132	432 769	359 283	4 891 550	574 663	5 466 213
WHO	5 031 704	2 930 627	3 459 675	7 250 687	577 036	19 249 729	2 502 465	21 752 194
UNICFP	251 713	-	30 671	1 595 741	44 127	1 922 252	-	1 922 252
GOVERNMENTS	7 166 525	8 622 252	3 134 677	9 421 117	1 195 391	29 539 962	-	29 539 962
UNFPA	10 242 501	186 969	247 614	3 800 977	864 424	15 342 485	-	15 342 485
Agencies total	42 351 215	12 448 775	11 293 802	26 883 517	4 254 396	97 231 705 ^{a/}	5 895 414	103 127 119
Non-governmental organizations and special population grants						8 368 223 ^{a/}	-	8 368 223
						105 599 928	5 895 414	111 495 342
							(statement I)	(statement I)

^{a/} Statement I.

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Administrative and programme support costs

Budget appropriations and expenditure for the year ended 31 December 1983

(United States dollars)

Programme	Expenditure			Unliquidated obligations as at 31 December 1983	Total expenditure	Unencumbered balance
	Appropriations	Disbursements a/				
I. Executive direction and management	1 403 639	1 318 493	88 118	1 406 611	(2 972) b/	
II. Administrative and public information support services	3 593 878	3 541 077	51 038	3 592 115	1 763	
III. Programme planning, appraisal and monitoring	6 174 056	5 959 500	137 040	6 096 540	77 516	
<u>Net appropriations and expenditure</u>	<u>11 171 573</u>	<u>10 819 070</u>	<u>276 196</u>	<u>11 095 266</u>	<u>76 307</u>	
				(statement I)		

a/ The disbursement figures are net after deducting staff assessment income totalling \$1,544,099.

b/ The negative balance of allotment in programme I is due to the fact that residual amounts in travel obligations were not cancelled before the closing of the accounts.

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Investments as at 31 December 1983

(United States dollars)

Type	Currency	Interest rate	Amount
Current accounts	United States dollars	5.25	102 033
	Deutsche marks	.50	84 689
	Swedish kroner	9.50	461
	Japanese yen	1.75	<u>32 317</u>
			219 500
Interest-bearing accounts	United States dollars	11.00	<u>16 034 583</u>
Call accounts	Japanese yen	6.60	<u>253 695</u>
Time-deposit accounts	United States dollars	9.5000	10 000 000
	United States dollars	9.4375	10 000 000
	United States dollars	9.7500	15 000 000
	United States dollars	9.6250	1 900 000
	United States dollars	9.9700	<u>8 000 000</u>
			44 900 000
		(statement II)	<u><u>61 407 778</u></u>

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Status of contributions from Governments for special population programmes as at 31 December 1983

(United States dollars)

	International Planned Parenthood Federation	Population Council	International Union for the Scientific Study of Population	International Committee on the Management of Population Programmes	Programme of Social Research on Population in Latin America	Total
Balance due to special population programmes - 1 January 1983	4 000 000	-	-	-	-	4 000 000
Contributions received from Governments in 1983						
Japan	9 500 000	-	-	-	-	9 500 000
Netherlands	1 206 408	52 632	52 631	-	-	1 311 671
Norway	-	55 876	55 876	27 938	41 907	181 597
	14 706 408	108 508	108 507	27 938	41 907	14 993 268
Less: Amounts remitted	14 706 408	108 508	108 507	27 938	41 907	14 993 268
Balance due to special population programmes as at 31 December 1983	-	-	-	-	-	-

(statement II)

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

TRUST FUNDS

Statement of account as at 31 December 1983
(United States dollars)

	Denmark	Finland	Italy	Netherlands	Norway	Sweden	OEPC	International Conference on Population 1984	United Nations Population Award	Total
Unexpended balance 1 January	81 115	37 245	27 032	692 694	1 129 705	8 246	1 109 744	162 900	400 800	3 649 481
Contributions received in 1983	940 236 a/	261 097 a/	2 265 830 a/	796 568 a/	1 407 906 a/	-	-	361 158 a/	-	6 032 795
Interest income	92 362	8 906	179 200	61 476	160 642	1 298	93 938	-	36 980	634 802
	1 113 713	307 248	2 472 062	1 550 738	2 698 253	9 544	1 203 682	524 058	437 780	10 317 078
Less: Programme expenditure	684 616	251 863	1 636 232	511 670	1 205 966	2 402	698 803	508 812	42 388	5 542 752
Support costs b/	34 231	1 125	-	24 240	38 190	90	-	-	-	97 876
	718 847	252 988	1 636 232	535 910	1 244 156	2 492	698 803	508 812	42 388	5 640 628
Unexpended balance as at 31 December	394 866	54 260	835 830	1 014 828	1 454 097	7 052	504 879	15 246	395 392	4 676 450

(statement II)

a/ Schedule 9.

b/ Represents agreed percentage of programme expenditure reimbursed to UNFPA for support costs.

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Unspent allocations as at 31 December 1983

(United States dollars)

	1983 Allocations	Expenditure	1983 unspent allocations	Future Years allocations	Total unspent allocations
UNITED NATIONS (Work programme)	2 751 074	2 576 018	175 056	1 804 989	1 980 045
UNITED NATIONS (Department of Technical Co-operation for Development)	13 341 330	11 405 381	1 935 949	17 818 677	19 754 626
ECE	396 924	364 365	32 559	609 000	641 559
ESCAP	1 182 881	1 064 505	118 376	1 617 217	1 735 593
ECLA	1 800 000	1 790 012	9 988	32 856	42 844
ECA	3 233 113	3 002 100	231 013	5 883 374	6 114 387
ECWA	225 800	215 734	10 066	494 911	504 977
ILO	6 590 638	5 126 150	1 464 488	8 993 083	10 457 571
PAO	947 014	741 462	205 552	3 180 141	3 385 692
UNESCO	5 591 174	4 891 550	699 624	10 935 756	11 635 380
WHO	22 107 970	19 249 729	2 858 241	26 509 182	29 367 423
UNICEF	1 924 147	1 922 252	1 895	1 696 951	1 698 846
GOVERNMENTS	34 930 625	29 539 962	5 390 663	44 851 059	50 241 722
UNFPA	18 685 552	15 342 485	3 343 067	3 399 233	6 742 300
	113 708 242	97 231 705 a/	16 476 537	127 826 429	144 302 966
Non-governmental organizations and special population grants	8 744 147	8 368 223 a/	375 924	5 342 164	5 718 088
	122 452 389	105 599 928	16 852 461	133 168 593	150 021 054
			(note 6)	(note 6)	

a/ Statement I.

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

TRUST FUNDS:

Status of contributions pledged as at 31 December 1983

(United States dollars)

Government/Organization	Balance due 31 December 1982		Additions and adjustments for 1982 and prior years	Pledges for 1984		Total	Collected in 1983	Unpaid pledges as at 31 December 1983	Composition of balance due	
	Prior years	1982		Local currency	US\$				for 1983	and prior years for 1984
International Conference on Population in Mexico (1984)										
Australia	96 154	-	1 886	-	98 040	98 040	-	-	-	-
Belgium	-	-	-	18 182	18 182	18 182	-	18 182	-	18 182
Canada	-	-	81 301	-	81 301	81 301	-	-	-	-
China	25 000	-	-	-	25 000	25 000	-	-	-	-
Cuba	25 000	-	-	-	25 000	25 000	-	25 000	-	25 000
Cyprus	-	-	196	-	196	196	-	-	-	-
Ecuador	5 000	-	-	-	5 000	5 000	-	5 000	-	5 000
Egypt	25 000	-	(90)	-	24 910	24 910	-	-	-	-
France	-	-	59 011	-	59 011	59 011	-	-	-	-
Germany, Federal Republic of	-	-	12 909	-	12 909	12 909	-	-	-	-
India	35 000	-	-	-	35 000	34 791	209	-	209	-
Indonesia	25 000	-	-	-	25 000	25 000	-	-	-	-
Italy	100 000	-	-	-	100 000	100 000	-	100 000	-	100 000
Malawi	5 000	-	-	-	5 000	5 000	-	5 000	-	5 000
Nigeria	-	-	100 671	-	100 671	100 671	-	100 671	-	100 671
Pakistan	10 000	-	-	-	10 000	10 000	-	10 000	-	10 000
Peru	25 000	-	-	-	25 000	25 000	-	25 000	-	25 000
Philippines	25 000	-	-	-	25 000	25 000	-	25 000	-	25 000
Sri Lanka	-	-	10 000	-	10 000	10 000	-	10 000	-	10 000
Sudan	15 000	-	-	-	15 000	15 000	-	15 000	-	15 000
Syrian Arab Republic	25 000	-	-	-	25 000	25 000	-	25 000	-	25 000
Thailand	-	-	10 000	-	10 000	10 000	-	10 000	-	10 000
Tunisia	-	-	25 000	-	25 000	25 000	-	25 000	-	25 000
Yemen	25 000	-	-	-	25 000	25 000	-	25 000	-	25 000
Total	466 154	-	300 884	18 182	785 220	361 158	424 062	405 880	18 182	-

(schedule 7)

UNFPA Multi-bilateral Programme

Denmark	-	-	940 236	-	940 236	940 236	-	-	-	-
Finland	-	-	261 097	-	261 097	261 097	-	-	-	-
Italy	-	-	2 265 830	-	2 265 830	2 265 830	-	-	-	-
Netherlands	-	-	796 568	-	796 568	796 568	-	-	-	-
Norway	-	-	1 407 906	-	1 407 906	1 407 906	-	-	-	-
Total	-	-	5 671 637	-	5 671 637	5 671 637	-	-	-	-

(schedule 7)

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Summary of significant accounting policies

The financial statements reflect the application of the following significant accounting policies.

(a) Income

Under the annual funding principles adopted by UNFPA, income (including pledges from Governments, investment income and miscellaneous income but excluding contributions to trust funds) is recorded on an accrual basis. Details of contributions pledged for future years are shown in schedule 1.

(b) Expenditure

All expenditure of UNFPA is accounted for on an accrual basis. Project expenditure includes unliquidated obligations raised by the executing agencies in respect of goods and services provided for in the project budgets for 1983 and contracted for by the end of that year.

(c) Exchange rates

UNFPA financial rule 114.6 provides that the official par values or other appropriate exchange rates agreed between the Secretary-General and the contributing Governments shall be used for recording voluntary contributions. Exchange rate adjustments of \$662,895 arising on collection of contributions are shown in statement I. All other transactions are recorded at the United Nations operational rate of exchange in effect on the date of the transaction as specified in UNFPA financial rule 114.7; exchange adjustments on these transactions are recorded as miscellaneous income in accordance with UNFPA financial rules 110.1 and 114.9 and, in 1983, amounted to a net loss of \$746,895, as shown in schedule 2.

(d) Capital expenditure

The full cost of non-expendable equipment used for administrative purposes is charged to the administrative and programme support costs in the year in which it is purchased. An inventory is maintained of all non-expendable equipment (defined as items of equipment valued at \$400 or more a unit and with a serviceable life of at least five years, and items of equipment included in any special lists, for which formal inventory records are maintained).

Note 2. Programme expenditure

The programme expenditure includes field costs of UNFPA's deputy representatives in the amount of \$4,429,054 against allocations of \$5,148,351.

Note 3. Operating funds provided to, and unliquidated obligations of, executing agencies

Operating funds of \$9,390,641 provided by UNFPA to executing agencies and shown in statement II consist of \$9,907,136 provided to executing agencies, less

\$516,495 payable to executing agencies. These balances, after taking into account unliquidated obligations, are consistent with the operating fund balances reported by the executing agencies.

The unliquidated obligations are shown separately in statement II in the amount of \$25,098,818 and consist of \$19,576 355 in respect of agencies for which operating funds are provided, \$5,304,504 in respect of UNFPA as an executing agency for its projects and \$217,959 in respect of non-governmental organization and special population grants.

Note 4. Contributions pledged by Governments

Contributions pledged by Governments for current and prior years which had not been paid by 31 December 1983 were as follows:

	<u>United States dollars</u>
1979 and prior years	471 500
1980	105 477
1981	189 940
1982	152 309
1983	<u>366 388</u>
Total (statement II)	<u><u>1 285 614</u></u>

Note 5. Operational reserve

At its twenty-eighth session (decision 81/7, sect. III, para. 5), the Governing Council decided that the level of the operational reserve for each year shall be established at 25 per cent of the estimated contributions for that year, rounded off to the nearest \$1 million, this target to be fully achieved as soon as possible and not later than by the end of 1989. Pursuant to the above decision, \$2 million was transferred in 1983 from the fund balance to the operational reserve, bringing the balance to \$23 million. The status of the operational reserve as at 31 December 1983 is shown in statement II.

Note 6. Unspent allocations

The fund balance shown in statement III excludes 1983 unspent allocations of \$16,852,461 and allocations for future years amounting to \$133,168,593 issued to executing agencies, as shown in schedule 8.

Notes

1/ Official Records of the General Assembly, Thirty-eighth Session, Supplement No. 5G (A/38/5/Add.7), sect. II.