

UNITED



NATIONS

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

ACCOUNTS

for the year ended 31 December 1959

and

REPORT OF THE BOARD OF AUDITORS

GENERAL ASSEMBLY

OFFICIAL RECORDS : FIFTEENTH SESSION

SUPPLEMENT No. 6B (A/4383)

NEW YORK

(28 p.)

UNITED NATIONS

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

Accounts for the year ended 31 December 1959

and

REPORT OF THE BOARD OF AUDITORS



GENERAL ASSEMBLY

OFFICIAL RECORDS : FIFTEENTH SESSION

SUPPLEMENT No. 6B (A/4383)

New York, 1960

NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

TABLE OF CONTENTS

	<i>Page</i>
Letter of transmittal	iv
Note by the Secretary-General	i
Financial statements for the year ended 31 December 1959:	
Statement I. Budget and expenditure	3
Statement II. Income and expenditure	4
Statement III. Working capital	4
Statement IV. Assets, liabilities and working capital	5
Schedule A. Expenditure for basic subsistence	6
Schedule B. Expenditure for supplementary feeding	6
Schedule C. Expenditure for health care	7
Schedule D. Expenditure for shelter and camps	8
Schedule E. Expenditure for elementary and secondary education	9
Schedule F. Expenditure for vocational and university education	9
Schedule G. Expenditure for social welfare	11
Schedule H. Expenditure for placement services	12
Schedule I. Expenditure for projects	12
Schedule J. Expenditure for special activities—arts and crafts	14
Schedule K. Expenditure for eligibility and registration	14
Schedule L. Expenditure for transport within UNRWA area	15
Schedule M. Expenditure for stores control and warehousing	15
Schedule N. Expenditure for general administration	16
Schedule O. Expenditure for general internal services	16
Schedule P. Expenditure for operations administration and services	17
Schedule Q. Pledges and contributions from Governments to UNRWA ...	19
Schedule R. Contributions from others to UNRWA	21
Schedule S. Miscellaneous income	21
Notes to the financial statements	22
Report of the Board of Auditors	23

LETTER OF TRANSMITTAL

24 May 1960

Sir,

I have the honour to transmit to you for presentation to the General Assembly the certified financial statements and the report of the Board of Auditors on the accounts of the United Nations Relief and Works Agency for Palestine Refugees in the Near East for the year 1959.

Accept, Sir, the assurances of my highest consideration.

(Signed) L. BERRI
On behalf of the Board of Auditors

The Secretary-General of the United Nations,
New York

NOTE BY THE SECRETARY-GENERAL

1. The financial statements of the United Nations Relief and Works Agency for Palestine Refugees in the Near East for the fiscal year ended 31 December 1959, together with the report of the Board of Auditors thereon, are presented herewith pursuant to the provisions of resolution 302 (IV) adopted by the General Assembly on 8 December 1949. In paragraph 21 of that resolution, the General Assembly:

“Requests the Director to submit to the General Assembly of the United Nations an annual report on the work of the United Nations Relief and Works Agency for Palestine Refugees in the Near East, including an audit of funds ...”

2. The financial statements and the report of the Board of Auditors have been submitted to the Advisory Committee on Administrative and Budgetary Questions for consideration and report to the General Assembly.

FINANCIAL STATEMENTS

Statement I

Budget and expenditure

For the year ended 31 December 1959

(In US dollars)

<i>Activity</i>	<i>Budget</i>			<i>Expenditure</i>
	<i>From 1958</i>	<i>For 1959</i>	<i>Total budget</i>	
Basic subsistence	6,505	14,700,000	14,706,505	13,458,303
Supplementary feeding	51,422	1,530,000	1,581,422	1,543,265
Health care	30,720	2,730,000	2,760,720	2,721,079
Shelter and camps.....	622,339	2,750,000	3,372,339	2,017,023
Elementary and secondary education	625,963	5,615,000	6,240,963	6,399,476
Vocational and university education	28,000	1,700,000	1,728,000	1,231,293
Social welfare	52,462	590,000	642,462	754,559
Placement services	—	150,000	150,000	206,590
Projects and special activities	—	2,190,000	2,190,000	849,374
Eligibility and registration	—	230,000	230,000	193,277
Transport within UNRWA area	757	1,390,000	1,390,757	1,501,678
Stores control and warehousing	830	600,000	600,830	708,297
General administration	259	600,000	600,259	645,203
General internal services	747	1,600,000	1,600,747	1,633,085
Operations administration and services	—	300,000	300,000	275,878
Operational reserve	—	800,000	800,000	—
TOTAL BUDGET AND EXPENDITURE	<u>1,420,004</u>	<u>37,475,000</u>	<u>38,895,004</u>	<u>34,138,380</u>

The notes to the financial statements are an integral part of these statements and should be read in conjunction therewith. For details of expenditures see schedules A to P.

CERTIFIED CORRECT

(Signed) Lloyd CALLOW
Comptroller

APPROVED

(Signed) John H. DAVIS
Director

AUDIT CERTIFICATE

The above statement of budget 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) Lars BREIE, Norway

J. MURGUEITIO, Colombia

L. GÖTZEN, Netherlands

Income and expenditure
For the year ended 31 December 1959
(In US dollars)

<i>Income</i>	
Contributions from governments (schedule Q)	32,553,673
Contributions from others (schedule R)	402,918
Miscellaneous income (schedule S)	438,148
Exchange adjustments	564,139
	<hr/>
<i>Expenditure</i> (statement I)	33,958,878
	<hr/>
Excess of expenditure over income	34,138,380
	<hr/>
	(179,502)

The notes to the financial statements are an integral part of these statements and should be read in conjunction therewith.

CERTIFIED CORRECT

(Signed) Lloyd CALLOW
Comptroller

APPROVED

(Signed) John H. DAVIS
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) Lars BREIE, Norway
 J. MURGUEITIO, Colombia
 L. GÖTZEN, Netherlands

Statement III

Working capital
For the year ended 31 December 1959
(In US dollars)

Balance at 1 January 1959	22,199,920
<i>Add</i>	
Adjustments for prior years	110,688
	<hr/>
	22,310,608
<i>Deduct</i>	
Excess of expenditure over income (statement II)	179,502
	<hr/>
Balance at 31 December 1959	22,131,106
	<hr/>

The notes to the financial statements are an integral part of these statements and should be read in conjunction therewith.

CERTIFIED CORRECT

(Signed) Lloyd CALLOW
Comptroller

APPROVED

(Signed) John H. DAVIS
Director

AUDIT CERTIFICATE

The above statement of working capital 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) Lars BREIE, Norway
 J. MURGUEITIO, Colombia
 L. GÖTZEN, Netherlands

Assets, liabilities and working capital

As of 31 December 1959

(In US dollars)

ASSETS

<i>Cash resources</i>	
(Cash in banks and on hand, securities, guarantee deposits, etc. See note 9 for details)	23,506,276
<i>Prepaid expenses and advances to vendors</i>	
(Prepaid costs, applicable to following period)	91,862
<i>Accounts receivable</i>	
(Claims against governments and insurance companies, and miscellaneous receivables, less reserve for possible uncollectable amounts)	415,227
<i>Inventories of supplies and equipment</i>	
(Supplies on hand or in transit and equipment not issued for use)	5,032,229
	TOTAL ASSETS
	<u><u>29,045,594</u></u>

LIABILITIES AND WORKING CAPITAL

<i>Liabilities and reserves</i>	
Accounts payable	1,206,620
Reserve for staff separation costs	5,609,668
Reserve of income received in advance	98,200
	<u>6,914,488</u>
<i>Working capital (statement III)</i>	22,131,106
	<u><u>29,045,594</u></u>

The notes to the financial statements are an integral part of these statements and should be read in conjunction therewith.

CERTIFIED CORRECT

(Signed) Lloyd CALLOW
Comptroller

APPROVED

(Signed) John H. DAVIS
Director

AUDIT CERTIFICATE

The above statement of assets, liabilities and working capital 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) Lars BREIE, Norway
J. MURGUEITIO, Colombia
L. GÖTZEN, Netherlands

Expenditure for basic subsistence

For the year ended 31 December 1959

(In US dollars)

Description	Administration	Distribution	Quality control	Ration costs	Total
International staff costs.....	18,367	—	15,326	—	33,693
Area staff costs.....	28,708	267,569	19,572	—	315,849
Blankets	—	—	—	347,014	347,014
Domestic fuel	—	—	—	124,119	124,119
Soap	—	—	—	307,823	307,823
Tents	—	2,652	—	—	2,652
Basic food ration.....	—	—	—	12,256,006	12,256,006
Other supplies	328	7,149	1,131	—	8,608
Rental of premises.....	—	13,042	—	—	13,042
Maintenance of premises.....	189	7,594	—	—	7,783
Equipment	—	3,995	—	—	3,995
Buildings and structures.....	—	22,401	—	—	22,401
Travel	493	73	2,770	—	3,336
Contractual services	—	1,048	1,508	—	2,556
Grants and subsidies.....	—	179	—	1,259	1,438
Handling losses (net).....	—	9,518	—	—	9,518
Expenditure charged to other activities.....	—	—	(878)	(652)	(1,530)
TOTAL BASIC SUBSISTENCE	48,085	335,220	39,429	13,035,569	13,458,303

Schedule B

Expenditure for supplementary feeding

For the year ended 31 December 1959

(In US dollars)

Description	Administration	Supplementary feeding	Milk distribution	Total
International staff costs.....	9,974	—	—	9,974
Area staff costs.....	55,141	290,378	68,050	413,569
Skim milk	—	—	86,990	86,990
Whole milk	—	—	119,993	119,993
Fresh supplementary food.....	—	384,383	—	384,383
Dry supplementary food.....	—	177,120	—	177,120
Nursing and pregnant women's ration.....	—	139,581	—	139,581
Non-hospitalized TB ration.....	—	22,519	—	22,519
Vitamin ration	—	21,081	—	21,081
Other supplies	81	34,936	19,767	54,784
Rental of premises.....	—	19,822	8,229	28,051
Maintenance of premises.....	—	14,328	5,159	19,487
Equipment	—	3,554	1,098	4,652
Buildings and structures.....	—	56,106	2,367	58,473
Travel	1,515	18	—	1,533
Contractual services	—	4,368	1,018	5,386
Grants and subsidies.....	—	748	840	1,588
Losses	—	190	—	190
Expenditure charged to CARE.....	—	—	(6,089)	(6,089)
TOTAL SUPPLEMENTARY FEEDING	66,711	1,169,132	307,422	1,543,265

Expenditure for health care

For the year ended 31 December 1959

(In US dollars)

Description	Administration	Pharmacy services	Laboratory services	General clinics	General hospitals	Maternal and child care	Tuberculosis control
International staff costs.....	134,939	11,871	—	—	—	—	—
Area staff costs.....	116,754	50,604	9,000	577,293	82,570	103,010	68,429
Layettes	—	—	—	—	—	53,129	—
Food supplies	—	—	—	—	19,644	7,349	34,715
Medical supplies	9	986	1,396	121,669	20,669	2,729	17,397
Educational supplies	—	—	—	—	—	—	—
Other supplies	352	2,865	—	4,468	6,059	1,054	1,932
Rental of premises.....	300	1,062	33	21,301	7,274	189	5,180
Maintenance of premises.....	617	814	275	16,854	4,285	2,508	6,700
Equipment	—	164	—	3,005	5,302	110	1,395
Buildings and structures.....	—	—	—	13,705	—	—	858
Travel	5,919	1,057	5	3,656	29	203	338
Communications	—	56	—	477	562	—	156
Contractual services	903	62	4,942	7,538	16,108	324	4,601
Grants and subsidies.....	—	—	117	17,449	799,448	30,086	107,367
Losses	—	4,058	—	23	—	288	—
Income from paying patients.....	—	—	—	(134)	(9,159)	—	(586)
Expenditure charged to other activities..	(336)	—	—	—	—	—	—
TOTAL	259,457	73,599	15,768	787,304	952,791	200,979	248,482

Description	Mental health care	Dental care	School health services	Health education	Other medical services	Total
International staff costs.....	—	—	—	—	9,208	156,018
Area staff costs.....	1,985	13,569	20,424	28,315	6,578	1,078,531
Layettes	—	—	—	—	—	53,129
Food supplies	—	—	—	—	—	61,708
Medical supplies	5	3,185	1,028	—	—	169,073
Educational supplies	—	—	—	10,402	—	10,402
Other supplies	—	—	9	287	62	17,088
Rental of premises.....	—	52	—	—	—	35,391
Maintenance of premises.....	—	183	2	—	—	32,238
Equipment	—	517	—	—	—	10,493
Buildings and structures.....	—	—	—	—	—	14,563
Travel	—	213	284	1,085	633	13,422
Communications	—	—	—	—	—	1,251
Contractual services	431	6,207	—	4	4,950	46,070
Grants and subsidies.....	49,238	—	—	—	23,843	1,027,548
Losses	—	—	—	—	—	4,369
Income from paying patients.....	—	—	—	—	—	(9,879)
Expenditure charged to other activities.....	—	—	—	—	—	(336)
TOTAL HEALTH CARE	51,659	23,926	21,747	40,093	45,274	2,721,079

Expenditure for shelter and camps
For the year ended 31 December 1959
(In US dollars)

<i>Description</i>	<i>Shelter</i>	<i>Roads and drainage</i>	<i>Sanitation</i>	<i>Water supply</i>
International staff costs.....	268	—	11,190	—
Area staff costs.....	92,730	6,470	499,975	21,646
Tents	5,041	—	—	—
Sanitation supplies	2	17	15	662
Other supplies	215	—	3,994	101,663
Rental of premises.....	161,006	—	160	125
Maintenance of premises.....	50,460	5,926	22,608	10,022
Equipment	1,178	—	1,576	7,340
Buildings and structures.....	722,680	28,556	27,665	89,096
Travel	1,167	10	1,438	—
Contractual services	—	11	32,354	1,178
Grants and subsidies.....	—	327	—	—
Losses	—	—	—	—
Damage claims	549	—	—	—
Expenditure charged to other activities.....	—	—	(3,792)	—
TOTAL	1,035,296	41,317	597,183	231,732

<i>Description</i>	<i>Insect and rodent control</i>	<i>Ancillary camp facilities</i>	<i>Sanitation in towns</i>	<i>Total</i>
International staff costs.....	—	—	—	11,458
Area staff costs.....	14,270	16,551	19,637	671,279
Tents	—	—	—	5,041
Sanitation supplies	27,279	—	836	28,811
Other supplies	389	8,971	4,347	119,579
Rental of premises.....	—	28	—	161,319
Maintenance of premises.....	—	1,864	337	91,217
Equipment	240	403	—	10,737
Buildings and structures.....	180	7,403	—	875,580
Travel	320	—	—	2,935
Contractual services	243	133	3,488	37,407
Grants and subsidies.....	—	66	4,256	4,649
Losses	254	—	—	254
Damage claims	—	—	—	549
Expenditure charged to other activities.....	—	—	—	(3,792)
TOTAL SHELTER AND CAMPS	43,175	35,419	32,901	2,017,023

Expenditure for elementary and secondary education

For the year ended 31 December 1959

(In US dollars)

Description	Administration	Elementary education	Secondary education	Handicrafts	Total
International staff costs.....	91,120	—	—	21,768	112,888
Area staff costs.....	136,064	2,856,041	703,446	187,789	3,883,340
Educational supplies	—	249,719	135,406	41,712	426,837
Other supplies	3,946	4,448	2,112	10,631	21,137
Tents	—	5,015	—	—	5,015
Rental of premises.....	—	165,208	20,848	—	186,056
Maintenance of premises.....	—	59,163	9,736	2,332	71,231
Equipment	219	46,830	21,220	40,743	109,012
Buildings and structures.....	—	389,013	101,090	102,087	592,190
Travel	4,331	46	—	2,338	6,715
Communications	—	—	81	—	81
Contractual services	490	8,206	23,064	328	32,088
Grants and subsidies.....	—	305,429	618,424	—	923,853
Losses	974	1,008	—	83	2,065
Transport costs	—	—	26,843	622	27,465
Income from paying pupils.....	—	(497)	—	—	(497)
TOTAL GENERAL EDUCATION	237,144	4,089,629	1,662,270	410,433	6,399,476

Schedule F

Expenditure for vocational and university education

For the year ended 31 December 1959

(In US dollars)

Description	Jordan							
	Vocational education administration	Kalanda vocational training centre	Nursing training	Trades training	Midwifery training course	Wadi Seer vocational training centre	Ramallah teachers' training centre	Nablus teachers' training centre
International staff costs.....	11,441	—	—	—	—	—	—	—
Area staff costs.....	4,023	71,663	2,246	—	280	—	—	20,095
Food supplies	—	27,501	1,230	—	174	—	—	4,805
Medical supplies	—	150	227	—	—	—	—	103
Educational supplies	—	9,402	—	—	—	—	—	2,012
Other supplies	78	13,429	313	—	—	2	—	8,761
Rental of premises.....	—	—	—	—	—	—	—	4,760
Maintenance of premises.....	—	4,819	—	—	—	—	—	1,815
Equipment	—	16,330	56	—	—	—	—	7,644
Buildings and structures.....	—	59,086	—	—	—	197,916	143,235	—
Travel	527	14	26	—	—	—	—	216
Communications	—	434	—	—	—	—	—	364
Contractual services	—	1,572	300	—	—	—	—	1,075
Grants and subsidies.....	—	24,694	4,655	246	1,176	—	—	10,140
Transport costs	—	4,372	10	—	17	—	—	178
Expenditure charged to staff or other activities	—	(1,102)	(4,110)	—	—	—	—	(1,494)
TOTAL	16,069	232,364	4,953	246	1,647	197,918	143,235	60,474

**Expenditure for vocational and university education
(continued)**

Description	Lebanon				
	Vocational education administration	Commercial and secretarial courses	English language course	Secretarial training course	Arc welding course
International staff costs.....	—	—	—	—	—
Area staff costs.....	2,673	—	—	—	8,983
Food supplies	—	—	—	—	—
Medical supplies	—	—	—	—	3
Educational supplies	—	—	—	—	13,599
Other supplies	—	—	—	—	1,722
Rental of premises.....	—	—	256	—	625
Maintenance of premises.....	—	—	—	—	85
Equipment	—	—	—	—	17
Buildings and structures.....	—	—	—	—	—
Travel	30	—	—	—	10
Communications	—	—	—	—	110
Contractual services	—	—	1,783	—	1,126
Grants and subsidies.....	—	5,309	516	3,993	10,449
Transport costs	—	—	—	—	—
Expenditure charged to staff or other activities.....	—	—	—	—	—
TOTAL	2,703	5,309	2,555	3,993	36,729

Description	Gaza						
	Vocational training centre	Nursing training	Commercial training	Teachers' training	Midwifery ¹ training	Assistant pharmacists course	Secretarial training
International staff costs.....	—	—	—	—	—	—	—
Area staff costs.....	46,803	—	—	—	838	—	—
Food supplies	14,256	—	—	—	193	—	—
Medical supplies	—	—	—	—	—	—	—
Educational supplies	4,774	—	—	—	—	—	—
Other supplies	3,011	—	—	—	27	—	—
Rental of premises.....	4,248	—	—	—	—	—	—
Maintenance of premises.....	2,793	—	—	—	—	—	—
Equipment	7,024	—	—	—	—	—	—
Buildings and structures.....	10,196	—	—	—	—	—	—
Travel	17	—	—	—	—	—	—
Communications	46	—	—	—	—	—	—
Contractual services	1,298	—	—	—	—	1,544	—
Grants and subsidies.....	12,286	1,055	11,575	17,379	173	404	2,029
Transport costs	1,601	—	1,015	1,428	—	378	—
Expenditure charged to staff or other activities.....	—	—	—	—	—	—	—
TOTAL	108,353	1,055	12,590	18,807	1,231	2,326	2,029

Expenditure for vocational and university education
(continued)

Description	Syria Nursing training	Headquarters			Agency total
		Vocational education administration	University scholarships (all areas)	United Kingdom nursing training	
International staff costs.....	—	128,396	—	—	139,837
Area staff costs.....	—	4,424	3,913	—	165,941
Food supplies	—	—	—	—	48,159
Medical supplies	—	—	—	—	483
Educational supplies	—	—	—	—	29,787
Other supplies	—	1,277	3	—	28,623
Rental of premises.....	—	—	—	—	9,889
Maintenance of premises.....	—	—	—	—	9,512
Equipment	—	795	—	—	31,866
Buildings and structures.....	—	—	—	—	410,433
Travel	—	2,344	8,277	1,514	12,975
Communications	—	3	—	—	957
Contractual services	—	1,386	13	—	10,097
Grants and subsidies.....	723	—	222,616	—	329,418
Transport costs	—	1,023	—	—	10,022
Expenditure charged to staff or other activities.....	—	—	—	—	(6,706)
TOTAL VOCATIONAL AND UNIVERSITY EDUCATION	723	139,648	234,822	1,514	1,231,293

Schedule G

Expenditure for social welfare

For the year ended 31 December 1959

(In US dollars)

Description	Administration	Case work	Distribution of non-programme donations				Other welfare services	Total
			Community development	Clothing for children				
International staff costs.....	6,081	—	—	—	—	—	6,081	
Area staff costs.....	60,101	49,484	10,923	72,454	2,101	2,307	197,370	
Cloth supplies	—	—	—	—	62,240	—	62,240	
Educational supplies	—	—	—	23,979	—	—	23,979	
Other supplies	22	122	156	26,593	5,429	—	32,322	
Rental of premises.....	—	—	405	5,697	—	—	6,102	
Maintenance of premises.....	—	—	103	4,852	—	—	4,955	
Equipment	—	—	—	3,954	—	—	3,954	
Buildings and structures.....	—	—	—	7,425	—	1,635	9,060	
Travel	977	121	308	1,043	—	—	2,449	
Ocean and inland freight.....	—	—	249,187	—	—	—	249,187	
Port and customs services.....	—	—	16,939	—	—	—	16,939	
Other contractual services.....	150	—	1,874	3,991	7	—	6,022	
Grants and subsidies.....	—	49,700	—	19,827	—	22,990	92,517	
Burial grants	—	—	—	—	—	31,189	31,189	
Aid to religious institutions.....	—	—	—	—	—	9,398	9,398	
Losses	109	—	—	—	—	—	109	
Transport costs	—	—	—	686	—	—	686	
TOTAL SOCIAL WELFARE	67,440	99,427	279,895	170,501	69,777	67,519	754,559	

Expenditure for placement services
For the year ended 31 December 1959
(In US dollars)

<i>Description</i>	<i>Administration</i>	<i>Placement</i>	<i>Migration</i>	<i>Total</i>
International staff costs.....	6,081	1,788	—	7,869
Area staff costs.....	19,266	20,660	6,730	46,656
Supplies	47	132	—	179
Travel	142	138	—	280
Contractual services	—	1,273	—	1,273
Grants and subsidies.....	—	1,142	149,191	150,333
TOTAL PLACEMENT SERVICES	25,536	25,133	155,921	206,590

Schedule I

Expenditure for projects
For the year ended 31 December 1959
(In US dollars)

<i>Description</i>	<i>Total budget reservation</i>	<i>Expenditure</i>			<i>Unexpended budget reservation</i>
		<i>Prior to 1 Jan. 1959</i>	<i>Current</i>	<i>Total</i>	
<i>Training of handicapped youths</i>					
Area staff costs.....	2,166	2,166	—	2,166	—
Travel	5,825	1,394	2,115	3,509	2,316
Grants and subsidies.....	163,882	35,806	20,723	56,529	107,353
Reserve for contingencies.....	11,038	—	—	—	11,038
	182,911	39,366	22,838	62,204	120,707
<i>Treatment of handicapped youths</i>					
Grants and subsidies.....	43,700	—	26,028	26,028	17,672
<i>Motor service station—Iraq</i>					
Travel	346	346	—	346	—
Contractual services	147	147	—	147	—
Grants and subsidies.....	1,333	1,333	—	1,333	—
Loans and investments.....	3,014	3,955	(941)	3,014	—
	4,840	5,781	(941)	4,840	—
<i>Afforestation and land survey—Gaza</i>					
Area staff costs.....	120,027	101,200	18,827	120,027	—
Supplies	31,254	31,155	99	31,254	—
Contractual services	602	602	—	602	—
Transport costs	19,000	13,950	5,050	19,000	—
	170,883	146,907	23,976	170,883	—

Expenditure for projects
(continued)

Description	Total budget reservation	Expenditure			Unexpended budget reservation
		Prior to 1 Jan. 1959	Current	Total	
<i>Marj Na'aja settlement—Jordan</i>					
Grants and subsidies.....	290,790	272,021	4,684	276,705	14,085
Losses	—	—	1,515	1,515	(1,515)
	<u>290,790</u>	<u>272,021</u>	<u>6,199</u>	<u>278,220</u>	<u>12,570</u>
<i>Kfar Etsion (Hbeileh) settlement—Jordan</i>					
Grants and subsidies.....	223,611	223,406	205	223,611	—
<i>Yarmuk Jordan Valley—Anti-malaria campaign</i>					
International staff costs.....	25,653	25,653	—	25,653	—
Area staff costs.....	206,525	191,578	14,947	206,525	—
Tents	622	622	—	622	—
Insecticides	61,400	60,031	1,369	61,400	—
Other supplies	16,562	15,972	590	16,562	—
Rental of premises.....	5,755	5,635	120	5,755	—
Maintenance of premises.....	391	391	—	391	—
Equipment	3,659	3,659	—	3,659	—
Buildings and structures.....	141	141	—	141	—
Transport equipment	6,956	6,956	—	6,956	—
Travel	6,618	6,422	196	6,618	—
Communications	351	351	—	351	—
Contractual services	320	281	39	320	—
Transport costs	42,293	40,392	1,901	42,293	—
	<u>377,246</u>	<u>358,084</u>	<u>19,162</u>	<u>377,246</u>	<u>—</u>
<i>Development Bank of Jordan Limited</i>					
Contractual services	369	369	—	369	—
Investments	1,470,000	1,120,000	350,000	1,470,000	—
	<u>1,470,369</u>	<u>1,120,369</u>	<u>350,000</u>	<u>1,470,369</u>	<u>—</u>
<i>Jisr Majamie settlement—Jordan</i>					
Grants and subsidies.....	243,180	228,841	13,300	242,141	1,039
<i>Reintegration loans—Jordan</i>					
Loans	110,507	111,968	(1,461)	110,507	—
<i>Individual grants programme—Jordan</i>					
International staff costs.....	40,719	26,490	14,307	40,797	(78)
Area staff costs.....	12,048	120	10,217	10,337	1,711
Supplies	100	—	28	28	72
Equipment	—	—	73	73	(73)
Travel	867	49	212	261	606
Contractual services	3,567	11	2,260	2,271	1,296
Grants and subsidies.....	2,832,902	2,121,159	361,095	2,482,254	350,648
Transport costs	4,494	3,228	1,876	5,104	(610)
	<u>2,894,697</u>	<u>2,151,057</u>	<u>390,068</u>	<u>2,541,125</u>	<u>353,572</u>
TOTAL PROJECTS	<u>6,012,734</u>	<u>4,657,800</u>	<u>849,374</u>	<u>5,507,174</u>	<u>505,560</u>

Expenditure for special activities—arts and crafts

For the year ended 31 December 1959

(In US dollars)

Description	Jordan	Gaza	Total
<i>Production costs</i>			
Area staff costs.....	—	13,467	13,467
Production wages	—	15,255	15,255
Supplies	—	20,433	20,433
Rental of premises.....	—	248	248
Maintenance of premises.....	—	228	228
Losses	—	1,338	1,338
Communications and travel.....	—	79	79
Laundering and pressing.....	—	1,978	1,978
Total production costs.....	—	53,026	53,026
Less costs transferred to inventories.....	—	(53,026)	(53,026)
	—	—	—
<i>Selling costs</i>			
Production cost of goods sold.....	568	43,298	43,866
Sales	(523)	(51,783)	(52,306)
Net loss (gain) on sales.....	45	(8,485)	(8,440)
Transfer to miscellaneous income.....	(45)	8,485	8,440
	—	—	—

Schedule K

Expenditure for eligibility and registration

For the year ended 31 December 1959

(In US dollars)

Description	Administration	Eligibility	Registration	Total
International staff costs.....	13,510	3,119	—	16,629
Area staff costs.....	48,278	62,911	61,347	172,536
Supplies	—	165	1,164	1,329
Travel	937	4,372	682	5,991
Contractual services	—	—	15	15
Expenditure charged to other activities.....	—	(3,223)	—	(3,223)
TOTAL ELIGIBILITY AND REGISTRATION	62,725	67,344	63,208	193,277

Expenditure for transport within UNRWA area

For the year ended 31 December 1959

(In US dollars)

Description	Administration	Vehicle maintenance	Passenger transport	Freight transport	Port operations	Port Said office	Total
International staff costs.....	35,485	4,450	—	5,058	5,047	—	50,040
Area staff costs.....	53,210	170,062	276,956	232,752	47,659	12,227	792,866
Automotive fuel and lubricants.....	—	12,027	56,232	51,880	—	203	120,342
Automotive repair supplies	—	90,052	—	—	—	110	90,162
Other supplies	1,069	8,934	—	11	838	117	10,969
Rental of premises.....	10,682	6,571	261	128	1,603	810	20,055
Maintenance of premises.....	—	3,340	—	73	409	61	3,883
Repair equipment	—	1,403	35	—	—	—	1,438
Buildings and structures.....	1,022	707	—	—	—	—	1,729
Transport equipment	—	—	52,942	40,043	—	—	92,985
Travel	1,281	1,539	7,090	12,898	68	82	22,958
Communications	—	24	—	—	—	225	249
Hire of vehicles.....	2	—	113,858	2,062	—	227	116,149
Hired freight transport.....	—	—	—	1,282,962	—	—	1,282,962
Port and customs services.....	—	—	—	—	229,510	123,194	352,704
Hire of airplanes.....	—	—	107,833	—	—	—	107,833
Contractual services	8	7,784	3,352	80,422	34	545	92,145
Expenditure charged to other activities....	—	—	(44,150)	(1,225,184)	(248,157)	(122,473)	(1,639,964)
Income from repair services.....	—	(5,092)	—	—	—	—	(5,092)
Income from bus riders.....	—	—	(10,312)	—	—	—	(10,312)
Income from UNRWA vehicle users.....	—	—	(2,377)	(46)	—	—	(2,423)
TOTAL TRANSPORT WITHIN UNRWA AREA	102,759	301,801	561,720	483,059	37,011	15,328	1,501,678

Schedule M

Expenditure for stores control and warehousing

For the year ended 31 December 1959

(In US dollars)

Description	Administration	Stores control	Warehousing	Insurance administration	Total
International staff costs.....	36,477	9,659	9,321	—	55,457
Area staff costs.....	41,171	110,703	264,382	5,691	421,947
Supplies	930	2,016	10,809	154	13,909
Rental of premises.....	—	—	79,319	—	79,319
Maintenance of premises.....	—	41	8,506	—	8,547
Equipment	—	881	4,432	—	5,313
Buildings and structures.....	—	—	180	—	180
Travel	438	1,299	100	—	1,837
Communications	—	—	1,536	—	1,536
Contractual services	—	106	7,988	—	8,094
Losses	—	108,296	8,024	—	116,320
Expenditure charged to other activities.....	—	—	(4,162)	—	(4,162)
TOTAL STORES CONTROL AND WAREHOUSING	79,016	233,001	390,435	5,845	708,297

Expenditure for general administration

For the year ended 31 December 1959

(In US dollars)

Description	Director's office	Country representatives' offices	Area administration	Camp administration	New York liaison office	Advisory commission	Iraq liaison office	Total
International staff costs.....	72,457	87,196	—	—	31,470	14,139	—	205,262
Area staff costs.....	2,112	33,781	196,094	110,294	—	3,200	3,842	349,323
Automotive fuel and lubricants.....	—	1,130	—	—	—	—	—	1,130
Automotive repair supplies.....	—	78	—	—	—	—	—	78
Tents.....	—	—	—	750	—	—	—	750
Supplies.....	114	299	6,459	936	55	28	83	7,974
Rental of premises.....	—	1,280	17,503	471	—	—	617	19,871
Maintenance of premises.....	—	703	7,129	1,397	—	—	3	9,232
Equipment.....	—	122	501	2,017	—	—	—	2,640
Buildings and structures.....	—	—	—	2,345	—	—	—	2,345
Travel.....	10,343	1,653	1,660	16	1,844	102	266	15,884
Communications.....	—	1,944	10,239	4,267	5	—	146	16,601
Hire of vehicles.....	—	1,253	—	—	—	—	214	1,467
Hired freight transport.....	—	63	—	—	—	—	31	94
Aircraft services.....	—	774	—	—	—	—	—	774
Contractual services.....	—	2,208	957	11	2	—	—	3,178
Ex gratia payments.....	8,990	—	—	—	—	—	—	8,990
Grants and subsidies.....	320	—	—	—	—	—	—	320
Income from UNRWA vehicle users	—	(241)	—	—	—	—	—	(241)
Expenditure charged to other activities.....	—	(53)	—	—	—	—	(416)	(469)
TOTAL GENERAL ADMINISTRATION	94,336	132,190	240,542	122,504	33,376	17,469	4,786	645,203

Schedule O

Expenditure for general internal services

For the year ended 31 December 1959

(In US dollars)

Description	Administration	Personnel services	Office facilities	Communications services	Travel services	Translation services
International staff costs.....	130,853	40,732	—	—	—	24,193
Area staff costs.....	44,600	85,615	77,868	66,362	22,204	29,352
Supplies.....	1,622	6,520	33,388	727	776	200
Rental of premises.....	—	—	39,810	—	—	—
Maintenance of premises.....	—	—	41,754	—	—	—
Equipment.....	—	—	15,249	3,311	—	—
Buildings and structures.....	—	—	394	—	—	—
Travel.....	5,415	248	14	146	—	—
Communications.....	—	—	—	62,775	—	—
Contractual services.....	11,924	4,151	6,957	48	—	—
Grants and subsidies.....	—	250	—	—	—	—
Losses.....	—	—	706	—	—	—
Expenditure charged to other activities.....	—	(2,031)	—	—	(470)	—
TOTAL	194,414	135,485	216,140	133,369	22,510	53,745

**Expenditure for general internal services
(continued)**

<i>Description</i>	<i>Procurement services</i>	<i>Rotaprint</i>	<i>Legal services</i>	<i>Finance services</i>	<i>Punched card services</i>	<i>Archives services</i>	<i>Total</i>
International staff costs.....	29,850	—	68,752	201,069	24,241	—	519,690
Area staff costs.....	61,149	10,374	20,989	219,055	74,390	8,254	720,212
Supplies	850	15,901	1,248	5,358	13,595	—	80,185
Rental of premises.....	—	—	—	—	—	—	39,810
Maintenance of premises.....	—	265	—	—	59	—	42,078
Equipment	—	4,283	—	—	653	—	23,496
Buildings and structures.....	1,119	—	—	—	—	—	1,513
Travel	567	—	1,603	9,584	721	—	18,298
Communications	—	—	—	—	—	—	62,775
Contractual services	75,140	3,806	5,188	53,172	3,617	—	164,003
Grants and subsidies.....	—	—	—	—	—	—	250
Losses	—	182	—	1,384	—	—	2,272
Expenditure charged to other activities.....	—	(34,811)	—	(4,185)	—	—	(41,497)
TOTAL GENERAL INTERNAL SERVICES	168,675	—	97,780	485,437	117,276	8,254	1,633,085

Schedule P

Expenditure for operations administration and services

For the year ended 31 December 1959

(In US dollars)

<i>Description</i>	<i>Administration</i>	<i>Economics division</i>	<i>Public information services</i>	<i>Technical services</i>	<i>Audiovisual services</i>
International staff costs.....	69,029	—	31,037	21,872	15,875
Area staff costs.....	41,719	7,174	34,454	155,302	27,655
Production wages	—	—	—	—	—
Supplies	16	175	37,885	801	7,963
Rental of premises.....	—	—	—	1,859	—
Maintenance of premises.....	—	—	—	—	—
Equipment	—	—	—	651	92
Travel	2,171	122	3,916	3,323	2,919
Transport costs	—	—	—	1,611	—
Contractual services	31	44	15,771	792	14,525
Losses	—	—	—	157	—
Expenditure charged to other activities.....	(1,921)	—	—	(152,124)	(69,029)
TOTAL	111,045	7,515	123,064	34,254	—

Expenditure for operations administration and services
(continued)

<i>Description</i>	<i>Carpentry shop</i>	<i>Tile factory</i>	<i>Sanitation supplies factory</i>	<i>Sewing services centre</i>	<i>Total</i>
International staff costs.....	—	—	—	—	137,813
Area staff costs.....	11,031	15,644	4,974	734	298,687
Production wages	—	—	—	481	481
Supplies	31,394	19,569	3,076	466	101,346
Rental of premises.....	173	80	—	—	2,112
Maintenance of premises.....	71	251	—	—	322
Equipment	3,797	—	—	—	4,550
Travel	—	—	—	—	12,451
Transport costs	—	—	—	—	1,611
Contractual services	1,768	—	—	178	33,109
Losses	—	—	—	—	157
Expenditure charged to other activities.....	(48,234)	(35,544)	(8,050)	(1,859)	(316,761)
TOTAL OPERATIONS ADMINISTRATION AND SERVICES	—	—	—	—	275,878

Pledges and contributions from Governments to UNRWA
(continued)

Name of contributor	Pledge		Contributions received		Balance of unpaid pledge		
	Description	Unpaid from prior years	For 1959	From prior years' pledge	From 1959 pledge	Prior years' pledge	1959 pledge
	BROUGHT FORWARD	411,781	3,565,542	127,660	3,377,318	284,121	188,224
Saudi Arabia	2,000 tons of fuel.....	—	100,000	—	—	—	100,000
Saudi Arabia	100,000 United States dollars.....	—	100,000	—	100,000	—	—
Spain	1,000,000 pesetas.....	16,667	—	—	—	16,667	—
Switzerland	150,000 Swiss francs.....	—	35,047	—	35,047	—	—
Sweden	300,000 Swedish crowns.....	—	57,915	—	57,915	—	—
Thailand	25 tons of rice ^a	—	3,125	—	—	—	3,125
Tunisia	United States dollars.....	2,000	—	—	—	2,000	—
Tunisia	United States dollars.....	—	2,000	—	—	—	2,000
Turkey	United States dollars.....	—	5,000	—	5,000	—	—
United Arab Republic:							
Egyptian Region	Transport, port services and medical supplies.....	—	326,324	—	326,324	—	—
Syrian Region	Rent, transport, teachers' salaries, sanatorium and camp services....	—	81,909	—	81,909	—	—
United Kingdom of Great Britain and Northern Ireland	£1,928,572 sterling.....	—	5,400,000	—	5,400,000	—	—
United States of America	United States dollars.....	—	23,000,000	—	23,000,000	—	—
Uruguay	United States dollars.....	5,000	—	—	—	5,000	—
Viet-Nam	United States dollars ^a	—	2,500	—	2,500	—	—
Yugoslavia	270 tons of rice.....	—	40,000	—	40,000	—	—
	TOTAL	435,448	32,719,362	127,660	32,426,013	307,788	293,349

^a Special contribution for World Refugee Year.

^b Subject to Parliamentary approval.

Contributions from others to UNRWA
For the year ended 31 December 1959
(In US dollars)

<i>Name of contributor</i>	<i>Description</i>	<i>Value</i>
American Committee to Benefit Arab Refugees	Cash	2,000
Abu Selim Family—Gaza	Rents	511
Awada Family—Gaza	Rents	427
Cooperative for American Remittances to Every- where (CARE)	Cloth, buttons, thread and sewing machine stands.....	66,335
Friends Service Council	Cash	420
Greek Orthodox community—Lebanon	Rents	156
Haj Freih Musaddar, Abu Uraiban, Abu Mallouh and Abu Selim el Aqra Families—Gaza	Rents	1,357
Heirs of Saadedin Shatila—Lebanon	Rents	313
International Confederation of Free Trade Unions	Cash	1,000
International Co-operative Alliance—London	Cash	84
International Co-operative Women's Guild— London	Cash	276
Joint Christian Committee for Refugee Work in Lebanon	Layettes	13,310
Mohd. Jaber 'Uraiban—Gaza	Rents	67
Mneimneh and Bohsaly—Lebanon	Rents	469
Municipal Council, Kalkilyah—Jordan	Rents	868
Near East Christian Council Committee—Jordan	Rents	5,040
New Zealand Council of Organizations for Relief Overseas Inc. (CORSO)	Cash	1,067
New Zealand Council of Organizations for Relief Overseas Inc. (CORSO)*	Cash	16,800
Saint George's Guild	Anaesthetic apparatus	844
Saleh Ali Barback—Gaza	Rents	493
Sheikh Ali Abu Middein—Gaza	Rents	376
Syrian Lebanese Mission—Lebanon	Rent of camps.....	2,766
Syrian local authorities	Services	2,530
Tyre municipality—Lebanon	Water supply	375
United Kingdom Committee for World Refugee Year*	Cash	105,000
United Nations Educational, Scientific and Cultural Organization (UNESCO)	Services of seconded staff.....	114,916
United Nations Association of Great Britain and Northern Ireland	Cash	207
Unitarian Service Committee of Canada	Layettes, funds for commercial training and midwifery courses....	27,103
United Nations Korean Reconstruction Agency staff (UNKRA)*	Cash	305
World Health Organization (WHO)	Services of seconded staff.....	33,610
Sundry donors	Miscellaneous	1,708
Sundry donors to World Refugee Year*	Cash	2,185
	TOTAL	402,918

* Special contributions for World Refugee Year.

Miscellaneous income
For the year ended 31 December 1959
(In US dollars)

<i>Description</i>	<i>Amount</i>
Bank interest	176,005
Sale of empty containers	173,386
Sale of unusable supplies	27,403
Penalties for delays by suppliers.....	8,098
Profit on sub-charter of aircraft.....	17,158
Profit on insurance policies	8,898
Profit on income-producing special activity.....	21,434
Overheads recovered on sales of supplies.....	1,803
Miscellaneous	3,963
	TOTAL
	438,148

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1959

STATEMENT OF BUDGET AND EXPENDITURE

Note 1. The budget figures for 1959 shown in statement I reflect the Agency's budget as prepared under the provisions of General Assembly resolution 1315 (XIII). The budget figures for 1958 represent unexpended allotments against that year's budget carried forward for expenditure in 1959.

Note 2. The budget and expenditure figures appearing in the financial statements and supporting schedules are based upon the Agency's gross requirements on an accrual basis, modified to the extent that buildings and structures and equipment in use have been charged to expenditure in the period of construction or issue for use (see Note 11). Consequently losses of such assets (amounting to \$983 for the current year) have also been excluded from the expenditure figures.

STATEMENT OF INCOME AND EXPENDITURE

Note 3. Income as reflected in statement II represents only income to UNRWA and excludes contributions made direct to the refugees by voluntary agencies and others. To be classified as "income to UNRWA" a contribution must be subject to direct and complete control by the Agency, and must, in addition, be of a type which the Agency can use in its programme.

Note 4. Contributions of cash to the Agency from countries where exchange restrictions are in force are stated in United States dollars at official rates of exchange prevailing at the time of receipt. Other cash contributions are stated in United States dollars at rates which approximate the average free market rates for such currencies.

Note 5. Contributions in kind to the Agency are stated at values indicated by the contributors, if known; otherwise at values considered by the Agency as appropriate.

Note 6. Exchange adjustments result from recording transactions in currencies other than United States dollars at fixed rates of exchange. These fixed rates approximate average market rates in free currencies and official rates in controlled currencies.

Note 7. Income from investments of assets designated for the Agency's Provident Fund scheme, and expenses associated with the administration of the Provident Fund scheme, are not included in statements I and II but have been credited and debited, respectively, to the Reserve for Staff Separation Costs in accordance with the Provident Fund Regulations.

STATEMENT OF ASSETS, LIABILITIES AND WORKING CAPITAL

Note 8. Assets and liabilities in currencies other than United States dollars are shown in United States dollars at the fixed rates employed by the Agency throughout the year. These rates are the official exchange rates except in the case of Lebanese pounds, Syrian pounds, Canadian dollars and Swiss francs where the rates approximate the free market rates for the period under review.

Note 9. Cash resources comprise the following:

Cash in banks, with United States Treasury and in hand	17,574,392
Provisions for letters of credit.....	207,541
Deposits for bank guarantees.....	1,156,261
Short-term securities:	
United States treasury notes (nominal value \$2,409,000)	2,398,461
United States treasury bills (nominal value \$500,000)	485,498
Funds with agents other than banks	
UNICEF	1,548,568
Australian Government Trust.....	135,555
	23,506,276

Note 10. Inventories of usable supplies and equipment are valued at cost or at the Agency's standard prices which approximate cost. Inventories of surplus and salvage supplies and equipment are valued at half standard prices.

Note 11. The following assets of the Agency are not reflected as such in the statement of assets and liabilities:

(a) Loans to refugees totalling \$111,347, most of which is believed to be uncollectable;

(b) Capital stock of The Development Bank of Jordan Limited, at a cost of \$1,470,000;

(c) Equipment and vehicles in use, which cost \$3,081,989;

(d) Structures and buildings (principally refugee shelters, classrooms and distribution centres), which cost \$8,650,026 to construct.

Disbursements for these assets have been treated as expenditure in the current financial statements or in the statements for prior periods (see also note 2).

Note 12. The Agency had, at 31 December 1959, contingent liabilities of \$3,267,221 mainly comprising purchase orders issued for goods and services not yet received. There was also \$917,216 outstanding on procurement requests sent to UNICEF (as the Agency's procurement agent) but on which purchase orders had not yet been placed.

REPORT OF THE BOARD OF AUDITORS ON THE ACCOUNTS OF THE UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST FOR THE YEAR ENDED 31 DECEMBER 1959

1. The Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East submitted to the Board of Auditors the following financial statements for audit certificates :

Statement I. Budget and expenditure for the year ended 31 December 1959;

Statement II. Income and expenditure for the year ended 31 December 1959;

Statement III. Working capital for the year ended 31 December 1959;

Statement IV. Assets, liabilities and working capital as of 31 December 1959.

2. Examinations of transactions, accounts and inventories were conducted to the extent deemed necessary. All information required was provided and the Board wishes to record its appreciation of the co-operation and assistance extended by the Director and officers of the Agency.

3. The approved budget for 1959 totalled \$37,475,000. In addition, the Agency has carried over unused funds from the 1958 budget, totalling \$1,420,004. The budget has thus been increased to \$38,895,004. According to the revised Financial Regulations, effective 1 January 1959, the Director "may authorize the carry forward into the following financial year of any unexpended budget provision made for any purpose other than recurrent operating costs". (See paragraph 3 of last year's report.¹)

4. According to statement II, the expenditure in 1959 was \$34,138,380 and the income \$33,958,878. The Working Capital has been reduced by the balance, \$179,502 (statement III).

5. According to statement I, there is overspending of the budgetary provisions under some headings offset by underspending under other headings. Taking into consideration the amounts carried forward to the 1960 budget, the overspending is \$1,461,117 against an operational reserve of \$800,000, and savings under other headings. The overspending is mainly due to unforeseen circumstances.

6. *The Development Bank of Jordan Limited.* The Agency has paid an additional amount of \$350,000 to the Bank, total payment thus being \$1,470,369. For the additional payment the Agency received 50,000 class "C" shares of JD 1 each in connexion with the general expansion of the Bank and 75,000 class "C" shares at JD 1 each subject to the understanding that an equal amount of the Bank's capital will, upon receipt of payment of the subscription, be allocated to loans under the new joint Grants/Loans Scheme in Jordan.

¹Official Records of the General Assembly, Fourteenth Session, Supplement No. 6B (A/4117) p. 24.

The Agency is now owner of 525,000 class "C" shares in the Bank. During the year ended 31 March 1959, the Bank made a net profit of \$48,059. (See paragraph 7 of last year's report.)

7. The payment of a cost of living bonus to all locally recruited staff, mentioned in paragraph 8 of last year's report, was continued in 1959. A survey to review the Agency's staffing pattern and salary scales has been carried out in 1959 under the direction of one of the professors of the American University of Beirut. The report on the survey is now under consideration by the Agency.

8. *Ex gratia payments.* According to schedule N, *ex gratia* payments totalling \$8,990 have been made during 1959. The payments can be grouped as follows:

	\$
Payments made to beneficiaries of deceased staff members	2,328
Payments made to separated staff members.....	3,223
Loss and damage to personal effects of staff members.	880
Other payments in the interest of the Organization...	2,559

In respect of "payments made to separated staff members \$3,223" an amount of \$521 has been refunded to the Agency in 1960.

9. The total losses for 1959 are \$138,107, (schedules A to P) comprised of the following:

	\$
Cash	355
Supplies	113,012
Equipment	17,246
Bad debts	1,838
Insurance claims, etc.....	2,979
Increase of Reserve.....	2,677
TOTAL LOSSES	138,107

A substantial part of the recorded loss is due to setting up a reserve for expected loss on disposal of surplus and salvage inventories.

Not included in the amount of \$113,012 for supplies are the normal losses in connexion with ration distribution and the normal losses on basic commodities in connexion with transportation and warehousing according to the percentages approved by the Agency.

The Board has noted that the Agency has taken steps to strengthen the inventory control of supplies and equipment.

10. The balance of unpaid pledges prior to 1959 was \$307,788, cf. schedule Q. Of this amount, two pledges totalling \$30,000 have been outstanding since 1953.

11. Statement II shows exchange adjustments of \$564,139. This amount is mainly the result of book

revaluation of some currencies and is therefore not a real gain on exchange.

12. *The Provident Fund.* It has now been decided that the Provident Fund will remain within the UNRWA funds and accounts and will not be shown as a separate entity. The Fund shall be administered and controlled by and at the discretion of the Director, and in accordance with such instructions and procedures as he may prescribe. As at 31 December 1959 the capital of the fund was \$3,032,761.

13. *Staff.* At the year-end, the number of international staff was 128 as against 149 approved posts. The number of area staff was 10,177, as against 10,519 approved posts.

(Signed) Lars BREIE, *Norway*

J. MURGUEITIO, *Colombia*

L. GÖTZEN, *Netherlands*

May 1960