

**UNITED**



**NATIONS**

**UNITED NATIONS CHILDREN'S FUND  
(UNICEF)**

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**FINANCIAL REPORT AND ACCOUNTS  
for the year ended 31 December 1954  
*and*  
REPORT OF THE BOARD OF AUDITORS**

**GENERAL ASSEMBLY**

**OFFICIAL RECORDS: TENTH SESSION**

**SUPPLEMENT No. 6A (A/2905)**

**NEW YORK, 1955**

( 49 p. )



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#### NOTE

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**LETTER OF TRANSMITTAL**

2 May 1955

Sir,

I have the honour to deliver to you for presentation to the General Assembly:

- (a) The financial statements of the United Nations Children's Fund for the period ended 31 December 1954;
- (b) The report of the Board of Auditors with respect to the financial transactions of the Fund in 1954

Accept, Sir, the assurances of my highest consideration.

*(Signed) Watson SELLAR*  
*On behalf of the Board of Auditors*

The Secretary-General of the United Nations,  
New York

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 1954**





## FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 1954

1. The financial statements of the United Nations Children's Fund (UNICEF) for the eighth financial period which ended 31 December 1954 are presented herewith. They comprise the following principal statements:

- (i) Statement of assets and liabilities as at 31 December 1954;
- (ii) Statement of income and expenditure for the year ended 31 December 1954;
- (iii) Statement of 1954 budgetary authorizations, obligations incurred and unobligated balances of authorizations (administrative costs and costs of operational services).

2. The following supporting schedules are presented:

*Schedule A.* Contributions from Governments during the year ended 31 December 1954;

*Schedule B.* Statement of allocations and expenditures for the year ended 31 December 1954 and outstanding balances of allocations;

*Schedule C.* Statement of allocations and expenditures for the period from inception to 31 December 1954 and outstanding balances of allocations.

3. The principal of the Fund as at 31 December 1954 amounted to \$28,226,657, against which the Executive Board has made allocations of \$25,441,664 (schedules B and C) leaving an amount of \$2,784,993 unallocated.

### Assets and liabilities

#### ASSETS

##### *Cash and investments*

4. The statement of assets and liabilities shows funds with banks and the United Nations totalling \$20,573,412 as at 31 December 1954. These funds comprised trust funds totalling \$1,143,757 held in separate bank accounts (UNICEF/UNRWA, UNICEF/UNKRA, UNICEF/Mission accounts) and \$19,429,655 of UNICEF funds. UNICEF funds consisted of some \$16,800,000 in United States currency and the equivalent of some \$2,600,000 in thirty-one other currencies. The latter included the equivalent of approximately \$1 million in pounds sterling, \$350,000 in Swedish kronor, \$300,000 in Yugoslav dinars, \$250,000 in Brazilian cruzeiros, \$150,000 in German marks and \$100,000 in Swiss francs. With the exception of the amount of \$2,784,993 as shown in the statement of assets and liabilities (Principal of the Fund) and schedules B and C, all funds were fully allocated by the Executive Board. Funds in currencies other than United States dollars were shown in the books of account at a dollar equivalent according to rates of exchange current on 31 December 1954, as quoted by the International Monetary Fund. Investments were operated by the Fund through the channel of the United Nations (Trust Account). Apart from \$5,081,106 interest-bearing United States bank deposit at thirty days' notice and \$2 million nominal value of 2¼ per cent Federal Land Bank Bonds, maturing 1 November 1958, all other investments consisted of United States Government securities, of which \$7 million nominal value mature in 1955 and \$2 million in 1960 (annex I: Investments as at 31 December 1954). Income from investments in 1954 totalled \$377,638, including \$81,892 interest accrued up to 31 December 1954 payable in 1955. A list of UNICEF-operated bank accounts is attached (annex II).

##### *Other assets*

5. *Deposits with suppliers:* These deposits comprised trust funds totalling \$253,100 held on separate accounts and UNICEF funds of \$1,247,201. The latter included the following amounts held by governmental procurement agencies: approximately \$500,000 with the Commonwealth Department of Supply, Australia (in Australian pounds), \$350,000 with the Department of Industries and Commerce, New Zealand (in New Zealand pounds), \$300,000 with the Canadian Commercial Corporation (in Canadian dollars), and \$100,000 with the Commodity Credit Corporation, United States Department of Agriculture.

*Accounts receivable, advances, deposits, etc.:* These included: (a) receivables (\$38,000) from the United Nations and specialized agencies; (b) receivables (\$6,000) from Governments; (c) deposits (\$13,000) held by governmental departments for transshipment costs and training programmes, also held by an agency in Switzerland with which the Fund has joint assistance projects; (d) service deposits (\$5,000); (e) salary and travel advances to UNICEF staff (\$5,000).

*Contributions receivable from Governments:* Out of "receivables" totalling \$8,768,348, the amount of \$8,577,284 had been transferred to UNICEF by April 1955. It is anticipated that the balance of \$191,064 will be paid by June 1955.

#### LIABILITIES

6. *Unliquidated obligations*, of which approximately \$700,000 was payable in United States dollars and the equivalent of \$330,000 in fifteen other currencies, have been subdivided to show:

(i) Amounts due (\$434,204) in respect of supplies and equipment which had been shipped by 31 December 1954, but for which payment had not been made at that date;

(ii) Amount outstanding (\$34,460) in respect of operational services. This sum included a provision of \$18,899 for the reimbursement of national income tax. Full details of the 1954 unliquidated obligations are shown in the attached statement of budgetary authorizations (costs of operational services);

(iii) Amount outstanding (\$86,714) in respect of administrative costs. This sum included a provision of \$69,229 for the reimbursement of national income tax. Full details of the 1954 unliquidated obligations are shown in the attached statement of budgetary authorizations (administrative costs);

(iv) Accounts payable (\$476,582) which consisted of: (a) amounts deposited by Governments (\$209,342) in respect of procurement on their behalf and freight; (b) amounts outstanding (\$154,829) at the year-end on inter-office accounts with the United Nations Staff Pension Fund, specialized agencies (mainly international project personnel and fellowships) and the UNICEF Greeting Card Fund; (c) amounts due (\$101,686) in respect of supplies which had been shipped by 31 December 1954 for account of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) but for which payment had not been made at that date; (d) amounts due (\$10,725) to sundry creditors.

7. *Trust funds* consisted of sums made available to UNICEF by UNRWA and the United Nations Korean Reconstruction Agency (UNKRA) for agency procurement operations; and also of sums made available by Governments of UNICEF-aided countries to meet local administrative costs of UNICEF country and area offices. Since 1951, when an agreement was made with UNRWA, the Fund has undertaken to procure as agents certain supplies required by that agency. During the latter part of 1953, the original agreement was amended to cover a much wider range of procurement than originally envisaged. It was agreed that for this service, UNICEF would be paid a commission at the rate of 0.75 per cent of the value of all goods procured, with a proviso that the minimum yearly commission should not be less than \$100,000. On 28 December 1954, a new agreement was concluded between UNICEF and UNRWA, effective as from 1 January 1955, stipulating that UNRWA will pay all the costs incurred by UNICEF in the performance of the services under this agreement. This new agreement to be carried out on a cost basis has replaced the 1951 agreement (as amended in 1953). At 31 December 1954, the funds held in trust on behalf of UNRWA amounted to \$1,307,560, against which there were unpaid obligations of \$101,854; therefore, net funds held by UNICEF at 31 December 1954 on behalf of UNRWA amounted to \$1,205,706. UNICEF has also undertaken certain procurement agency functions in respect of UNKRA and, at 31 December 1954, held \$26,893 for the financing of this operation. Lastly, in respect of funds provided by Governments of UNICEF-aided countries for the purpose of meeting local administrative costs of UNICEF country and area offices, the equivalent of \$62,404 was held by UNICEF in eleven currencies.

8. *The Greeting Card Fund* has operated successfully for the past few years. In 1950, some 130,000 cards were sold resulting in a net surplus of \$4,200; in 1951, 500,000 cards were sold showing a net surplus of \$16,274; in 1952, 1,500,000 cards, showing a net surplus of \$76,335; in 1953, 2 million cards, showing a net surplus of \$99,703. Out of the surpluses realized on this operation the sum of \$124,200 has already been transferred to the general resources of UNICEF (miscellaneous income) in accordance with decisions made by the Executive Board. At its March 1954 session the Executive Board approved the establishment of a working capital fund in the amount of approximately \$70,000 for the 1954 greeting card project. This amount represented the residue of the net surplus of the 1953 greeting card project. Some 3 million cards were sold in 1954. The surplus of income over expenditures of the 1954 project amounted to \$153,638. In accordance with the decision of the Executive Board in March 1955, a further amount of \$125,000 has been transferred in 1955 from the greeting card account to the general resources of UNICEF (miscellaneous income). In view of the success of the 1954 greeting card project, the Executive Board authorized that the balance of the net surplus of the 1954 project (approximately \$90,000) remaining in the greeting card account shall be used as working capital for a similar project in 1955.

9. *A reserve for insurance* of \$200,000 was established in November 1950, in accordance with the decision of the Executive Board, upon the recommendation of the Board of Auditors that UNICEF should adopt a policy of self-insurance. The balance of the reserve at 31 December 1954 amounted to \$193,595, as compared with \$193,740 at the end of 1953.

10. *The principal of the Fund* at 31 December 1954 stood at a figure of \$28,226,657, an increase of \$569,747 over the balance at 31 December 1953. The general trend in respect of "Income" and "Expenditure" affecting the fluctuation of the principal of the Fund is dealt with in detail in paragraphs 23 and 25 of the present report.

The balances of allocations unfulfilled at 31 December 1954 totalled \$25,441,664 and full details thereof are presented in schedules B and C. Outstanding commitments totalling \$3,211,066 comprised contracts for supplies and equipment of \$1,849,931, on which deliveries had not been effected and commitments of \$1,361,135 in respect of project personnel and fellowships (of which \$960,997 was a commitment to the World Health Organization and \$171,043 to the Food and Agriculture Organization). The amount of \$3,211,066 included commitments of approximately \$2,100,000 in United States currency and the equivalent of approximately \$1,100,000 in thirteen other currencies. Included in these currencies was approximately \$350,000 in pounds sterling, \$200,000 each in Netherlands guilders and New Zealand pounds and \$100,000 each in Australian pounds and Swedish kronor.

## Income and expenditure

### INCOME

11. *Contributions* from all sources in 1954 totalled \$14,139,276, compared with \$15,522,509 in 1953. Sixty-one Governments contributed \$13,608,240 in 1954 (schedule A) whereas in 1953 fifty-five Governments contributed \$14,266,861. The largest contributor, the United States Government, contributed \$8,300,000 for 1954 (paid in 1955) compared with \$9,814,333 in 1953, a decrease of \$1,514,333. Contributions from Governments other than the United States rose by \$855,712, namely from \$4,452,528 in 1953 to \$5,308,240 in 1954. There has been an increase not only in the number of such contributing Governments but also in the size of contributions from some of them. Income from organized campaigns of \$192,000 in 1954 shows a considerable decrease compared with \$651,247 in 1953. This decrease is explained by the fact that fund-raising campaigns in two countries, Australia and New Zealand, yielded UNICEF \$478,232 in 1953. The next campaign in these countries for the benefit of UNICEF is scheduled to take place in 1955. The 1954-1955 campaign for UNICEF in the United Kingdom held under the auspices of the United Nations Association is expected to realize a net sum of approximately \$300,000, part of which had already been transferred in 1954. Income from private contributions (other than organized campaigns) increased from \$176,564 in 1953 to \$269,245 in 1954 (an increase of over 50 per cent). This amount included receipts from the United States "Trick or Treat" Hallowe'en project under the auspices of the United States Committee for UNICEF, which transferred \$185,000 to UNICEF in 1954, compared with \$70,000 in 1953. Proceeds from settlement of UNRRA claims in 1954 amounted to \$69,791, compared with \$427,837 in 1953. These proceeds are the last substantial accruals to UNICEF and only relatively small amounts remain to be cashed.

12. *Other income:* Income of \$904,667 other than contributions in 1954 showed an increase of \$208,036 over income in 1953 of \$696,631:

*Income from investments* (see paragraph 4) of \$377,638 increased by \$10,727 compared with 1953 (\$366,911). Although the average monthly total of investments in 1954 was maintained at the same level as in 1953 the yield increased owing to slightly higher interest rates. Interest from securities and bank deposits amounted to \$351,908, other bank interest to \$25,730.

*Staff Assessment Plan:* Income from the Staff Assessment Plan of \$259,769 showed an increase of \$19,119 compared with 1953 (\$240,650). In accordance with the procedure adopted by the United Nations, administrative costs (\$1,351,601) and costs of operational services (\$988,773) are stated on a gross basis, and the amount derived under the Staff Assessment Plan (\$259,769) is shown as income. This amount is computed as follows: income related to the administrative personnel, \$152,480; income related to the personnel of operational services, \$107,289.

*Agency procurement commission* (\$101,145) is the commission from UNRWA (\$100,000) and UNKRA (\$1,145) in respect of procurement on behalf of these agencies (see paragraph 7). This amount of \$101,145 consisted of income (\$22,000) related to administrative costs and income (\$79,145) related to costs of operational services. Agency procurement commission in 1953 amounted to \$25,000.

*Miscellaneous income* of \$164,020 comprised: (a) recoveries from carriers, approximately \$7,000; (b) transfer of \$90,000 from the Greeting Card Fund; (c) proceeds of sale of permanent equipment, approximately \$6,000; (d) cancelled administrative obligations of previous years, approximately \$12,000; (e) refund from the liquidation of the Joint Enterprise (International Tuberculosis Campaign—BCG), approximately \$45,000; (f) sundry receipts and refunds, approximately \$4,000. Miscellaneous income in 1953 amounted to \$62,957.

*Difference in exchange* showed a net profit balance for the year of \$2,095, compared with \$1,113 in 1953.

### EXPENDITURE

13. Expenditure in 1954 of \$14,474,196 was \$569,747 below the income of \$15,043,943 and was higher by \$1,967,566 than expenditure in 1953 (\$12,506,630).

14. *Expenditure on assistance (area, country and general)* totalled \$13,122,595, consisting of: supplies and equipment (inclusive of freight), \$11,228,144<sup>1</sup>; special assistance programmes (fellowships, project personnel, group

<sup>1</sup> This amount includes inventories of supplies and equipment undistributed as at 31 December 1954 valued at \$2,923,171, namely:

(a) Some \$1,582,000 worth in warehouses in receiving countries awaiting distribution;

(b) Some \$960,000 worth in transit;

(c) Some \$381,000 worth with suppliers (paid for) or in warehouses in the country of origin awaiting shipment.

training courses and International Children's Centre, Paris), \$905,678; operational services, \$988,773. Schedule B shows expenditure in 1954 on area and country assistance by type of operation<sup>2</sup> (supplies and equipment, fellowships, project personnel, other services); it also gives totals of expenditure on general assistance (benefiting more than one area) and on administrative costs; and, in addition, it details allocations made by the Executive Board: balances outstanding as of 1 January 1954, \$23,748,240; further allocations authorized in 1954 (less returns of allocations), \$16,167,620; and balances remaining to be fulfilled after 31 December 1954, \$25,441,664. Schedule C shows allocations made by the Executive Board from inception through 31 December 1954, \$203,386,905; expenditure for the same period, \$177,945,241; and balances of allocations remaining to be fulfilled after 31 December 1954, \$25,441,664. According to the decision taken at the March 1954 session of the Executive Board, freight allocations and expenditures are recorded on a country basis.

15. Expenditure on area and country assistance amounted in 1954 to \$11,808,917 (schedule B) and cumulatively from inception through 1954 to \$159,384,576 (schedule C). The analysis of these amounts by type of programme is shown hereunder:

*Analysis of expenditure on area and country assistance by type of programme*

	1954		Cumulative from inception through 1954	
	\$	\$	\$	\$
<b>LONG-RANGE AID</b>				
I. Maternal and child welfare.....		2,281,247		10,783,164
II. Mass health				
(i) Combating insect-borne diseases..	1,482,497		5,860,077	
(ii) Production of insecticides, anti- biotics, sera and vaccine.....	736,177		2,936,053	
(iii) Control of bejel, yaws, VD.....	768,791		4,087,367	
(iv) BCG anti-tuberculosis vaccination	783,964		6,183,571	
(v) Other tuberculosis control.....	33,341		2,989,164	
(vi) Trachoma control.....	305,450		404,291	
(vii) Leprosy control.....	35,931		59,319	
(viii) Control of other communicable diseases.....	8,257	4,154,408	589,110	23,108,952
III. Child nutrition				
(i) Long-range feeding.....	328,994		3,656,362	
(ii) Food conservation.....	844,567	1,173,561	5,124,470	8,780,832
Total long-range aid.....		7,609,216		42,672,948
EMERGENCY AID.....		1,727,333		98,654,037
FREIGHT.....		2,373,780		17,676,720
UNDISTRIBUTED CHARGES.....		98,588		380,871
<b>TOTAL AREA AND COUNTRY ASSISTANCE</b>		<u>11,808,917</u>		<u>159,384,576</u>

16. *Expenditure on operational services*<sup>3</sup> (consisting of (a) cost of personnel and related services of the food conservation operation and engineering services advising Governments; (b) cost of personnel and related services of area and country offices; (c) cost of personnel and related services of the procurement and shipping operation) totalled \$988,773 (gross). Salaries and wages have been stated on a "gross" basis and are offset by credits to income derived under the Staff Assessment Plan. After deducting the appropriate part of income derived from the Staff Assessment Plan (\$107,289—see paragraph 12) and of income from "agency procurement commission" (\$79,145—see paragraph 12), the net cost of operational services in 1954 amounted to \$802,339.

17. *Expenditure on administration* totalled \$1,351,601 (gross). Salaries and wages have been stated on a "gross" basis and are offset by credits to income derived under the Staff Assessment Plan. After deducting the appropriate part of income under Staff Assessment Plan (\$152,480—see paragraph 12) and of income from "agency procurement commission" (\$22,000—see paragraph 12), the net cost of administration in 1954 amounted to \$1,177,121.

<sup>2</sup> A breakdown by type of programme is shown in paragraph 15.

<sup>3</sup> For a number of years, only personnel and related costs of the milk conservation programme were recorded under the heading of "Operational services". In the budget of 1954 the personnel costs of the area and country offices and of the supply operation were added. UNICEF's representatives in area and country offices are mainly engaged in advising and assisting Governments on the preparation and execution of aided projects and are, therefore, rendering a direct service. The costs of procurement and shipping, as represented by the Supply Division at Headquarters and Paris, and by the offices in London and Sydney represent an addition to the value of goods shipped and therefore are also charged to "Operational services". This definition of "Operational services" was considered by the Advisory Committee on Administrative and Budgetary Questions, which concurred with the justification offered by the Administration of UNICEF.

18. The following table shows comparative figures of budgets (gross) for administration and operational services in 1949 and 1950 (years of highest expenditures) and in 1953 and 1954, also actual costs (gross and net) for the same years (recalculated on the basis of the division referred to in paragraph 16):

	1949 \$	1950 \$	1953 \$	1954 \$
Budget authorizations (gross).....	2,972,657	2,949,935	2,331,213	2,385,040
Actual administrative costs (gross).....	1,500,139	1,495,872	1,388,769	1,351,601
Actual operational services costs (gross).....	1,131,718	1,125,988	831,399	988,773
TOTAL COSTS GROSS	2,631,857	2,621,860	2,220,168	2,340,374
Actual administrative costs (net).....	1,359,883	1,346,710	1,226,569	1,177,121
Actual operational services costs (net).....	1,036,172	1,013,462	727,949	802,339
TOTAL COSTS NET	2,396,055	2,360,172	1,954,518	1,979,460

19. *Expenditure on assistance* (see table, paragraph 20) in 1954 (operational services on a net basis) totalled \$12,936,161 compared with \$11,014,411 in 1953, an increase of \$1,921,750 over 1953 (17 per cent). Administrative costs (net) in 1954 totalled \$1,177,121 compared with \$1,226,569 in 1953, a decrease of \$49,448. This constituted a decrease of 4 per cent as compared with administrative costs (net) in 1953.

20. The following table shows the ratio of expenditure on assistance and cost of administration (net) to total expenditures in 1952, 1953 and 1954 (the administrative costs and the costs of operational services for 1952 and 1953 recalculated to conform with the division referred to in the footnote to paragraph 16). The ratio for the year 1954 was 91.7 per cent for assistance and 8.3 per cent for administration:

	\$	Percentage	\$	Percentage
1952 Expenditure on assistance (area, country and general) <sup>a</sup>	11,371,390	85.6		
Operational services (net).....	705,650	5.3	12,077,040	90.9
Administrative costs (net).....			1,212,432	9.1
		TOTAL	13,289,472	100.0
1953 Expenditure on assistance (area, country and general) <sup>a</sup>	10,286,462	84.1		
Operational services (net).....	727,949	5.9	11,014,411	90.0
Administrative costs (net).....			1,226,569	10.0
		TOTAL	12,240,980	100.0
1954 Expenditure on assistance (area, country and general) <sup>a</sup>	12,133,822	86.0		
Operational services (net).....	802,339	5.7	12,936,161	91.7
Administrative costs (net).....			1,177,121	8.3
		TOTAL	14,113,282	100.0

<sup>a</sup> Excluding "operational services".

21. The question of the ratio of administrative costs to total expenditures was examined by the UNICEF Executive Board in December 1954 when it reviewed the administrative and operational services expenditures for the first nine months of 1954. The following is an excerpt from the Board's report on this subject:

"10. . . . The rate of administrative costs (net) to total expenses for the (nine months) period was 8.5 per cent<sup>4</sup>. This compares with 10 per cent for the calendar year 1953.

"11. The reduction in the ratio of administrative costs to total expenditures was noted with satisfaction. At the same time, attention was directed to the fact that the computation of this ratio depends in large part upon the money spent on assistance during the year, and that for a variety of reasons this amount of money does not necessarily reflect the administrative workload of the agency. Consequently the ratio of administrative expenditures can only be used with considerable reserve as a measure of the administrative efficiency of the organization.

<sup>4</sup> As is noted in paragraph 20, the ratio for the twelve-month period was 8.3 per cent.

"12. For some important supply items such as milk and penicillin there has been a considerable drop in the prices paid by UNICEF. In 1954, UNICEF, with total expenditures of about \$14 million, will include in its shipments 85 million pounds of dried skim milk and two million vials of penicillin. The costs of these two commodities will be about 9 per cent of total expenditures. In 1949, the year in which the ratio of administrative expenses was at the lowest point, UNICEF shipped considerably less skim milk and penicillin (50 million pounds of dried skim milk and 370,000 vials of penicillin) with the cost of these commodities constituting about 15 per cent of expenditures totalling \$47 million. If 1949 prices had applied to the shipment of milk and penicillin in 1954 the ratio of administrative costs for the first nine months of 1954 would have been halved.

"13. Moreover, the geographic coverage of UNICEF aid has greatly increased, while the shift in emphasis from emergency relief to long-range aid requires additional staff-work to assure maximum returns on assistance granted. In 1949, less than one-fourth of the total of allocations was for long-range aid; in 1954, long-range aid constituted over 80 per cent. In 1949, UNICEF was aiding less than 100 programmes in 23 countries and territories; in 1954, UNICEF was aiding over 250 programmes in 88 countries and territories" (E/ICEF/280).

22. The following table of programme allocations as at 31 December 1954 by main classifications of assistance and divided into two periods (1947-1950 and 1951-1954) shows the trend of UNICEF aid. Emergency aid (foods, raw materials and miscellaneous), which accounted for 76 per cent of UNICEF assistance in the first period, decreased to 27 per cent in the second period, while long-range aid increased from 24 per cent to 73 per cent.

PROGRAMME ALLOCATIONS BY MAIN CLASSIFICATIONS

As at 31 December 1954

(In thousands of US dollars)

	1947-1950	Percentage	1951-1954	Percentage	Total
<b>LONG-RANGE AID</b>					
I. Maternal and child welfare services and training.....	8,458.3	7.4	10,995.7	23.6	19,454.0
II. Mass health.....	13,075.6	11.4	14,541.2	31.2	27,616.8
III. Child nutrition:					
(i) Long-range feeding.....	1,795.5	1.6	3,212.3	6.9	5,007.8
(ii) Food conservation.....	3,928.2	3.4	5,236.1	11.2	9,164.3
Total long-range aid.....	27,257.6	23.8	33,985.3	72.9	61,242.9
EMERGENCY AID.....	87,438.1	76.2	12,618.1	27.1	100,056.2
Total project aid.....	114,695.7	100.0	46,603.4	100.0	161,299.1
Unprogrammed balances as at 31 December 1954					
Area assistance.....				1,874.9	
Assistance benefiting more than one area.....				28.1	1,903.0
Freight, insurance and ancillary charges.....					21,784.6
Operational services.....					7,504.5
Administration.....					10,895.7
TOTAL ALLOCATIONS (see schedule C)					203,386.9

Principal of the Fund, 1947-1954

23. The following figures indicate the trend in "Income" and the "Principal" of the Fund. For the four years (1949-1952) expenditure exceeded the annual income, and the principal of the Fund, therefore, decreased during those years by a total of some \$34,600,000. In 1953 and 1954, the trend was reversed and the income exceeded the expenditure by \$3,712,510 in 1953 and by \$569,747 in 1954 (see statement of income and expenditure). The following table shows "Income" from 1947 through 1954 by main classifications:

INCOME

(In thousands of US dollars)

	1947	1948	1949	1950	1951	1952	1953	1954	Total
(a) Contributions									
Governments.....	20,170	40,875	26,313	19,228	10,315	9,353	14,267	13,608	154,129
Private (including organized campaigns).....	16	5,904	5,014	1,513	236	144	7828	461	14,116
UNRRA.....	11,650	12,107	8,075	518	245	137	428	70	33,230
TOTAL	31,836	58,886	39,402	21,259	10,796	9,634	15,523	14,139	201,475

	INCOME (continued)								Total
	1947	1948	1949	1950	1951	1952	1953	1954	
(b) Other income									
Investments.....	11	88	313	494	305	315	367	377	2,270
Staff Assessment Plan..	—	—	—	262	235	237	240	260	1,234
Miscellaneous.....	—	—	115	134	72	48	63	165	597
Difference in exchange..	—	(26)	(108)	548	15	38	1	2	470
Agency procurement commission.....	—	—	—	—	—	—	25	101	126
<b>TOTAL</b>	<b>11</b>	<b>62</b>	<b>320</b>	<b>1,438</b>	<b>627</b>	<b>638</b>	<b>696</b>	<b>905</b>	<b>4,697</b>
<b>GRAND TOTAL</b>	<b>31,847</b>	<b>58,948</b>	<b>39,722</b>	<b>22,697</b>	<b>11,423</b>	<b>10,272</b>	<b>16,219</b>	<b>15,044</b>	<b>206,172</b>

A statement of contributions from all sources by area and country from inception to 31 December 1954 is given in annex III.

24. Schedule C attached shows total expenditures of \$177,945,240 for the period from inception to 31 December 1954, of which \$9,386,785 was spent on administration (gross) and \$6,389,970 on operational services (gross); \$162,168,485 was spent on assistance, other than operational services. Within this period, income other than contributions, namely, from investments, Staff Assessment Plan and other miscellaneous revenue amounted to \$4,697,426 (see table of "Income", paragraph 23). Thus, out of each dollar contributed to UNICEF and expended up to 31 December 1954, 97 cents were used for assistance (of which 3 cents were for operational services) and the remaining 3 cents were used for administrative overhead.

25. The following table shows the position of the principal of the Fund at the end of each financial year since inception:

PRINCIPAL OF THE FUND		
As at 31 December		
(In thousands of US dollars)		
	Decrease during the year	Increase during the year
1947.....	—	—
1948.....	—	27,404
1949.....	6,943	—
1950.....	13,236	—
1951.....	11,148	—
1952.....	3,255	—
1953.....	—	3,713
1954.....	—	570

Of the \$28,226,657 of the principal of the Fund as at 31 December 1954, the sum of \$25,441,664 was allocated by the Executive Board, leaving \$2,784,993 unallocated (see paragraph 3).

#### Internal matching by Governments

26. A statement is attached (annex IV) showing funds expended and committed by Governments for projects being aided by UNICEF. For the purpose of the statement, only the commitments and expenditures of governmental authorities have been included, whether central or local. Because records are not as readily available to the Fund, the commitments and expenditures of voluntary agencies have been excluded. Also excluded are local costs to Governments resulting from aid, generally in the form of international personnel, furnished by other United Nations agencies to projects assisted by the Fund.

27. "Programme allocations by UNICEF" totalling \$203,386,905 are the same as the "Authorized allocations" from the inception of the Fund up to 31 December 1954, as shown in schedule C, with the exception that allocations not yet programmed are shown separately, since at that stage there cannot be commitments by receiving Governments. "Programme matching" is shown in two columns relating, respectively, to "Expenditures" and "Commitments" which have not yet materialized in expenditures or for which records of expenditure have not yet been received. At the time when a UNICEF allocation to a project is authorized by the Executive Board the commitments which assisted Governments will undertake are also stated. The next stage is the agreed plan of operation in which the commitments are given in more detail, together with estimated money values.

28. As the plan of operation is executed, the UNICEF allocation takes form in the delivery of supplies (UNICEF commitments thus materialize in expenditures), and on the other hand, the government commitments are also gradually implemented and become expenditures. This process results in a corresponding increase in the "Expenditures" column of annex IV and a decrease in the "Commitments" column. This takes place progressively over the period of the plan of operation which, in the case of a long-range project, may on occasion last up to seven years. At any given moment, therefore, there are considerable commitments which have not yet become expenditures. There is a further period before expenditures are actually recorded by the Fund.

29. The expenditure figures are based on governmental certificates which have been reviewed by UNICEF country and regional offices and also by UNICEF internal auditors. Commitments in the plans of operation are in real terms—the goods and services necessary for the execution of the project—and money values are forecasts and are given only as a general guide. Hence, the expenditures finally incurred may differ somewhat from the corresponding commitments. Further, plans of operation may be amended during the period of execution by agreement between the Government and the Fund, with corresponding changes in commitments. Fluctuation of currencies may also affect the dollar equivalent of commitments. Finally, the tabulation comprises commitments of which the Fund has records at this time. Items that require further clarification have not been included.

30. At 31 December 1954, the recorded expenditures were the equivalent of \$234,625,000 and the balance of commitments the equivalent of \$100,313,000, making a total of programme matching of the equivalent of \$334,938,000.

31. The "Administrative expenditures of UNICEF country offices" are expenditures by assisted Governments to cover the local costs of the offices of UNICEF resident representatives. Total expenditures recorded under this heading up to 31 December 1954 were the equivalent of \$2,781,000.

32. Total internal matching is the sum of programme matching and administrative expenses, and amounts to \$337,719,000. If this is added to UNICEF allocations the total of \$541,106,000 represents the estimated total cost of the projects to which UNICEF has approved assistance.

### Budgetary authorizations—administrative costs and costs of operational services

33. The statement of 1954 budgetary authorizations,<sup>5</sup> obligations incurred and unobligated balances of authorizations shows a total of budgetary authorizations at \$2,385,040 (gross); obligations incurred for administrative costs at \$1,351,601 gross (net \$1,177,121, after deducting \$152,480 income derived under "Staff Assessment Plan" and \$22,000 income from "agency procurement commission"—see paragraph 17); obligations incurred for operational services at \$988,773 gross (net \$802,339, after deducting \$107,289 income derived under "Staff Assessment Plan" and \$79,145 income from "agency procurement commission"—see paragraph 16); and unobligated balances of authorizations at \$44,666 after a provision of \$80,000 was made for reimbursement of national income tax. This surplus of \$44,666 from the allocation for 1954 administrative costs and costs of operational services was returned to the general resources of UNICEF in March 1955.

34. Obligations (gross) incurred in 1954 represented 98.1 per cent of the budgetary authorizations (gross) for that year. The following table presents a summary of budgetary authorizations, obligations incurred, ratio of obligations incurred to budgetary authorizations and unobligated balances of authorizations, for each of the five sections of the budget:

BUDGETARY AUTHORIZATIONS, OBLIGATIONS INCURRED AND UNOBLIGATED BALANCES OF AUTHORIZATIONS  
ADMINISTRATIVE COSTS AND COSTS OF OPERATIONAL SERVICES

Sections	Budgetary authorizations \$	Obligations incurred			Ratio of obligations incurred to budgetary authorizations Percentage	Unobligated balances of authorizations \$
		Administration \$	Operational services \$	Total \$		
I. New York headquarters . . . . .	1,037,010	747,194.05	278,322.20	1,025,516.25	98.9	11,493.75
II. Asia regional, area and country offices . . . . .	385,400	187,339.69	187,950.98	375,290.67	97.4	10,109.33
III. Africa, Eastern Mediterranean and Europe regional, area and country offices . . . . .	642,250	252,049.59	379,300.26	631,349.85	98.3	10,900.15
IV. Latin America regional, area and country offices . . . . .	222,750	102,018.24	109,570.04	211,588.28	95.0	11,161.72
V. South-west Pacific office . . . . .	17,630	—	16,629.13	16,629.13	94.3	1,000.87
	<u>2,305,040</u>	<u>1,288,601.57</u>	<u>971,772.61</u>	<u>2,260,374.18</u>	<u>98.1</u>	<u>44,665.82</u>
Provision for reimbursement of national income taxes . . . . .	80,000	63,000.00	17,000.00	80,000.00	100.0	—
TOTALS (gross)	<u>2,385,040</u>	<u>1,351,601.57</u>	<u>988,772.61</u>	<u>2,340,374.18</u>	<u>98.1</u>	<u>44,665.82</u>
Less:						
Staff Assessment Plan . . . . .		(152,480.57)	(107,288.31)	(259,768.88)		
Agency procurement commission . . . . .		(22,000.00)	(79,145.38)	(101,145.38)		
OBLIGATIONS INCURRED (net)		<u>1,177,121.00</u>	<u>802,338.92</u>	<u>1,979,459.92</u>		

<sup>5</sup> Including transfers from the Administrative Contingency Fund.



**Ex gratia payments**

35. In accordance with the requirements of financial regulation 10.3, the following statement is submitted:

There were no *ex gratia* payments authorized during the year.

- Annex I: Investments
- Annex II: List of bank accounts
- Annex III: Statement of contributions from inception to 31 December 1954
- Annex IV: Statement of allocations and internal matching (summary table and five area tables)

25 April 1955

(Signed) Maurice PATE  
Executive Director

ANNEX I

**Investments as at 31 December 1954**

<i>Designation</i>	<i>Nominal value</i> \$	<i>Book value with interest accrued as at 31 December 1954</i> \$
United States Treasury Certificates of Indebtedness, 1 $\frac{5}{8}$ per cent, due 15 February 1955.....	4,000,000.00	4,056,808.22
United States Treasury Certificates of Indebtedness, 1 $\frac{1}{4}$ per cent, due 15 December 1955.....	3,000,000.00	3,001,643.84
Federal Land Bank Bonds, 2 $\frac{1}{4}$ per cent, due 1 November 1958.....	2,000,000.00	2,007,996.22
United States Treasury Bonds, 2 $\frac{1}{8}$ per cent, due 15 November 1960.....	2,000,000.00	2,016,068.50
	11,000,000.00	11,082,516.78
Savings account (thirty days' notice): Bank of America, National Trust and Savings Association, San Francisco		5,081,106.14
	<b>TOTAL</b>	<b>16,163,622.92</b>

ANNEX II

**List of bank accounts**

**AFRICA**

*French Equatorial Africa*

Banque de l'Afrique Occidentale, S.A., Brazzaville

**AMERICAS**

*Brazil*

Banco do Brasil S.A., Rio de Janeiro  
National City Bank of New York (First National City Bank of New York), Rio de Janeiro

*Chile*

Banco Central de Chile, Santiago  
National City Bank of New York (First National City Bank of New York), Santiago

*Ecuador*

La Previsora Banco Nacional de Crédito, Quito

*Guatemala*

Banco Agrícola Mercantil, Guatemala

*Peru*

Banco de Crédito del Peru, Lima  
National City Bank of New York (First National City Bank of New York), Lima

*United States of America*

New York:

Chase Manhattan Bank,  
Pine Street corner of Nassau  
Chase Manhattan Bank,  
Forty-Second Street Branch  
Chemical Corn Exchange Bank,  
United Nations Office  
Federal Reserve Bank of New York  
First National City Bank of New York  
San Francisco:

Bank of America, National Trust and Savings Association

**ASIA**

*Afghanistan*

Da Afghanistan Bank, Kabul

*Burma*

Lloyds Bank, Limited, Rangoon  
State Commercial Bank, Rangoon

*China*

Bank of Taiwan, Taipeh

- India*  
Central Bank of India, Limited, New Delhi  
Lloyds Bank, Limited, New Delhi
- Indonesia*  
Nationale Handelsbank N.V., Djakarta
- Japan*  
Chase Manhattan Bank, Tokyo
- Korea*  
Bank of Korea, Seoul
- Pakistan*  
Lloyds Bank, Limited, Dacca  
Lloyds Bank, Limited, Karachi  
State Bank of Pakistan, Karachi
- Philippines*  
Bank of America, National Trust and Savings  
Association, Manila
- Thailand*  
Provincial Bank, Limited, Bangkok
- Viet-Nam*  
Banque de l'Indochine, S.A., Saigon
- AUSTRALIA**  
Commonwealth Trading Bank of Australia,  
Sydney
- EASTERN MEDITERRANEAN**
- Egypt*  
National Bank of Egypt, Cairo
- Ethiopia*  
State Bank of Ethiopia, Addis Ababa
- Iraq*  
Ottoman Bank, Baghdad
- Israel*  
Bank Leumi le-Israel, B.M., Haifa
- Lebanon*  
Banque de Syrie et du Liban, S.A., Beirut
- Turkey*  
Banque Centrale de la République de Turquie,  
S.A., Ankara
- EUROPE**
- Austria*  
Creditanstalt-Bankverein, Vienna
- Belgium*  
Banque de la Société Générale de Belgique, S.A.,  
Brussels
- Bulgaria*  
Banque Nationale de Bulgarie, Sofia
- Czechoslovakia*  
Státní Banka Československá, Prague
- Denmark*  
Privatbanken i Kjobenhavn, Aktieselskab,  
Copenhagen  
Postal Administration of Denmark, Copenhagen
- Finland*  
Ab Nordiska Föreningsbanken, Helsinki
- France*  
Chase Manhattan Bank, Paris  
Morgan & Cie, Incorporated, Paris  
Postal Administration of France, Paris  
Société Générale, Paris
- Germany*  
Bank Deutscher Länder, Frankfurt (Main)
- Greece*  
National Bank of Greece and Athens, Athens
- Iceland*  
Landsbanki Islands, Reykjavik
- Ireland*  
National City Bank, Limited, Dublin
- Italy*  
Banco di Roma, Rome
- Luxembourg*  
Banque Internationale à Luxembourg, S.A.,  
Luxembourg
- Netherlands*  
Amsterdamsche Bank, N.V., Amsterdam
- Norway*  
Christiania Bank og Kreditkasse, Oslo
- Poland*  
Bank Handlowy w Warszawie, S.A., Warsaw
- Sweden*  
Aktiebolaget Svenska Handelsbanken, Stockholm  
Stockholm Enskilda Bank, A.B., Stockholm
- Switzerland*  
Banque Nationale Suisse, Berne  
Crédit Suisse, Zürich
- Trieste*  
Banco di Roma, Trieste
- United Kingdom*  
Bank of England, London  
Chase Manhattan Bank, London  
Morgan Grenfell & Co., Limited, London  
National Provincial Bank, Limited, London
- Yugoslavia*  
Banque Nationale de la République Fédérative  
Populaire de Yougoslavie, Belgrade



## ANNEX IV. SUMMARY TABLE

Statement of programme allocations by UNICEF and internal matching by Governments  
from inception to 31 December 1954

(in US dollar equivalents in units of \$1,000)

	Programme allocations	Internal matching by Governments			Total
		Programme matching		Funds provided for administrative expenditures of UNICEF country offices	
		Expenditures	Commitments*		
<b>AREA ASSISTANCE</b>					
Africa (table 1).....	3,730.6	733	4,864	—	5,597
Asia (table 2).....	36,859.6	15,935	46,135	778	62,848
Eastern Mediterranean (table 3).....	24,426.3	4,184	11,877	91	16,152
Europe (table 4).....	101,472.6	205,131	15,949	1,643	222,723
Latin America (table 5).....	13,494.7	8,642	21,488	269	30,399
Unprogrammed.....	1,874.9	—	—	—	—
<b>TOTAL AREA ASSISTANCE</b>	<b>181,858.7</b>	<b>234,625</b>	<b>100,313</b>	<b>2,781</b>	<b>337,719</b>
<b>GENERAL ASSISTANCE</b>					
Fish flour acceptability tests.....	5.0				
Fellowships—Calcutta Training Centre	25.0				
Personnel for anti-tuberculosis projects	61.5				
Group training courses.....	590.0				
International Children's Centre, Paris.	2,246.5				
Provision for insurance.....	200.0				
Operational services.....	7,504.5				
<b>TOTAL GENERAL ASSISTANCE</b>	<b>10,632.5</b>				
<b>ADMINISTRATION.....</b>	<b>10,895.7</b>				
<b>GRAND TOTAL</b>	<b>203,386.9</b>	<b>234,625</b>	<b>100,313</b>	<b>2,781</b>	<b>337,719</b>

\* Not yet materialized in expenditures.

## ANNEX IV. TABLE 1

Statement of programme allocations by UNICEF and internal matching by Governments  
from inception to 31 December 1954

(in US dollar equivalents in units of \$1,000)

## Area: Africa

UNICEF-aided countries	Programme allocations*	Internal matching by Governments			Total
		Programme matching		Funds provided for administrative expenditures of UNICEF country offices	
		Expenditures	Commitments**		
Basutoland.....	23.0	—	25	—	25
Bechuanaland.....	43.9	—	21	—	21
Belgian Congo and Ruanda Urundi.....	260.8	38	320	—	358
French Equatorial Africa.....	182.1	27	79	—	106
French West Africa, Cameroons and Togoland.	1,240.6	377	1,346	—	1,723
Gold Coast.....	28.6	—	151	—	151
Kenya.....	126.2	—	271	—	271
Kenya, Tanganyika and Uganda.....	57.8	—	260	—	260
Liberia.....	149.9	—	296	—	296
Mauritius.....	12.1	—	2	—	2
Morocco.....	593.1 <sup>a</sup>	291	463	—	754
Nigeria.....	469.1	—	680	—	680
Northern Rhodesia.....	39.5	—	111	—	111
Nyasaland.....	62.5	—	230	—	230
Southern Rhodesia.....	24.2	—	42	—	42
Tanganyika.....	178.3	—	301	—	301
Tunisia.....	216.9 <sup>b</sup>	—	171	—	171
Uganda.....	22.0	—	95	—	95
	<b>3,730.6</b>	<b>733</b>	<b>4,864</b>	<b>—</b>	<b>5,597</b>

\* Including freight.

\*\* Not yet materialized in expenditures.

<sup>a</sup> Includes BCG Joint Enterprise allocation of \$281,600—matching not applicable.<sup>b</sup> Includes BCG Joint Enterprise allocation of \$97,100—matching not applicable.

ANNEX IV. TABLE 2

Statement of programme allocations by UNICEF and internal matching by Governments from inception to 31 December 1954

(in US dollar equivalents in units of \$1,000)

Area: Asia

UNICEF-aided countries	Programme allocations* <sup>a</sup>	Internal matching by Governments		Funds provided for administrative expenditures of UNICEF country offices	Total
		Expenditures	Commitments**		
Afghanistan.....	525.2	841	518	7	1,366
Brunei.....	33.7	30	—	1	31
Burma.....	1,671.3	815	3,162	48	4,025
Cambodia.....	46.4	—	84	—	84
Ceylon.....	993.7	287	3,847	12	4,146
China—Taiwan.....	884.9	274	1,224	52	1,550
China—Mainland.....	1,909.5	— <sup>b</sup>	— <sup>b</sup>	65	65
Fiji.....	24.2	—	50	—	50
Hong Kong.....	233.3	403	34	6	443
India.....	12,513.9	3,457	17,800	126	21,383
Indonesia.....	4,738.7	3,433	4,741	153	8,327
Japan.....	1,062.3	1,119	492	1	1,612
Korea.....	3,125.0 <sup>c</sup>	—	1,265	9	1,274
Malaya.....	282.8	235	770	9	1,014
Netherlands New Guinea.....	22.0	—	56	—	56
North Borneo.....	127.5	35	138	4	177
Pakistan.....	4,095.3	2,255	9,146	102	11,503
Philippines.....	2,156.2	1,230	1,418	134	2,782
Sarawak.....	91.6	16	26	3	45
Singapore.....	80.1	118	26	2	146
Thailand.....	1,839.9	1,387	1,021	44	2,452
Viet-Nam.....	288.3	—	296	—	296
Western Samoa.....	8.8	—	21	—	21
BCG regional assessment teams..	105.0	— <sup>d</sup>	— <sup>d</sup>	—	— <sup>d</sup>
	<u>36,859.6</u>	<u>15,935</u>	<u>46,135</u>	<u>778</u>	<u>62,848</u>

\* Includes freight.

\*\* Not yet materialized in expenditures.

<sup>a</sup> The following unprogrammed balances not included:

	\$
Ceylon.....	13,100
China.....	1,536,100
Hong Kong.....	1,600
India.....	13,200
Korea.....	300
North Borneo.....	8,700
Pakistan.....	12,600
Philippines.....	10,900
Sarawak.....	500
Singapore.....	1,000
Indo-China, unapportioned.....	191,300
	<u>1,789,300</u>

<sup>b</sup> Matching data not available.

<sup>c</sup> Allocations prior to 1953 (\$1,551,700) not matchable.

<sup>d</sup> Matching not applicable.

## ANNEX IV. TABLE 3

Statement of programme allocations by UNICEF and internal matching by Governments  
from inception to 31 December 1954

(in US dollar equivalents in units of \$1,000)

## Area: Eastern Mediterranean

UNICEF-aided countries	Programme allocations*	Internal matching by Governments				Total
		Programme matching		Funds provided for administrative expenditures of UNICEF country offices		
		Expenditures	Commitments**			
Aden.....	12.2	1	—	—	1	
Egypt.....	1,391.3 <sup>a b</sup>	67	5,190	—	5,257	
Ethiopia.....	154.3	—	241	—	241	
Iraq.....	1,277.5	107	1,122	—	1,229	
Iraq.....	1,056.9	393	1,337	—	1,730	
Israel.....	1,110.1 <sup>b</sup>	3,382	565	91	4,038	
Jordan.....	1,168.8 <sup>a</sup>	—	26	—	26	
Lebanon.....	95.5 <sup>b</sup>	—	103	—	103	
Libya.....	333.1	—	176 <sup>c</sup>	—	176 <sup>c</sup>	
Sudan.....	60.0	—	50	—	50	
Syria.....	476.8 <sup>b</sup>	—	755	—	755	
Turkey.....	698.3 <sup>d</sup>	234	2,312	—	2,546	
Palestine refugees.....	16,521.5 <sup>a</sup>	<sup>a</sup>	<sup>a</sup>	—	<sup>a</sup>	
BCG regional assessment teams...	70.0	<sup>e</sup>	<sup>e</sup>	—	<sup>e</sup>	
	<u>24,426.3</u>	<u>4,184</u>	<u>11,877</u>	<u>91</u>	<u>16,152</u>	

\* Including freight.

\*\* Not yet materialized in expenditures.

\* Emergency allocations (not matchable) included as follows:

	\$
Egypt.....	200,000
Jordan.....	951,300
Palestine refugees.....	14,726,700

(Excl. freight to 31 December 1953) 15,878,000<sup>b</sup> BCG Joint Enterprise allocations (not matchable) included as follows:

	\$
Egypt.....	230,000
Israel.....	84,000
Lebanon.....	22,100
Syria.....	47,700
	<u>383,800</u>

<sup>c</sup> Matching data incomplete.<sup>d</sup> Unprogrammed balance \$800 not included.<sup>e</sup> Matching not applicable.

## ANNEX IV. TABLE 4

Statement of programme allocations by UNICEF and internal matching by Governments  
from inception to 31 December 1954

(in US dollar equivalents in units of \$1,000)

UNICEF-aided countries	Programme allocations* <sup>a</sup>	Area: Europe			Total
		Internal matching by Governments			
		Programme matching		Funds provided for administrative expenditures of UNICEF country offices	
		Expenditures	Commitments**		
Albania.....	324.6	240 <sup>b</sup>	—	1	241
Austria.....	6,930.6	11,242	114	98	11,454
Bulgaria.....	5,515.9	1,382	—	52	1,434
Czechoslovakia.....	5,622.9	18,066	—	—	18,066
Finland.....	2,093.4	3,692	922	31	4,645
France.....	2,732.9 <sup>o</sup>	4,158	—	—	4,158
Germany.....	3,031.5	4,860	—	118	4,978
Greece.....	9,866.0	14,523	589	233	15,345
Hungary.....	2,039.6	2,716 <sup>b</sup>	—	79	2,795
Italy.....	19,013.1	24,026	5,156	387	29,569
Malta.....	188.6	274	—	—	274
Poland.....	18,961.5	36,712	—	172	36,884
Portugal.....	62.8	—	128	—	128
Romania.....	7,191.2	18,592 <sup>b</sup>	—	174	18,766
Spain.....	90.0	—	174	—	174
Yugoslavia.....	17,808.0	64,648	8,866	298	73,812
	<u>101,472.6</u>	<u>205,131</u>	<u>15,949</u>	<u>1,643</u>	<u>222,723</u>

\* Including freight.

\*\* Not yet materialized in expenditures.

<sup>a</sup> The following unprogrammed balances not included:

	\$
Greece.....	23,600
Yugoslavia.....	3,100
	<u>26,700</u>

<sup>b</sup> Expenditures based on country offices' reports.<sup>o</sup> Algeria included.

## ANNEX IV. TABLE 5

Statement of programme allocations by UNICEF and internal matching by Governments  
from inception to 31 December 1954

(in US dollar equivalents in units of \$1,000)

## Area: Latin America

## Internal matching by Governments

UNICEF-aided countries	Programme allocations* <sup>a</sup>	Programme matching		Funds provided for administrative expenditures of UNICEF country offices	Total
		Expenditures	Commitments**		
Antigua.....	25.0	—	4	—	4
Bolivia.....	546.3	298	2,679	—	2,977
Brazil.....	3,372.5	441	7,695	129	8,265
British Guiana.....	60.5	—	26	—	26
British Honduras.....	77.2	41	9	—	50
Chile.....	1,154.1	727	2,634	41	3,402
Colombia.....	545.0	626	722	—	1,348
Costa Rica.....	431.5	286	436	—	722
Dominica.....	14.6	—	16	—	16
Dominican Republic.....	175.4	169	190	—	359
Ecuador.....	1,004.6 <sup>b</sup>	691	73	49	813
El Salvador.....	625.7	1,777	472	—	2,249
Grenada.....	44.5	24	42	—	66
Guatemala.....	382.9	246	483	43	772
Haiti.....	972.8	478	407	7	892
Honduras.....	487.1	260	397	—	657
Jamaica.....	165.2	96	121	—	217
Mexico.....	967.8 <sup>c</sup>	—	2,503	—	2,503
Montserrat.....	5.4	—	1	—	1
Nicaragua.....	513.1	903	358	—	1,261
Panama.....	168.3	182	89	—	271
Paraguay.....	242.7	323	44	—	367
Peru.....	1,073.1	969	1,665	—	2,634
St. Kitts.....	46.6	5	46	—	51
St. Lucia.....	41.2	11	17	—	28
St. Vincent.....	15.7	—	15	—	15
Surinam.....	87.9	—	183	—	183
Trinidad and Tobago.....	165.9	89	88	—	177
Uruguay.....	82.1	—	73	—	73
	<u>13,494.7</u>	<u>8,642</u>	<u>21,488</u>	<u>269</u>	<u>30,399</u>

\* Including freight.

\*\* Not yet materialized in expenditures.

<sup>a</sup> The following unprogrammed balances not included:

British Honduras.....	1,200
Colombia.....	4,500
Costa Rica.....	10,900
Ecuador.....	17,500
El Salvador.....	20,000
Paraguay.....	4,000
	<u>58,100</u>

<sup>b</sup> Includes BCG Joint Enterprise allocation \$273,400—matching not applicable.<sup>c</sup> Includes BCG Joint Enterprise allocation \$57,800—matching not applicable.



**FINANCIAL STATEMENTS**

**FOR THE EIGHTH FINANCIAL PERIOD ENDED 31 DECEMBER 1954**

**Statement of assets and liabili**

*(Expressed in US*

**ASSETS**

	\$	\$
Cash on hand and at banks (including deposits against irrevocable letters of credit totalling \$707,226.16) .....		4,306,436.73
Cash and investments under control of United Nations:		
Cash at banks .....	103,352.97	
Investments at cost (including interest accrued of \$81,891.78) .....	<u>16,163,622.92</u>	
		16,266,975.89
Deposits with suppliers .....		1,500,301.04
Accounts receivable, advances, deposits, etc. ....		66,951.73
Contributions receivable from Governments .....		8,768,347.77

30,909,013.16

CERTIFIED CORRECT:  
*(Signed)* Stanley SROKA  
*Comptroller*

**AUDIT**

The above statement of assets and liabilities has been examined in accordance with our directions. We have in our opinion, the above statement is correct.

ties as at 31 December 1954

dollar equivalent)

LIABILITIES

	\$	\$	\$
Unliquidated obligations:			
Supplies and equipment purchased . . . . .		434,204.25	
Operational services 1953 . . . . .	1,899.69		
1954 . . . . .	32,560.79	34,460.48	
Administrative costs 1953 . . . . .	6,229.06		
1954 . . . . .	80,484.90	86,713.96	
Accounts payable . . . . .		476,581.99	
			1,031,960.68
Trust funds:			
UNRWA . . . . .		1,205,706.44	
UNKRA . . . . .		26,893.01	
Governments . . . . .		62,404.31	
			1,295,003.76
Greeting Card Fund . . . . .			161,796.43
Reserve for insurance . . . . .			193,595.56
Principal of the Fund:			
Balance as at 1 January 1954 . . . . .		27,656,910.27	
Add: Excess of income over expenditure for the year ended 31 December 1954, per statement of income and expenditure . . . . .		569,746.46	
Balance as at 31 December 1954 . . . . .			28,226,656.73
Allocated (for assistance still to be given in re- cipient countries against which there are out- standing commitments totalling \$3,211,066.60)	25,441,663.72		
Unallocated . . . . .	2,784,993.01		
	28,226,656.73		
			30,909,013.16

APPROVED:  
(Signed) Maurice PATE  
Director

CERTIFICATE

obtained all the information and explanations that we have required, and we certify, as a result of the audit, that,

(Signed) Watson SELLAR, Canada  
Luis ACEVEDO RODRÍGUEZ, Colombia  
Otto F. REMKE, Denmark

**Statement of income and expenditure for the year ended 31 December 1954**

	\$	\$
<b>INCOME</b>		
Contributions from Governments, including receivables (schedule A) . . . . .	13,608,240.07	
Contributions from organized campaigns . . . . .	192,000.32	
Proceeds from settlement of UNRRA marine and other claims . . . . .	69,790.88	
Private contributions . . . . .	269,244.33	
Income from investments . . . . .	377,638.02	
Staff Assessment Plan . . . . .	259,768.88	
Agency procurement commission . . . . .	101,145.38	
Miscellaneous income . . . . .	164,019.96	
	<hr/>	
	15,041,847.84	
<i>Add:</i> Difference in exchange . . . . .	2,095.16	15,043,943.00
	<hr/>	
 <b>EXPENDITURE (schedule B)</b>		
Supplies and equipment . . . . .	11,228,144.38	
Fellowships . . . . .	37,601.41	
Project personnel . . . . .	544,060.93	
Group training courses . . . . .	10,144.87	
International Children's Centre, Paris . . . . .	313,870.77	
Operational services . . . . .	988,772.61	
	<hr/>	
	13,122,594.97	
Administrative costs . . . . .	1,351,601.57	14,474,196.54
	<hr/>	
 <b>EXCESS OF INCOME OVER EXPENDITURE, representing increase in principal of the Fund during the year . . . . .</b>		 <u>569,746.46</u>

**CERTIFIED CORRECT:**  
*(Signed)* Stanley SROKA  
*Comptroller*

**APPROVED:**  
*(Signed)* Maurice PATE  
*Director*

**AUDIT CERTIFICATE**

The above statement of income and expenditure has been examined in accordance with our directions. We have obtained all the information and explanations that we have required, and we certify, as a result of the audit, that, in our opinion, the above statement is correct.

*(Signed)* Watson SELLAR, *Canada*  
Luis ACEVEDO RODRIGUEZ, *Colombia*  
Otto F. REMKE, *Denmark*

**Statement of budgetary authorizations, obligations incurred, etc., follows overleaf**



tions—administrative costs and costs of operational services—for the year ended 31 December 1954  
incurred

<i>Operational services</i>			<i>Total</i>	<i>Unobligated balances of authorizations</i>
<i>Liquidated by disbursements</i> \$	<i>Unliquidated</i> \$	<i>Total</i> \$	\$	\$
208,232.54		208,232.54	789,172.69	887.31
30,773.65	602.00	31,375.65	113,903.34	4,146.66
34,572.47	3,164.60	37,737.07	118,848.51	6,101.49
961.98	14.96	976.94	3,591.71	358.29
<u>274,540.64</u>	<u>3,781.56</u>	<u>278,322.20</u>	<u>1,025,516.25</u>	<u>11,493.75</u>
136,435.13	141.02	136,576.15	266,765.74	734.26
39,641.73	1,712.53	41,354.26	70,222.37	3,577.63
7,167.00	1,160.48	8,327.48	35,539.72	4,810.28
1,693.09		1,693.09	2,762.84	987.16
<u>184,936.95</u>	<u>3,014.03</u>	<u>187,950.98</u>	<u>375,290.67</u>	<u>10,109.33</u>
247,618.30	903.81	248,522.11	419,921.23	1,978.77
41,823.36	2,878.12	44,701.48	81,950.26	2,399.74
73,800.88	4,619.81	78,420.69	119,444.40	6,505.60
7,655.98		7,655.98	10,033.96	16.04
<u>370,898.52</u>	<u>8,401.74</u>	<u>379,300.26</u>	<u>631,349.85</u>	<u>10,900.15</u>
70,074.80		70,074.80	132,078.83	1,821.17
22,427.68		22,427.68	38,445.30	2,354.70
16,573.48	272.50	16,845.98	40,115.60	6,384.40
221.58		221.58	948.55	601.45
<u>109,297.54</u>	<u>272.50</u>	<u>109,570.04</u>	<u>211,588.28</u>	<u>11,161.72</u>
13,151.30		13,151.30	13,151.30	128.70
1,549.66		1,549.66	1,549.66	100.34
1,837.21	90.96	1,928.17	1,928.17	621.83
				150.00
<u>16,538.17</u>	<u>90.96</u>	<u>16,629.13</u>	<u>16,629.13</u>	<u>1,000.87</u>
675,512.07	1,044.83	676,556.90	1,621,089.79	5,550.21
136,216.08	5,192.65	141,408.73	306,070.93	12,579.07
133,951.04	9,308.35	143,259.39	315,876.40	24,423.60
10,532.63	14.96	10,547.59	17,337.06	2,112.94
<u>956,211.82</u>	<u>15,560.79</u>	<u>971,772.61</u>	<u>2,260,374.18</u>	<u>44,665.82</u>
	17,000.00	17,000.00	80,000.00	
<u>956,211.82</u>	<u>32,560.79</u>	<u>988,772.61</u>	<u>2,340,374.18</u>	<u>44,665.82</u>

APPROVED:  
(Signed) Maurice PATE  
Director

CERTIFICATE  
authorizations has been examined in accordance with our directions. We have obtained all the information and statement is correct.

(Signed) Watson SELLAR, Canada  
Luis ACEVEDO RODRÍGUEZ, Colombia  
Otto F. REMKE, Denmark

SCHEDULE A

**Contributions from Governments (including contributions receivable)  
during the year ended 31 December 1954**

<i>Governments</i>	<i>Contributions</i>	<i>US dollar equivalent</i>	
		<i>\$</i>	<i>\$</i>
Afghanistan	US dollars (receivable)		9,000.00
Australia	201,000 Australian pounds		450,240.00
Austria	500,000 schillings		19,230.77
Belgium	3,500,000 Belgian francs (receivable)		70,000.00
Bolivia	US dollars (receivable)		15,000.00
Brazil	2,916,652.80 cruzeiros	157,231.96	
	3,000,000.00 cruzeiros	42,857.14	200,089.10
British Guiana	US dollars (receivable)		5,000.00
Brunei	25,000 Straits dollars		8,187.06
Burma	20,000 pounds sterling		56,000.00
Cambodia	US dollars		3,000.00
Canada	US dollars		515,463.92
Ceylon	35,700 Ceylon rupees		7,510.02
Chile	US dollars		37,002.10
China	US dollars (receivable)		10,000.00
Colombia	US dollars (receivable)		100,000.00
Costa Rica	US dollars (receivable)		10,000.00
Denmark	350,000 Danish kroner		50,680.00
Ecuador	US dollars	666.60	
	US dollars (receivable)	333.34	
	60,000 sucres	4,000.00	
	180,000 sucres (receivable)	12,000.00	16,999.94
Egypt	4,250 Egyptian pounds (receivable)		12,197.50
Finland	1,400,000 markkaas		6,086.96
France	175,000,000 French francs		500,000.00
Germany, Federal Republic of	500,000 Deutsche marks		119,047.62
Greece	Contribution in kind (raisins), (receivable)		12,000.00
Guatemala	Contribution in kind (coffee), (receivable)		20,000.00
Haiti	US dollars		10,000.00
Honduras	US dollars (receivable)		38,300.00
Hong Kong	20,000 Hong Kong dollars		3,500.00
Iceland	50,000 Icelandic kronur (receivable)		3,069.37
India	1,500,000 Indian rupees		315,000.00
Indonesia	US dollars		100,000.00
Iraq	7,500 Iraqi dinars	21,000.00	
	7,500 Iraqi dinars (receivable)	21,000.00	42,000.00
Ireland	5,000 Irish pounds		14,000.00
Israel	25,000 Israeli pounds		13,888.89
Italy	30,000,000 Italian lire (receivable)		48,000.00
Japan	35,782,471 yen		99,395.75
Jordan	500 Jordan dinars (receivable)		1,400.00
Liechtenstein	2,000 Swiss francs		468.00
Luxembourg	150,000 Belgian francs		3,000.00
Malaya	75,000 Malayan dollars		24,500.00
Monaco	300,000 French francs		857.14
Netherlands	150,000 guilders		39,473.68
New Zealand	75,000 New Zealand pounds		210,000.00
North Borneo	10,000 Straits dollars		3,266.67
Norway	400,000 Norwegian kroner		56,000.00
Pakistan	200,000 Pakistani rupees		60,450.00
Panama	US dollars		10,000.00
Paraguay	US dollars (receivable)		5,000.00
Peru	458,333.26 soles	24,122.79	
	1,041,666.74 soles (receivable)	54,824.58	78,947.37
Philippines	99,999 Philippine pesos		49,999.50
Sarawak	50,000 Straits dollars		16,333.33
Singapore	10,000 Straits dollars		3,266.67
Sweden	1,000,000 Swedish kronor		193,050.19
Switzerland	700,000 Swiss francs		163,800.00
Syria	25,000 Syrian pounds (receivable)		7,002.80



SCHEDULE A (continued)

**Contributions from Governments (including contributions receivable)  
during the year ended 31 December 1954 (continued)**

<i>Governments</i>	<i>Contributions</i>	<i>US dollar equivalent</i>	
		\$	\$
Thailand.....	Contribution in kind (rice), valued at		633,750.01
Turkey.....	75,000 Turkish pounds		26,785.71
United Kingdom.....	200,000 pounds sterling		560,000.00
United States of America.....	US dollars (receivable)		8,300,000.00
Vatican State.....	US dollars		1,000.00
Venezuela.....	US dollars		20,000.00
Yugoslavia.....	60,000,000 Yugoslav dinars		200,000.00
		<b>TOTAL</b>	<b>13,608,240.07</b>



**Statement of allocations, expenditures, etc., follows overleaf**

## Statement of allocations, expenditures and balances of all

	<i>Allocations</i>		
	<i>Balances 1 Jan. 1954 \$</i>	<i>Authorized in 1954 \$</i>	<i>Total for 1954 and after \$</i>
<b>AREA AND COUNTRY ASSISTANCE</b>			
<i>Africa</i>			
Basutoland.....		23,000.00	23,000.00
Bechuanaland.....	43,756.83		43,756.83
Belgian Congo and Ruanda Urundi.....	72,471.67	49,700.00	122,171.67
French Equatorial Africa.....	130,638.57		130,638.57
French West Africa, Cameroons and Togoland.....	100,690.01	815,000.00	915,690.01
Gold Coast.....		28,600.00	28,600.00
Kenya.....		126,200.00	126,200.00
Kenya, Tanganyika and Uganda...	31,400.00	26,400.00	57,800.00
Liberia.....	43,850.05	35,000.00	78,850.05
Mauritius.....	8,453.79		8,453.79
Morocco.....	189,499.96	20,400.00	209,899.96
Nigeria.....	317,318.04	78,600.00	395,918.04
Northern Rhodesia.....		39,500.00	39,500.00
Nyasaland.....		62,500.00	62,500.00
Southern Rhodesia.....		24,200.00	24,200.00
Tanganyika.....		178,300.00	178,300.00
Tunisia.....	117,251.74	(9,700.00)	107,551.74
Uganda.....		22,000.00	22,000.00
<b>AREA TOTAL</b>	<b>1,055,330.66</b>	<b>1,519,700.00</b>	<b>2,575,030.66</b>
<i>Asia</i>			
Afghanistan.....	113,715.48	46,200.00	159,915.48
Brunei.....	2,245.19	(1,500.00)	745.19
Burma.....	355,938.27	533,400.00	889,338.27
Cambodia.....	39,384.69	(9,475.00)	29,909.69
Ceylon.....	276,551.51	210,350.00	486,901.51
China—Mainland.....	1,536,109.46		1,536,109.46
—Taiwan.....	148,603.07	444,600.00	593,203.07
Fiji.....		24,200.00	24,200.00
Hong Kong.....	60,954.49	(1,200.00)	59,754.49
India.....	3,911,037.65	1,997,150.00	5,908,187.65
Indonesia.....	1,580,845.71	717,780.00	2,298,625.71
Japan.....	270,675.08	62,500.00	333,175.08
Korea.....	455,405.19	662,500.00	1,117,905.19
Malaya.....	86,790.44	25,300.00	112,090.44
Netherlands New Guinea*.....		22,000.00	22,000.00
North Borneo.....	21,513.64	43,500.00	65,013.64
Pakistan.....	825,176.20	883,000.00	1,708,176.20
Philippines.....	441,341.21	300,000.00	741,341.21
Sarawak.....	16,989.68	3,500.00	20,489.68
Singapore.....	18,156.65	25,500.00	43,656.65
Thailand.....	623,364.98	170,490.00	793,854.98
Viet-Nam.....	133,036.67	125,670.00	258,706.67
Western Samoa.....		8,800.00	8,800.00
BCG regional assessment teams....	30,000.00	74,945.00	104,945.00
Indo-China, unapportioned.....	313,900.00	(122,600.00)	191,300.00
<b>AREA TOTAL</b>	<b>11,261,735.26</b>	<b>6,246,610.00</b>	<b>17,508,345.26</b>
<i>Eastern Mediterranean</i>			
Aden.....	7,438.75	(2,100.00)	5,338.75
Egypt.....	675,608.02	11,000.00	686,608.02
Ethiopia.....	22,271.43	74,700.00	96,971.43
Iran.....	573,000.64	449,000.00	1,022,000.64
Iraq.....	582,473.67	206,100.00	788,573.67

B

## of allocations for the year ended 31 December 1954

<i>Expenditures</i>					<i>Balances of allocations 31 Dec. 1954</i>
<i>Supplies and equipment</i> \$	<i>Fellowships</i> \$	<i>Project personnel</i> \$	<i>Other services</i> \$	<i>Total</i> \$	\$
					23,000.00
14,008.51				14,008.51	29,748.32
54,338.16				54,338.16	67,833.51
1,975.54				1,975.54	128,663.03
271,846.41				271,846.41	643,843.60
					28,600.00
49,202.52				49,202.52	76,997.48
22,855.18				22,855.18	21,944.82
32,935.01		4,701.66		37,636.67	41,213.38
					8,453.79
96,305.32		15,250.78		111,556.10	98,343.86
146,251.36				146,251.36	249,666.68
					39,500.00
801.05				801.05	61,698.95
					24,200.00
54,441.09				54,441.09	123,858.91
50,179.65		15,230.09		65,409.74	42,142.00
7,320.45				7,320.45	14,679.55
802,460.25	.	35,182.53		837,642.78	1,737,387.88
76,544.79				76,544.79	83,370.69
12.90				12.90	732.29
366,041.43		8,891.61		374,933.04	514,405.23
7,026.47		13,303.45		20,329.92	9,579.77
212,647.06		4,609.92		217,256.98	269,644.53
					1,536,109.46
203,450.08				203,450.08	389,752.99
10,164.10				10,164.10	14,035.90
16,902.03				16,902.03	42,852.46
1,816,510.22	3,628.16	100,713.15		1,920,851.53	3,987,336.12
899,576.48	2,809.71	17,438.99		919,825.18	1,378,800.53
420,112.07				420,112.07	(86,936.99)
1,244,785.35				1,244,785.35	(126,880.16)
49,001.91	1,070.46			50,072.37	62,018.07
1,267.97				1,267.97	20,732.03
12,872.58				12,872.58	52,141.06
367,553.03	2,763.55	46,744.32		417,060.90	1,291,115.30
286,860.41	919.80	8,004.57		295,784.78	445,556.43
5,559.90				5,559.90	14,929.78
10,171.41				10,171.41	33,485.24
256,916.40	6,613.37	17,693.02		281,222.79	512,632.19
64,944.44		15,728.10		80,672.54	178,034.13
5,709.25				5,709.25	3,090.75
		64,106.43		64,106.43	40,838.57
					191,300.00
6,334,630.28	17,805.05	297,233.56		6,649,668.89	10,858,676.37
505.04				505.04	4,833.71
362,773.69		1,191.14		363,964.83	322,643.19
14,521.27		42,882.09		57,403.36	39,568.07
648,245.98		22,411.00		670,656.98	351,343.66
176,402.24	525.04	34,873.40		211,800.68	576,772.99

## Statement of allocations, expenditures and balances of

	<i>Allocations</i>		
	<i>Balances 1 Jan. 1954 \$</i>	<i>Authorized in 1954 \$</i>	<i>Total for 1954 and after \$</i>
<i>Eastern Mediterranean (continued)</i>			
Israel.....	435,945.45	(1,100.00)	434,845.45
Jordan.....	339,314.68	454,200.00	793,514.68
Lebanon.....	10,886.83	34,100.00	44,986.83
Libya.....	123,182.47	118,100.00	241,282.47
Sudan.....	46,439.79	10,940.00	57,379.79
Syria.....	166,314.94	190,800.00	357,114.94
Turkey.....	351,845.96	161,400.00	513,245.96
Palestine refugees.....	261,479.31		261,479.31
BCG regional assessment teams....	10,000.00	60,000.00	70,000.00
<b>AREA TOTAL</b>	<b>3,606,201.94</b>	<b>1,767,140.00</b>	<b>5,373,341.94</b>
<i>Europe</i>			
Austria.....	103,064.75	(51,300.00)	51,764.76
Bulgaria.....	45.10	(45.10)	
Czechoslovakia.....	1,095.53	(200.53)	895.00
Finland.....	1,341.87	247,500.00	248,841.87
France.....	67,287.28	(100.00)	67,187.28
Germany.....	464.41		464.41
Greece.....	301,252.01	70,000.00	371,252.01
Italy.....	451,420.14	44,000.00	495,420.14
Malta.....	13,777.84		13,777.84
Poland.....	4,748.94	(964.45)	3,784.49
Portugal.....	62,800.00		62,800.00
Spain.....		90,000.00	90,000.00
Yugoslavia.....	607,706.43	434,100.00	1,041,806.43
<b>AREA TOTAL</b>	<b>1,615,004.31</b>	<b>832,989.92</b>	<b>2,447,994.23</b>
<i>Latin America</i>			
Antigua.....		25,000.00	25,000.00
Bolivia.....	106,918.71	266,600.00	373,518.71
Brazil.....	1,349,721.90	604,400.00	1,954,121.90
British Guiana.....	13,668.12	39,400.00	53,068.12
British Honduras.....	3,049.45		3,049.45
Chile.....	297,070.48	297,500.00	594,570.48
Colombia.....	153,823.99	117,635.00	271,458.99
Costa Rica.....	169,064.08	(1,200.00)	167,864.08
Dominica.....		14,600.00	14,600.00
Dominican Republic.....	131,031.51	10,000.00	141,031.51
Ecuador.....	200,781.96	54,100.00	254,881.96
El Salvador.....	228,782.85	9,200.00	237,982.85
Grenada.....	2,101.20	13,800.00	15,901.20
Guatemala.....	30,965.17	98,800.00	129,765.17
Haiti.....	159,097.51	120,500.00	279,597.51
Honduras.....	202,367.74	52,200.00	254,567.74
Jamaica.....	18,325.48	(1,200.00)	17,125.48
Mexico.....	251,100.00	658,900.00	910,000.00
Montserrat.....		5,400.00	5,400.00
Nicaragua.....	25,008.66	24,300.00	49,308.66
Panama.....	16,801.42	20,000.00	36,801.42
Paraguay.....	65,449.15	24,850.00	90,299.15
Peru.....	185,948.03	322,300.00	508,248.03
St. Kitts.....	2,232.63	40,600.00	42,832.63
St. Lucia.....	6,314.19	12,500.00	18,814.19

B (continued)

of allocations for the year ended 31 December 1954 (continued)

<i>Expenditures</i>					<i>Balances of allocations</i>
<i>Supplies and equipment</i> \$	<i>Fellowships</i> \$	<i>Project personnel</i> \$	<i>Other services</i> \$	<i>Total</i> \$	<i>31 Dec. 1954</i> \$
147,949.89				147,949.89	286,895.56
283,279.42		16,374.34		299,653.76	493,860.92
4,575.87		78.25		4,654.12	40,332.71
11,576.36	201.60	18,538.58		30,316.54	210,965.93
7,562.30		10,817.55		18,379.85	38,999.94
118,849.29		6,684.47		125,533.76	231,581.18
113,982.32		7,032.29		121,014.61	392,231.35
68,966.13				68,966.13	192,513.18
		16,719.60		16,719.60	53,280.40
<u>1,959,189.80</u>	<u>726.64</u>	<u>177,602.71</u>		<u>2,137,519.15</u>	<u>3,235,822.79</u>
(1,699.99)		1,346.90		(353.09)	52,117.85
895.00				895.00	
31.18				31.18	248,810.69
32,787.92	2.94			32,790.86	34,396.42
					464.41
151,135.85				151,135.85	220,116.16
225,806.68		3,739.37		229,546.05	265,874.09
					13,777.84
3,784.49				3,784.49	
					62,800.00
1,762.52				1,762.52	88,237.48
278,256.26	701.55	5,596.04		284,553.85	757,252.58
<u>692,759.91</u>	<u>704.49</u>	<u>10,682.31</u>		<u>704,146.71</u>	<u>1,743,847.52</u>
					25,000.00
38,983.12				38,983.12	334,535.59
189,701.96	13,369.26			203,071.22	1,751,050.68
26,805.34		2,041.63		28,846.97	24,221.15
466.53	49.39			515.92	2,533.53
231,014.42				231,014.42	363,556.06
71,272.33		8,689.78		79,962.11	191,496.88
60,549.09	2,176.08			62,725.17	105,138.91
12,593.16				12,593.16	2,006.84
65,948.46				65,948.46	75,083.05
99,493.06				99,493.06	155,388.90
20,184.72				20,184.72	217,798.13
9,419.38				9,419.38	6,481.82
27,082.93				27,082.93	102,582.24
68,844.98				68,844.98	210,752.53
18,408.04				18,408.04	236,159.70
50.07				50.07	17,075.41
180,925.58		1,761.78		182,687.36	727,312.64
					5,400.00
12,638.96	921.66			13,560.62	35,748.04
8,720.02	1,848.84			10,568.86	26,232.56
11,380.51		8,487.84		19,868.35	70,430.80
94,270.04				94,270.04	413,977.99
18,025.28		2,378.79		20,404.07	22,428.56
176.56				176.56	18,637.63

## Statement of allocations, expenditures and balances of

	Allocations		
	Balances 1 Jan. 1954 \$	Authorized in 1954 \$	Total for 1954 and after \$
<i>Latin America</i> (continued)			
St. Vincent.....		15,700.00	15,700.00
Surinam.....	22.11	46,400.00	46,422.11
Trinidad and Tobago.....	23,650.45	73,400.00	97,050.45
Uruguay.....	18,685.34	33,000.00	51,685.34
AREA TOTAL	3,661,982.13	2,998,685.00	6,660,667.13
Undistributed charges.....	(282,283.43)		(282,283.43)
TOTAL FOR ALL AREAS	20,917,970.87	13,365,124.92	34,283,095.79
GENERAL ASSISTANCE			
Fish flour acceptability tests.....		5,000.00	5,000.00
Fellowships—Calcutta Training Centre.....		25,000.00	25,000.00
Personnel for anti-tuberculosis projects.....	10,284.79	(10,200.00)	84.79
Group training courses.....	39,304.65		39,304.65
International Children's Centre, Paris.....	314,595.03	285,000.00	599,595.03
Operational services.....	959,989.73	1,143,310.27	2,103,300.00
ADMINISTRATIVE COSTS.....	1,506,094.87	1,354,385.13	2,860,480.00
TOTALS	23,748,239.94	16,167,620.32	39,915,860.26

\* The Executive Director of UNICEF has received a communication from the Acting Permanent Representative of Indonesia to the UNICEF documents, it should be acknowledged that the territory of West New Guinea is still in dispute as regards its political status



B (continued)

of allocations for the year ended 31 December 1954 (continued)

<i>Supplies and equipment</i> \$	<i>Fellowships</i> \$	<i>Expenditures</i>			<i>Balances of allocations</i> 31 Dec. 1954 \$
		<i>Project personnel</i> \$	<i>Other services</i> \$	<i>Total</i> \$	
6,849.81				6,849.81	8,850.19
16,687.62				16,687.62	29,734.49
45,675.48				45,675.48	51,374.97
3,458.70				3,458.70	48,226.64
<u>1,339,626.15</u>	<u>18,365.23</u>	<u>23,359.82</u>		<u>1,381,351.20</u>	<u>5,279,315.93</u>
98,587.80				98,587.80	(380,871.23)
<u>11,227,254.19</u>	<u>37,601.41</u>	<u>544,060.93</u>		<u>11,808,916.53</u>	<u>22,474,179.26</u>
890.19				890.19	4,109.81
					25,000.00
			10,144.87	10,144.87	84.79
			313,870.77	313,870.77	285,724.26
			988,772.61	988,772.61	1,114,527.39
			<u>1,351,601.57</u>	<u>1,351,601.57</u>	<u>1,508,878.43</u>
<u>11,228,144.38</u>	<u>37,601.41</u>	<u>544,060.93</u>	<u>2,664,389.82</u>	<u>14,474,196.54</u>	<u>25,441,663.72</u>

the United Nations stating the position of the Indonesian Government that with respect to the designation to be given to this territory between the Government of Indonesia and the Government of the Netherlands.

## Statement of allocations, expenditures and balances of allo

	<i>Authorized allocations</i> \$
<b>AREA AND COUNTRY ASSISTANCE</b>	
<i>Africa</i>	
Basutoland.....	23,000.00
Bechuanaland.....	43,900.00
Belgian Congo and Ruanda Urundi.....	260,800.00
French Equatorial Africa.....	182,100.00
French West Africa, Cameroons and Togoland.....	1,240,600.00
Gold Coast.....	28,600.00
Kenya.....	126,200.00
Kenya, Tanganyika and Uganda.....	57,800.00
Liberia.....	149,900.00
Mauritius.....	12,100.00
Morocco.....	593,072.92
Nigeria.....	469,100.00
Northern Rhodesia.....	39,500.00
Nyasaland.....	62,500.00
Southern Rhodesia.....	24,200.00
Tanganyika.....	178,300.00
Tunisia.....	216,915.16
Uganda.....	22,000.00
<b>AREA TOTAL</b>	<b>3,730,588.08</b>
 <i>Asia</i>	
Afghanistan.....	525,223.05
Brunei.....	33,661.53
Burma.....	1,671,347.16
Cambodia.....	46,425.00
Ceylon.....	1,006,845.52
China—Mainland.....	3,445,592.96
—Taiwan.....	884,900.00
Fiji.....	24,200.00
Hong Kong.....	234,900.00
India.....	12,527,113.11
Indonesia.....	4,738,631.93
Japan.....	1,062,300.00
Korea.....	3,125,279.00
Malaya.....	282,784.90
Netherlands New Guinea*.....	22,000.00
North Borneo.....	136,199.39
Pakistan.....	4,107,928.43
Philippines.....	2,167,130.98
Sarawak.....	92,109.00
Singapore.....	81,092.28
Thailand.....	1,839,912.92
Viet-Nam.....	288,270.00
Western Samoa.....	8,800.00
BCG regional assessment teams.....	74,945.00
Indo-China, unapportioned.....	191,300.00
<b>AREA TOTAL</b>	<b>38,648,892.16</b>
 <i>Eastern Mediterranean</i>	
Aden.....	12,200.00
Egypt.....	1,391,282.69
Ethiopia.....	154,300.00
Iran.....	1,277,500.00
Iraq.....	1,056,941.60

## allocations for the period from inception to 31 December 1954

<i>Expenditures</i>						<i>Balances of allocations 31 Dec. 1954</i>
<i>Supplies and equipment</i> \$	<i>Fellowships</i> \$	<i>Project personnel</i> \$	<i>Joint enterprise</i> \$	<i>Other services</i> \$	<i>Total</i> \$	\$
						23,000.00
14,151.68					14,151.68	29,748.32
192,966.49					192,966.49	67,833.51
53,436.97					53,436.97	128,663.03
596,756.40					596,756.40	643,843.60
						28,600.00
49,202.52					49,202.52	76,997.48
22,855.18					22,855.18	34,944.82
90,997.73		17,688.89			108,686.62	41,213.38
3,646.21					3,646.21	8,453.79
192,569.00		20,587.14	281,572.92		494,729.06	98,343.86
219,433.32					219,433.32	249,666.68
						39,500.00
801.05					801.05	61,698.95
						24,200.00
54,441.09					54,441.09	123,858.91
60,135.58		17,522.42	97,115.16		174,773.16	42,142.00
7,320.45					7,320.45	14,679.55
1,558,713.67		55,798.45	378,688.08		1,993,200.20	1,737,387.88
398,129.31		43,723.05			441,852.36	83,370.69
8,625.67		24,303.57			32,929.24	732.29
1,082,846.63		74,095.30			1,156,941.93	514,405.23
23,525.35		13,319.88			36,845.23	9,579.77
650,758.32	31,337.23	4,609.92	50,495.52		737,200.99	269,644.53
1,776,790.54			33,692.96	99,000.00	1,909,483.50	1,536,109.46
461,439.42	7,694.84	26,012.75			495,147.01	389,752.99
10,164.10					10,164.10	14,035.90
172,322.40	15,562.79	4,162.35			192,047.54	42,852.46
7,687,597.96	79,185.82	284,933.75	355,572.43	132,487.03	8,539,776.99	3,987,336.12
3,253,189.06	35,223.22	71,419.12			3,359,831.40	1,378,800.53
1,149,236.99					1,149,236.99	(86,936.99)
3,236,280.16		15,879.00			3,252,159.16	(126,880.16)
131,069.83	46,525.66	43,171.34			220,766.83	62,018.07
1,267.97					1,267.97	20,732.03
58,658.94		25,399.39			84,058.33	52,141.06
2,420,818.88	41,585.96	224,479.91	129,928.38		2,816,813.13	1,291,115.30
1,617,799.25	40,542.50	63,232.80			1,721,574.55	445,556.43
40,364.77	914.50	35,899.95			77,179.22	14,929.78
24,994.17	12,820.59	9,792.28			47,607.04	33,485.24
1,202,132.31	40,812.73	84,335.69			1,327,280.73	512,632.19
94,507.77		15,728.10			110,235.87	178,034.13
5,709.25					5,709.25	3,090.75
		64,106.43			64,106.43	40,838.57
						191,300.00
25,508,229.05	352,205.84	1,128,604.58	569,689.29	231,487.03	27,790,215.79	10,858,676.37
2,432.68		4,933.61			7,366.29	4,833.71
778,016.34		60,640.47	229,982.69		1,068,639.50	322,643.19
35,525.21		79,206.72			114,731.93	39,568.07
786,813.57	3,075.12	136,267.65			926,156.34	351,343.66
355,163.18	5,316.34	119,689.09			480,168.61	576,772.99

## Statement of allocations, expenditures and balances of allocations for

	<i>Authorized allocations \$</i>
<i>Eastern Mediterranean (continued)</i>	
Israel .....	1,110,100.42
Jordan .....	1,168,800.00
Lebanon .....	95,470.11
Libya .....	333,100.00
Sudan .....	60,040.00
Syria .....	476,817.32
Turkey .....	699,100.00
Palestine refugees .....	16,521,495.73
BCG regional assessment teams .....	70,000.00
AREA TOTAL	<u>24,427,147.87</u>
 <i>Europe</i>	
Albania .....	324,592.29
Austria .....	6,930,573.07
Bulgaria .....	5,515,926.37
Czechoslovakia .....	5,622,897.94
Finland .....	2,093,362.11
France .....	2,732,916.79
Germany .....	3,031,460.00
Greece .....	9,889,695.23
Hungary .....	2,039,570.82
Italy .....	19,013,072.55
Malta .....	188,611.44
Poland .....	18,961,539.27
Portugal .....	62,800.00
Romania .....	7,191,172.19
Spain .....	90,000.00
Yugoslavia .....	17,811,149.14
AREA TOTAL	<u>101,499,339.21</u>
 <i>Latin America</i>	
Antigua .....	25,000.00
Bolivia .....	546,300.00
Brazil .....	3,372,543.12
British Guiana .....	60,500.00
British Honduras .....	78,400.00
Chile .....	1,154,129.36
Colombia .....	549,478.12
Costa Rica .....	442,400.00
Dominica .....	14,600.00
Dominican Republic .....	175,400.00
Ecuador .....	1,022,090.61
El Salvador .....	645,700.00
Grenada .....	44,500.00
Guatemala .....	382,900.00
Haiti .....	972,800.00
Honduras .....	487,100.00
Jamaica .....	165,200.00
Mexico .....	967,796.50
Montserrat .....	5,400.00
Nicaragua .....	513,100.00
Panama .....	168,300.00
Paraguay .....	246,650.00

C (continued)

for the period from inception to 31 December 1954 (continued)

<i>Expenditures</i>						<i>Balances of allocations</i>
<i>Supplies and equipment</i>	<i>Fellowships</i>	<i>Project personnel</i>	<i>Joint enterprise</i>	<i>Other services</i>	<i>Total</i>	<i>31 Dec. 1954</i>
\$	\$	\$	\$	\$	\$	\$
737,827.72		1,376.72	84,000.42		823,204.86	286,895.56
656,201.74		18,737.34			674,939.08	493,860.92
32,989.04		78.25	22,070.11		55,137.40	40,332.71
71,974.57	201.60	49,957.90			122,134.07	210,965.93
10,222.51		10,817.55			21,040.06	38,999.94
188,612.30		8,906.52	47,717.32		245,236.14	231,581.18
264,770.04		42,098.61			306,868.65	392,231.35
16,196,744.72		3,095.73	109,024.13	20,117.97	16,328,982.55	192,513.18
		16,719.60			16,719.60	53,280.40
<u>20,117,293.62</u>	<u>8,593.06</u>	<u>552,525.76</u>	<u>492,794.67</u>	<u>20,117.97</u>	<u>21,191,325.08</u>	<u>3,235,822.79</u>
324,592.29					324,592.29	
6,772,275.51	2,239.74	1,346.90	102,593.07		6,878,455.22	52,117.85
5,514,392.95	1,021.95		511.47		5,515,926.37	
5,402,494.47			220,403.47		5,622,897.94	
1,778,207.28	729.03		65,615.11		1,844,551.42	248,810.69
2,394,050.07	21,706.51	4,746.80	278,016.99		2,698,520.37	34,396.42
2,968,061.23				62,934.36	3,030,995.59	464.41
9,414,103.43	3,605.41		251,870.23		9,669,579.07	220,116.16
1,972,766.26			66,804.56		2,039,570.82	
18,702,974.19	10,452.28	5,549.44	28,222.55		18,747,198.46	265,874.09
160,500.97	321.19		14,011.44		174,833.60	13,777.84
18,498,005.49	2,239.06	509.00	460,785.72		18,961,539.27	
						62,800.00
7,191,172.19					7,191,172.19	
1,762.52					1,762.52	88,237.48
16,753,343.66	17,029.22	6,234.54	277,289.14		17,053,896.56	757,252.58
<u>97,848,702.51</u>	<u>59,344.39</u>	<u>18,386.68</u>	<u>1,766,123.75</u>	<u>62,934.36</u>	<u>99,755,491.69</u>	<u>1,743,847.52</u>
209,061.26	2,703.15				211,764.41	25,000.00
1,578,782.65	41,766.67	943.12			1,621,492.44	334,535.59
32,548.01	764.54	2,966.30			36,278.85	1,751,050.68
74,184.09	1,140.42	541.96			75,866.47	24,221.15
782,997.57	4,746.37	2,829.36			790,573.30	2,533.53
348,348.34		9,632.90			357,981.24	363,556.06
326,512.65	5,189.09	5,559.35			337,261.09	191,496.88
12,593.16					12,593.16	105,138.91
100,316.95					100,316.95	2,006.84
591,022.73		2,288.37	273,390.61		866,701.71	75,083.05
413,193.50	6,002.33	8,706.04			427,901.87	155,388.90
37,030.55	987.63				38,018.18	217,798.13
280,217.76					280,217.76	6,481.82
762,047.47					762,047.47	102,682.24
250,940.30					250,940.30	210,752.53
139,619.14	2,935.67	5,569.78			148,124.59	236,159.70
180,925.58		1,761.78	57,796.50		240,483.86	17,075.41
						727,312.64
						5,400.00
473,970.36	3,381.60				477,351.96	35,748.04
138,434.17	3,633.27				142,067.44	26,232.56
163,271.26	4,460.10	8,487.84			176,219.20	70,430.80

Statement of allocations, expenditures and balances of allocations for

	<i>Authorized allocations</i> \$	
<i>Latin America (continued)</i>		
Peru.....	1,073,100.00	
St. Kitts.....	46,600.00	
St. Lucia.....	41,200.00	
St. Vincent.....	15,700.00	
Surinam.....	87,900.00	
Trinidad and Tobago.....	165,900.00	
Uruguay.....	82,100.00	
	<hr/>	
AREA TOTAL	13,552,787.71	
	<hr/>	
Undistributed charges.....		
		<hr/>
TOTAL FOR ALL AREAS	181,858,755.03	1
		<hr/>
<b>GENERAL ASSISTANCE</b>		
Fish flour acceptability tests.....	5,000.00	
Fellowships—Calcutta Training Centre.....	25,000.00	
Personnel for anti-tuberculosis projects.....	61,488.22	
Group training courses.....	590,000.00	
International Children's Centre, Paris.....	2,246,500.00	
Provision for insurance.....	200,000.00	
Operational services.....	7,504,497.76	
ADMINISTRATIVE COSTS.....	10,895,663.53	
	<hr/>	
TOTALS	203,386,904.54	1
		<hr/> <hr/>

\* The Executive Director of UNICEF has received a communication from the Acting Permanent Representative of Indonesia to the UNICEF documents, it should be acknowledged that the territory of West New Guinea is still in dispute as regards its political status bet

C (continued)

for the period from inception to 31 December 1954 (continued)

<i>Expenditures</i>						<i>Balances of allocations</i>
<i>Supplies and equipment</i>	<i>Fellowships</i>	<i>Project personnel</i>	<i>Joint enterprise</i>	<i>Other services</i>	<i>Total</i>	<i>31 Dec. 1954</i>
\$	\$	\$	\$	\$	\$	\$
656,683.25	2,438.76				659,122.01	413,977.99
20,965.53	827.12	2,378.79			24,171.44	22,428.56
22,562.37					22,562.37	18,637.63
6,849.81					6,849.81	8,850.19
58,165.51					58,165.51	29,734.49
106,555.84	2,399.40	5,569.79			114,525.03	51,374.97
33,873.36					33,873.36	48,226.64
<u>7,801,673.17</u>	<u>83,376.12</u>	<u>57,235.38</u>	<u>331,187.11</u>		<u>8,273,471.78</u>	<u>5,279,315.93</u>
380,871.23					380,871.23	(380,871.23)
<u>153,215,483.25</u>	<u>503,519.41</u>	<u>1,812,550.85</u>	<u>3,538,482.90</u>	<u>314,539.36</u>	<u>159,384,575.77</u>	<u>22,474,179.26</u>
890.19					890.19	4,109.81
						25,000.00
		61,403.43			61,403.43	84.79
				560,840.22	560,840.22	29,159.78
				1,960,775.74	1,960,775.74	285,724.26
				200,000.00	200,000.00	
				6,389,970.37	6,389,970.37	1,114,527.39
				9,386,785.10	9,386,785.10	1,508,878.43
<u>153,216,373.44</u>	<u>503,519.41</u>	<u>1,873,954.28</u>	<u>3,538,482.90</u>	<u>18,812,910.79</u>	<u>177,945,240.82</u>	<u>25,441,663.72</u>

to the United Nations stating the position of the Indonesian Government that with respect to the designation to be given to this territory  
 15 between the Government of Indonesia and the Government of the Netherlands.





**REPORT OF THE BOARD OF AUDITORS**

**TO THE GENERAL ASSEMBLY**



**REPORT OF THE BOARD OF AUDITORS TO THE GENERAL ASSEMBLY ON THE AUDIT OF THE  
ACCOUNTS OF THE UNITED NATIONS CHILDREN'S FUND FOR THE YEAR ENDED 31 DECEMBER 1954**

1. Accounts maintained at New York and Paris of the United Nations Children's Fund have been examined to the extent necessary to permit the Board of Auditors to certify and report on the following financial statements, and associated schedules, submitted by the Executive Director:

- (a) Statement of assets and liabilities as at 31 December 1954;
- (b) Statement of income and expenditure for the year ended 31 December 1954;
- (c) Statement of budgetary authorizations, obligations incurred and unobligated balances of authorizations—administrative costs and costs of operational services—for the year ended 31 December 1954.

2. *Income.* The recorded income of the year amounted to \$15,043,943, a three-year comparison by sources being:

	1952 \$	1953 \$	1954 \$
Contributions from Governments.....	9,352,617	14,266,862	13,608,240
Contributions from organized campaigns (net).....	44,834	651,247	192,000
Proceeds from UNRRA claims.....	137,063	427,837	69,791
Private contributions.....	99,333	176,564	269,245
Income from investments.....	314,648	366,911	377,638
Staff Assessment Plan.....	237,158	240,650	259,769
Agency procurement commission.....	—	25,000	101,145
Other.....	86,140	64,070	166,115
	<u>TOTAL</u>	<u>10,271,793</u>	<u>16,219,141</u>
		<u>15,043,943</u>	

3. United Nations and various international organizations record as "income" all pledges of Governments made in the year, although money may not actually be received in the year for which pledged. Contributions of \$8,768,348 had not been received on or before 31 December 1954, but by the time the audit was completed in mid-April, \$8,577,284 of this amount was on deposit to the credit of the Fund, including \$8,254,175 from the United States of America and \$100,000 from Colombia. Thus, the balance payable on "contributions receivable" account had already been reduced to approximately \$190,000.

4. UNICEF shipped 89,300,000 pounds of dried skim milk in the year, 78,200,000 pounds being purchased from United States Government surplus milk stocks at one cent per pound, and the remaining 11,100,000 pounds made available free of charge at the port of exit under the provisions of United States legislation. Because of the terms of the legislation, no commercial value is attributed in the financial statements to this 11,100,000 pounds. The Board is informed that ocean shipping costs to UNICEF for the milk were estimated to average one and a half cents per pound. There was no difference in the character of the programmes aided through the one-cent milk and the free milk or in the administrative costs incumbent upon UNICEF in connexion with the distribution.

5. An organized campaign was conducted in the United Kingdom during 1954 in support of the Fund. Final reports had not been made by the year-end, but an interim payment of \$182,000 was received by UNICEF, this amount representing the major part of the total listed above as contributions from organized campaigns.

6. When UNRRA ceased to operate it transferred to the Secretary-General of the United Nations, for the benefit of UNICEF, various assets including marine and stevedoring claims. Most of these claims have now been adjusted, income from this source totalling only \$69,791 in 1954. It is anticipated that by the end of 1955 all claims will either be settled or rated as unrealizable.

7. For many projects a period of eighteen months or longer is required for complete fulfilment of UNICEF commitments; therefore, in the interim, allocated funds not immediately required are invested. Earnings from these investments totalled \$377,638 in the year. As of 31 December, \$16,081,705 of the Fund's resources was earning interest, with \$7 million invested in short-term securities of the Government of the United States and \$2 million in United States Government bonds maturing in 1960. A further \$2,000,599 was invested in Federal Land Bank bonds maturing in 1958, and, finally, the Fund had a \$5,081,106 deposit with a bank earning 2 per cent interest.

8. In addition to its normal services, UNICEF acts as a general procurement agent for UNRWA and, to a limited degree, for UNKRA. During 1954, contracts having a face value of over \$10,600,000 were negotiated for UNRWA—no funds of UNICEF are employed in procurement operations. The arrangement now in effect is that reimbursement, on a cost basis, is made by UNRWA of all costs incurred by UNICEF in performing services provided for under the agreement. Officers of UNICEF are of opinion that the terms of the agreement and classifications of costs incurred make certain that no cost falls on the Children's Fund.

9. Several years ago UNICEF negotiated, in France, as representative of UNRWA, a contract for blankets for shipment to the Near East. Deliveries were not in accordance with specifications and, on grounds of fraudulent intent, litigation was commenced in France. After trial, convictions and awards of damages to UNICEF were entered. Since then, those involved have appealed and it is expected that the appeals will be argued in the near future.

10. The largest income item included under "Other" in the summary given in paragraph 2 above is the \$90,000 transferred as a contribution to the Children's Fund from the special account known as the "Greeting Card Fund". Since its beginning, the major purpose of the Greeting Card Fund has been to provide a mass channel for bringing UNICEF to public attention. The initial effort in 1950 produced a profit of \$4,200, and when the project in its present form was authorized by the Executive Board in 1951, the profit was used to provide working capital. Each succeeding year the Executive Board has authorized a continuation of the fund and annually there has been a remarkable expansion in the volume of sales, income for the 1954 operating year being \$287,707, with a profit of \$153,638 resulting. The 1954 accounting may not be regarded as final because reports have still to be received from a few countries. The project is treated as a semi-independent commercial activity, with working capital drawn from proceeds of sales. The \$90,000 credited to the Children's Fund in 1954 represented the portion of surplus, as of 28 February 1954, that the UNICEF Executive Board decided was in excess of working capital requirements. At its March 1955 session the Executive Board has directed that \$125,000 be the credit to Children's Fund income in 1955. The Board of Auditors was informed that the next greeting card project is being planned in expectancy of sales of 5 million cards. The Board was also informed that, for the first time, a contract is being placed in Europe for the printing of a substantial quantity of cards.

11. *Expenditures.* The composition of the Executive Director's expenditure statement differs from that of previous years in that (a) freight charges are now merged in the total for "Supplies and equipment"; and (b) the classification "Operational services" now includes some costs previously included under "Administration". Because of these changes, a summary is now provided in a form permitting comparisons with previous years' outlays:

	1952 \$	1953 \$	1954 \$
Supplies and equipment, including freight, etc. . . . .	10,003,656	9,454,388	11,228,144
Project personnel . . . . .	713,556	405,250	544,061
International Children's Centre, Paris . . . . .	317,696	351,120	313,871
Fellowships, group training courses and other assistance . . . . .	336,481	75,704	47,746
Operational services (gross) . . . . .	90,625	111,338	988,773
Administrative costs (gross) . . . . .	2,064,616	2,108,830	1,351,602
TOTAL	<u>13,526,630</u>	<u>12,506,630</u>	<u>14,474,197</u>

Schedule B to the financial statements lists the total of allocations by countries and also the expenditures incurred in 1954, these being classified by type of operation: supplies and equipment, fellowships, project personnel, and other services. The new classification of "operational services" includes the cost of personnel and related services associated with:

- (a) Milk conservation operations and advisory engineering services to Governments;
- (b) Area and country offices in direct contact with Governments; and
- (c) Procurement and shipping operations.

12. The practice, adopted in November 1950, of self-insuring marine risks was continued, no insurance being carried except when the value of a shipment exceeded \$100,000. Since a reserve of \$200,000 was set up in 1950 no material losses have been suffered, the only charge in 1954 being for \$150. At the year-end the balance at credit of the reserve was \$193,596.

13. *Resources of the Fund.* No "Assets" item is set up to reflect the value of supplies and equipment in transit or warehoused—the Board has already recorded in a previous year's report its agreement with this accounting treatment. Consequently, by way of information, the following statistics are given to show the over-all position as at 31 December 1954:

	<i>As at 31 December</i>	
	1953 \$	1954 \$
Principal of the Fund, net.....	27,656,910	28,226,657
Inventories in recipient countries.....	1,230,000	1,582,000
Commodities in transit.....	700,000	960,000
Commodities in suppliers' warehouses.....	280,000	381,000
<b>TOTAL</b>	<b>29,866,910</b>	<b>31,149,657</b>

14. *The scope of the audit.* Under an agreement with the Government of France, UNICEF contributes 60 per cent of the cost of operating the International Children's Centre in Paris, with payments in 1954 totalling \$313,871, of which \$29,468 was with respect to 1953 costs. The finances of the Centre are supervised by the French Ministry of Health and Population, consequently UNICEF payments are in the nature of grants, the Fund being provided, in due course, with the financial report and a certificate of the Ministry to the effect that it has examined and certified the accounts. The Board of Auditors, therefore, made no examination of accounts maintained at the Centre. Agreements also exist between UNICEF and WHO under which UNICEF provides funds for various projects. Over \$500,000 was involved in 1954. The audit of resulting transactions is performed by the External Auditor of WHO, whose reports are forwarded to the Executive Director of UNICEF. As is the case with respect to advances to the International Children's Centre, this relieves the Board of Auditors of the necessity of reviewing application by WHO of money received from UNICEF. Internal auditors answerable to the Comptroller periodically review UNICEF accounts maintained at various places and reports on these examinations were made available to the Board. They did not disclose anything that necessitated further review by the Board of Auditors.

\*  
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\*

15. The co-operation and assistance extended by all officers of the Fund facilitated the audit and we now record our appreciation.

*(Signed)* Watson SELLAR, *Canada*  
Luis ACEVEDO RODRÍGUEZ, *Colombia*  
Otto F. REMKE, *Denmark*

2 May 1955

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