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Audit reports for the year ended 31 December 1959 relating to expenditure by the International Atomic Energy Agency and specialized agencies of technical assistance funds allocated from the Special Account

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Note by the Secretary-General

1. In accordance with the requirements of General Assembly resolution 519 A (VI) adopted on 12 January 1952, there are submitted herewith the audit reports for the year ended 31 December 1959 relating to expenditures by the specialized agencies of technical assistance funds allocated from the Special Account. Paragraph 7 of the resolution reads as follows:

“Calls on the specialized agencies participating in the Expanded Programme of Technical Assistance to provide, in their regular budget documents, information concerning their estimates for the expenditure of technical assistance funds; and to transmit to the General Assembly, for examination and approval, the audit reports relating to expenditure of technical assistance funds allocated from the Special Account after approval of the appropriate audit reports by the

general conferences of their agencies or by such other authorities of the agencies as are constitutionally authorized to approve them.”

2. Attached to the present document is a combined statement (annex 1) showing the status of funds of all the participating organizations under the Expanded Programme as at 31 December 1959, which summarizes the separate audited financial statements submitted by the specialized agencies, together with similar information regarding the transactions of the United Nations as a participating organization in the Programme and the cost of the Technical Assistance Board secretariat.

3. The audited financial statements of the specialized agencies and the International Atomic Energy Agency (IAEA) are attached as annexes 2 to 9; these comprise for each agency the financial statement showing the

status of its funds, in the form prescribed by the Technical Assistance Board, bearing the certificate of the external auditors, and the relevant audit report submitted to the general conference of the agency concerned.¹ As in previous years, the detailed supporting schedules furnished by the several agencies, to which references are made in the financial statements, are not included in this submission but are made available to the Advisory Committee on Administrative and Budgetary Questions.

4. The audit reports of the following agencies for the year 1959 have been approved by their general conference:

(a) The International Labour Organisation (ILO), on 20 June 1960;

(b) The World Health Organization (WHO), on 11 May 1960;

(c) The International Telecommunication Union (ITU), on 2 July 1960.

The audit report for the year 1959 relating to the accounts of the International Atomic Energy Agency was examined by the IAEA Board of Governors on 20 June 1960. The Board recommended adoption by the General

¹ ITU submitted a statement of obligations incurred, expressed in Swiss francs, certified by its auditor.

Conference which will convene in September 1960. The audit report of the Food and Agriculture Organization of the United Nations (FAO) for 1959 will be submitted to the FAO Conference in November 1961. The report of the United Nations Educational, Scientific and Cultural Organization (UNESCO) for 1959 will be submitted for approval at the next session of the UNESCO General Conference which will be held in November/December 1960. The Council of the International Civil Aviation Organization (ICAO) approved the audit report on 8 April 1960. It will be presented to the next session of the ICAO Assembly to be held in 1961 or 1962. The audit report of the World Meteorological Organization (WMO) has been submitted for approval to the WMO Executive Committee now in session.

5. The audited financial statements of the United Nations as a participating organization in the Expanded Programme are presented in the financial reports and accounts for the year ended 31 December 1959 (A/4380). Also included in the same document are financial statements in respect of the secretariat of the Technical Assistance Board (TAB), as well as a statement (schedule H) showing the status of the Special Account as at 31 December 1959.

6. A consolidated statement which reflects the financial transactions of the Expanded Programme as a whole is attached as annex 10.

Expanded Programme of Technical Assistance for the Economic Development of Under-developed Countries
 COMBINED STATEMENT SHOWING THE STATUS OF FUNDS OF THE PARTICIPATING ORGANIZATIONS AND THE TECHNICAL
 ASSISTANCE BOARD SECRETARIAT AT 31 DECEMBER 1959 BASED ON THE ACCOUNTS CERTIFIED BY THEIR EXTERNAL AUDITORS
 (*Expressed in United States dollars*)

	United Nations	ITU*	WMO	ILO	FAO	UNESCO	ICAO	WHO	IAEA	Total Participating Organizations	TAB Secretariat	Total Expanded Programme
Excess of allocations and other income over obligations incurred as at 31 December 1958, Allocations of 1958 and miscellaneous income reverted in 1959	599,632 (337,142)	(455)	256	472,222 (217,222)	562,865 (266,254)	961,029 (84,444)	62,420 2,091	180,905 (21,420)		2,838,874 (924,647)	32,584 (32,584)	2,871,458 (957,231)
Allocations during 1959	7,581,388	36,359	53,300	3,365,779	8,050,872	4,695,652	1,337,600	5,137,558	303,861	30,562,349	1,992,300	32,554,649
Provision from United Nations budget	1,705,000	—	—	—	—	—	—	—	—	1,705,000	—	1,705,000
Less:												
Obligations incurred during 1959:												
Project costs (gross)	8,752,677	—	3,862	3,085,447	7,384,328	4,646,303	1,334,090	4,880,785	278,401	30,365,893	—	30,365,893
Less: Local cost allocations	(457,986)	—	—	(216,068)	(580,396)	(312,837)	(128,305)	(437,876)	—	(2,133,468)	—	(2,133,468)
Project costs (net)	8,294,691	—	3,862	2,869,379	6,803,932	4,333,466	1,205,785	4,442,909	278,401	28,232,425	—	28,232,425
Administrative and operational services costs	1,100,000	30,994	47,683	492,787	1,278,400	505,779	179,064	724,000	—	4,358,707	1,943,123	6,301,830
	9,394,691	30,994	51,545	3,362,166	8,082,332	4,839,245	1,384,849	5,166,909	278,401	32,591,132	1,943,123	34,534,255
Excess of allocations over obligations incurred ..	154,187	4,890	1,755	258,613	265,151	732,992	17,262	130,134	25,460	1,590,444	49,177	1,639,621
Add:												
Savings on liquidation of prior years' obligations	263,452	—	—	147,306	165,751	107,004	3,141	26,516	—	713,170	26,257	739,427
Miscellaneous income	77,470	—	317	9,578	42,887	4,719	3,715	29,847	—	168,533	8,622	177,155
Exchange adjustments (net)	(28,831)	—	87	(1,055)	(34,338)	(5,611)	(15,583)	(18,229)	(567)	(104,127)	—	(104,127)
Balances as per certified accounts as at 31 December 1959	466,278	4,890	2,159	414,442	439,451	839,104	8,535	168,268	24,893	2,368,020	84,056	2,452,076
Represented by:												
Cash at banks and on hand	1,107,479	—	8,087	758,402	688,066	640,748	56,480	802,746	65,250	4,127,258	78,239	4,205,497
Undrawn allocations	1,651,251	36,000	—	653,563	264,711	1,098,132	31,444	95,663	108,322	3,939,086	(74,394)	3,864,692
Accounts receivable, advances, etc.	326,887	—	2,890	81,341	550,369	219,984	68,904	25,031	4,656	1,280,032	170,667	1,450,699
	3,085,617	36,000	10,977	1,493,306	1,503,146	1,958,834	156,828	923,440	178,228	9,346,376	174,512	9,520,888
Less:												
Unliquidated 1959 obligations	1,713,971	—	4,202	585,851	783,689	588,929	140,321	590,985	152,091	4,560,039	57,010	4,617,049
Unliquidated 1958 obligations	365,389	—	3,359	160,423	142,021	189,409	3,083	138,710	—	1,002,394	—	1,002,394
Accounts payable and sundry credit balances ..	539,979	31,110	1,257	332,590	137,985	341,392	4,889	25,477	1,244	1,415,923	33,446	1,449,369
	2,619,339	31,110	8,818	1,078,864	1,063,695	1,119,730	148,293	755,172	153,335	6,978,356	90,456	7,068,812
	466,278	4,890	2,159	414,442	439,451	839,104	8,535	168,268	24,893	2,368,020	84,056	2,452,076

* ITU submitted a statement of obligations incurred, expressed in Swiss francs, certified by the external auditor of ITU. This statement has been converted to U. S. dollars at the accounting rate of exchange applicable as at 31 December 1959.

**Expanded Programme of Technical Assistance for the Economic Development
of Under-developed Countries**

STATEMENT SHOWING THE STATUS OF FUNDS OF THE INTERNATIONAL LABOUR ORGANISATION
AS AT 31 DECEMBER 1959

(Expressed in United States dollars)

	\$	\$
Balance as at 31 December 1958.....		472, 222.43
<i>Less:</i>		
Excess of 1958 allocations and other income over obligations incurred surrendered to the Special Account.....		217,222.43
Balance, reallocated in 1959.....		255,000.00
Allocations from contributions and other available funds in 1959.....		3,365,779.00
		<hr/>
		3,620,779.00
Obligations incurred during 1959:	\$	
Project costs (schedule A).....	3,085,446.83	
<i>Less:</i> Local costs allocations.....	216,068.42	
		<hr/>
		2,869,378.41
Operational services costs (schedule B).....		276,168.13
Administrative costs (schedule C).....		216,619.15
		<hr/>
		3,362,165.69
Excess of allocations and other available funds over obligations incurred.....		258,613.31
Other income:		
Savings on liquidation of prior years' obligations.....		147,306.44
Miscellaneous.....		9,577.77
		<hr/>
		156,884.21
<i>Less:</i> Exchange adjustments (net).....		1,055.56
		<hr/>
		155,828.65
Balance as of 31 December 1959, to revert to the Special Account.....		414,441.96
		<hr/>
Represented by:		
Cash at banks, on hand or in transit.....		758,401.79
Undrawn allocations.....		653,562.60
Accounts receivable, advances, deposits, etc.....		81,341.39
		<hr/>
		1,493,305.78
<i>Less:</i>		
Unliquidated obligations 1959.....		585,850.89
Unliquidated obligations 1958.....		160,422.99
Accounts payable.....	25,241.67	
Other credit balances:		
Trust fund (schedule D).....	205,159.75	
Service benefit (schedule E).....	102,188.52	
		<hr/>
		332,589.94
		<hr/>
		1,078,863.82
		<hr/>
		414,441.96
		<hr/>

CERTIFIED CORRECT:
(Signed) P. M. C. DENBY
Chief of the Budget and Control Service

(Signed) F. H. WHEELER
Treasurer and Financial
Comptroller

AUDIT CERTIFICATE

The financial statement relating to the status of funds made available to the International Labour Organisation in connection with the Expanded Programme of Technical Assistance for Economic Development of Under-developed Countries for the year ended 31 December 1959, has been examined by the undersigned. All the information and explanations required have been obtained, and this is to certify, as a result of the audit, that, in my opinion, the statement mentioned above is correct.

(Signed) UNO BRUNSKOG
External Auditor

AUDIT RELATING TO THE OPERATIONS OF THE INTERNATIONAL LABOUR ORGANISATION UNDER
THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE FOR THE YEAR 1959

1. I certify the correctness of the statement submitted by the International Labour Office showing the status of the Special Account for the Expanded Programme of Technical Assistance as at 31 December 1959.

2. The balance to be returned to the Special Account for the Technical Assistance Programme amounted to \$414,441, of which \$78,000, representing supplies and equipment ordered but not delivered before 31 December 1959, will be reallocated to the International Labour Organisation for 1960.

3. In 1959 there were savings on unliquidated obligations for 1957 amounting to \$147,306. These savings were made up as follows :

	<i>Unliquidated obligations at the end of 1957</i>	<i>Savings as at 31 December 1959</i>
	\$	\$
Experts	225,514	66,776
Fellows and worker trainees	311,563	90,774
Equipment	28,928	2,794
	566,005	160,344
<i>Less:</i>		
Exchange adjustments		13,038
NET SAVINGS		147,306

The savings under the item "Experts" relate to savings on the provision for annual leave (\$40,110), income tax (\$9,777) and travel and various expenses (\$16,889).

The savings in the obligated amounts relating to fellows and worker trainees were made up as follows :

Savings due to:

	\$
Cancellation	56,882
Changes in duration	23,404
Changes in study programme	10,488
TOTAL	90,774

4. The total unliquidated obligations at the end of the year 1959 consisted of the following items :

	<i>Balance in respect of 1958</i>	<i>Balance in respect of 1959</i>	<i>Total</i>
	\$	\$	\$
Fellows and worker trainees	117,109	433,940	551,049
Experts and seminars	40,838	144,142	184,980
Equipment delivered but not paid for	1,268	7,769	9,037
Exchange adjustments etc.	1,208	—	1,208
TOTAL	160,423	585,851	746,274

5. The amounts of savings on unliquidated obligations during the two past years have been very close; \$148,000 in 1958 and \$147,000 in 1959. However, the system of calculating the unliquidated obligations was changed in 1958 and therefore it is expected that the savings in the obligations relating to that year, taking effect in 1960, will not reach the level which has been shown during the preceding years.

6. Accounts payable and other credit balances amounted to \$332,590. This figure includes the credit balances totalling \$205,160 held in five trust funds, made available by the Governments of Argentina, Greece, Iran, Tunisia

and Venezuela to be used for Technical Assistance projects to be carried out by ILO in accordance with requests received from those Governments.

The situation of these funds is as follows :

	<i>Government of Argentina</i>	<i>Government of Greece</i>	<i>Government of Iran</i>	<i>Government of Tunisia</i>	<i>Government of Venezuela</i>
	\$	\$	\$	\$	\$
Balances available as at 1 January 1959..	—	—	24,778	24,415	246,197
Income during 1959.....	12,092	6,500	26,761	—	5,573
Total funds available in 1959.....	<u>12,092</u>	<u>6,500</u>	<u>51,539</u>	<u>24,415</u>	<u>251,770</u>
Disbursements during 1959.....	12	45	26,089	17,335	97,675
Balances as at 31 December 1959.....	<u><u>12,080</u></u>	<u><u>6,455</u></u>	<u><u>25,450</u></u>	<u><u>7,080</u></u>	<u><u>154,095</u></u>

Geneva, 16 March 1960

(Signed) UNO BRUNSKOG
External Auditor

**Expanded Programme of Technical Assistance for the Economic Development
of Under-developed Countries**

STATEMENT SHOWING THE STATUS OF FUNDS OF THE FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS AS AT 31 DECEMBER 1959

(Expressed in United States dollars)

	\$	\$
Balance as at 31 December 1958.....		562,865
<i>Less:</i>		
Excess of 1958 allocations and other income over obligations incurred sur- rendered to the Special Account.....		266,254
		<hr/>
Balance, reallocated in 1959.....		296,611
Allocations from contributions and other available funds in 1959.....		8,050,872
		<hr/>
		8,347,483
	\$	
Obligations incurred during 1959:		
Project costs (schedule A) (gross).....	7,384,328	
<i>Less:</i> Local costs allocations.....	580,396	
		<hr/>
Project costs (net).....		6,803,932
Administrative and operational services costs.....		1,278,400
		<hr/>
Excess of allocations and other available funds over obligations incurred....		265,151
Other income:		
Savings on liquidation of prior years' obligations.....	165,751	
Miscellaneous.....	42,887	208,638
		<hr/>
<i>Less:</i> Exchange adjustments (net).....		34,338
		<hr/>
Balance as of 31 December 1959 to revert to the Special Account.....		439,451
Represented by:		
Cash at banks, on hand or in transit.....		688,066
Undrawn allocations.....		264,711
Accounts receivable, advances, deposits, etc.....		550,369
		<hr/>
1,503,146		
<i>Less:</i>		
Unliquidated obligations, 1959.....		783,689
Unliquidated obligations, 1958.....		142,021
Accounts payable and other credit balances.....		137,985
		<hr/>
		1,063,695
		<hr/>
		439,451
		<hr/>
		<hr/>
<i>(Signed)</i> W. K. MUDIE		<i>(Signed)</i> Norman C. WRIGHT
Chief, Finance Branch		FOR B. R. SEN
		Director-General

AUDIT CERTIFICATE

I have examined the above statement. I have obtained all the information and explanations that I have required, and I certify, as the result of my audit, that in my opinion this statement and the related schedule of costs are correct.

(Signed) E. G. COMPTON
(Comptroller and Auditor-General, Great Britain)
External Auditor

REPORT OF THE EXTERNAL AUDITOR TO THE CONFERENCE OF THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS ON THE ACCOUNT OF THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE FOR THE YEAR ENDED 31 DECEMBER 1959

1. Volume II of the accounts of FAO for the year ended 31 December 1959 consists of the statement of account of the technical assistance funds allocated to the Organization, together with the related schedule of project costs. The statement and schedule are in the form prescribed by the Technical Assistance Board.

2. My examination has been carried out in conjunction with my audit of the accounts of the regular programme of the Organization and in accordance with the financial regulations of the Organization and the statement of principles governing audit procedure annexed to those regulations. I have also examined the reports of the Internal Auditor, the effectiveness of whose work during the year has materially facilitated my own examination. In accordance with the arrangements made between the Technical Assistance Board and the Joint Panel of Auditors of the United Nations, a certified copy of the statement and schedule, and a copy of this report, have been sent to the Board. A copy of that part of my report on the accounts of the regular programme for the biennial accounting period 1958-1959 which refers to the allocation of administrative and operational services costs between the regular and technical assistance programmes has also been sent to the Board.

3. In the course of my examination a number of questions have been raised with the Organization and answered satisfactorily. The subjects dealt with below alone appear to call for separate mention in my report.

Allocations from the Expanded Programme Special Account for administrative and operational services costs

4. As indicated in my report on the regular programme accounts for the biennial accounting period 1958/59, the Organization received from Technical Assistance funds a lump-sum allocation of \$1,278,400 towards the administrative and operational services costs incurred on behalf of the Expanded Programme in 1959. This sum, which equalled the amount of the 1958 allocation, was paid to the regular programme as a contribution towards the costs incurred.

Ex gratia payments and losses and writes-off

5. I have examined the circumstances in which the *ex gratia* payment of \$500 was made during 1959 and the losses and writes-off totalling \$1,751 which are listed in the financial report of the Director-General. I have no comments to make upon them.

6. I wish to record my appreciation of the willing co-operation of the officers of the Organization during my examination.

(Signed) E. G. COMPTON
(Comptroller and Auditor-General, Great Britain)
External Auditor

30 May 1960

**Expanded Programme of Technical Assistance for the Economic Development
of Under-developed Countries**

STATEMENT SHOWING THE STATUS OF FUNDS OF THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC
AND CULTURAL ORGANIZATION AS AT 31 DECEMBER 1959

(Expressed in United States dollars)

	\$	\$
Balance as at 31 December 1958.....		961,029
<i>Less:</i>		
Excess of 1958 allocations and other income over obligations incurred sur- rendered to the Special Account.....		84,444
Balance, reallocated in 1959.....		876,585
Allocations from contributions and other available funds in 1959.....		4,695,652
		<u>5,572,237</u>
Obligations incurred during 1959:		
	\$	
Project costs (schedule A) (gross).....	4,646,303	
<i>Less:</i> Local costs allocations.....	312,837	
Project costs (net).....	4,333,466	
Administrative and operational services costs.....	505,779	4,839,245
		<u>732,992</u>
Excess of allocations and other available funds over obligations incurred.....		732,992
Other income:		
Savings on liquidation of prior years' obligations.....	107,004	
Miscellaneous.....	4,719	
Exchange adjustments (net).....	(5,611)	106,112
		<u>839,104</u>
Balance as of 31 December 1959 to revert to the Special Account.....		<u>839,104</u>
Represented by:		
Cash at banks, on hand or in transit.....	640,748	
Undrawn allocations.....	1,098,132	
Accounts receivable, advances, deposits, etc.....	219,954	1,958,834
		<u>1,958,834</u>
<i>Less:</i>		
Unliquidated obligations, 1958.....	189,409	
Unliquidated obligations, 1959.....	588,929	
Accounts payable and other credit balances.....	341,392	1,119,730
		<u>839,104</u>
		<u>839,104</u>
CERTIFIED CORRECT:		
<i>(Signed)</i> R. HARPER-SMITH Comptroller		<i>(Signed)</i> VITTORINO VERONESE Director-General

AUDIT CERTIFICATE

I have examined the foregoing statement. I have obtained all the information and explanations that I have required, and I certify, as the result of my audit, that in my opinion this statement and the related schedule of costs are correct.

(Signed) E. G. COMPTON
(Comptroller and Auditor-General, Great Britain)
External Auditor

REPORT OF THE EXTERNAL AUDITOR ON THE STATEMENT SHOWING THE STATUS OF ALLOCATIONS
TO THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION AS AT
31 DECEMBER 1959

1. The statement is in the form set out in annex IV, as revised with effect from 1 January 1959, of the Financial Regulations of the Expanded Programme of Technical Assistance, edition II.

2. Allocations from contributions and other available funds in 1959 were \$4,695,652 compared with \$4,590,866 in 1958, and the balance reallocated in 1959 was \$876,585 compared with \$1,738,406 in 1958. Income from allocations and reallocations therefore decreased from \$6,329,272 in 1958 to \$5,572,237 in 1959, a reduction of 12 per cent. As the statement shows, the excess of allocations, etc., over obligations was \$732,992, being approximately 13 per cent of the total allocations for the year. Obligations amounting to \$606,724, however, had been cancelled as at 31 December 1959 because goods or services had not been received or rendered by that date.

3. About 24 per cent (\$1,360,884) of the allocations, etc. in 1959 consisted of certain specified currencies for which utilization targets were prescribed by the Technical Assistance Committee. Obligations in the specified currencies recorded during 1959 in respect of projects to which these allocations related amounted to \$1,347,247 of which \$754,426 represented contractual commitments entered into in 1958 or earlier, the funds for which were reallocated in 1959. Obligations amounting to \$509,648 were cancelled owing to the non-delivery of goods by 31 December 1959.

4. The Organization received from Technical Assistance funds a lump-sum allocation of \$505,779 towards the administrative and operational services costs incurred on behalf of the Expanded Programme in 1959. This sum was paid to the regular programme as a contribution towards the costs incurred.

(Signed) E. G. COMPTON
(Comptroller and Auditor-General, Great Britain)
External Auditor

16 June 1960

**Expanded Programme of Technical Assistance for the Economic Development
of Under-developed Countries**

STATEMENT SHOWING THE STATUS OF FUNDS OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION
AS AT 31 DECEMBER 1959

(Expressed in United States dollars)

	\$	\$
Balance as at 31 December 1958.....		62,420
<i>Less:</i>		
Excess of 1958 allocations and other income over obligations incurred, sur- rendered to the Special Account.....		<u>(2,091)</u>
Balance, reallocated in 1959.....		64,511
Allocations from contributions and other available funds in 1959.....		<u>1,337,600</u>
		<u>1,402,111</u>
Obligations incurred during 1959:		
	\$	
Project costs (schedule A) (gross).....	1,334,090	
<i>Less:</i> Local costs allocations.....	<u>128,305</u>	
Project costs (net).....		1,205,785
Administrative and operational services costs.....		<u>179,064</u>
		<u>1,384,849</u>
Excess of allocations and other available funds over obligations incurred.....		17,262
Other income:		
Savings on liquidation of prior years' obligations.....	3,141	
Miscellaneous.....	3,715	
<i>Less:</i> Exchange adjustments (net).....	<u>15,583</u>	<u>(8,727)</u>
Balance as at 31 December 1959, to revert to the Special Account.....		<u><u>8,535</u></u>
Represented by:		
Cash at banks, on hand or in transit.....	56,480	
Undrawn allocations.....	31,444	
Accounts receivable, advances, deposits, etc.....	<u>68,904</u>	156,828
<i>Less:</i>		
Unliquidated obligations, 1959.....	140,321	
Unliquidated obligations, 1958.....	3,083	
Accounts payable and other credit balances.....	<u>4,889</u>	<u>148,293</u>
		<u><u>8,535</u></u>

CERTIFIED CORRECT:

(Signed) J. BERRIER
Director, Bureau of Administration and Services

(Signed) R. M. MACDONNALL
Secretary-General

AUDIT CERTIFICATE

The above statement showing the status of funds of the International Civil Aviation Organization, relating to the Expanded Programme of Technical Assistance, has been examined. I have obtained all the information and explanations required and certify, as a result of the audit, that the statement and the related schedule of obligations incurred (project costs) are in accordance with the accounts maintained by the Organization and are, in my opinion, correct.

(Signed) IAN STEVENSON
External Auditor

REPORT OF THE EXTERNAL AUDITOR TO THE ASSEMBLY ON THE AUDIT OF THE ACCOUNTS REGARDING THE STATUS OF FUNDS OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION RELATING TO THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE OF THE YEAR ENDED 31 DECEMBER 1959

1. The Technical Assistance Board finance manual requires that "external audit relating to the Expanded Programme shall be reported separately from that of the regular programme activities of the participating organizations", and this is the report on the audit of the accounts for the year ended 31 December 1959.

2. The financial statement showing the status of funds of ICAO relating to the Expanded Programme of Technical Assistance as at 31 December 1959 was submitted by the Secretary General for audit examination, along with the supporting schedule for obligations incurred during the year then ended, both in the form required by the Technical Assistance Board financial manual. The financial statement and the related schedule have been examined, and certified as being in accordance with the accounts maintained by the Organization and, in my opinion, correct.

3. The audit was performed in the same manner as in previous years, the various classes of transactions being test-checked to the extent considered necessary to establish the correctness of the accounts and the fairness of the financial statement and supporting schedule.

4. Allocations by the Technical Assistance Board from contributions and other available funds in 1959 were \$1,337,600. This, together with an adjusted 1958 balance of \$64,511 reallocated in 1959, gave a total of \$1,402,111 available for obligation during the year under review, as shown in the financial statement.

5. The obligations incurred during the years ended 31 December 1959 amounted to \$1,334,090. The following is an analysis of the amount, compared with corresponding figures for the two previous years:

	1957	1958	1959
	\$	\$	\$
Project costs:			
Personal services.....	736,015	1,021,006	965,087
Travel and transportation.....	174,885	137,517	171,778
Fellowships.....	138,019	67,804	123,011
Property and equipment.....	80,968	36,064	61,897
Other.....	9,078	15,141	12,317
	<u>1,138,965</u>	<u>1,277,532</u>	<u>1,334,090</u>
Less: Local cost allocations ^a	—	142,371	128,305
	<u>1,138,965</u>	<u>1,135,161</u>	<u>1,205,785</u>
Administrative and operational services costs.....	153,366	149,335	179,064
	<u>1,292,331</u>	<u>1,284,496</u>	<u>1,384,849</u>

^a Local costs allocations were credited to income in 1957.

6. It was ascertained in the course of the audit that all the obligations charged in the year were in conformity with the following definition in the Technical Assistance Board finance manual:

"'Obligations' represent contracts or purchase orders which resulted or will result in a legal liability for payment of services rendered or goods received by 31 December of the current financial year and, in respect of fellowships, the full cost of completion of fellowships awarded before 31 December of the financial year; provided that the fellow has been nominated by the requesting Government and accepted by the organization concerned and that a formal letter of award has been issued to the requesting Government, the actual placement of the fellow prior to 31 December in this sense not to be an essential consideration."

Of the obligations incurred in 1959, a total of \$140,321 remained unliquidated at the close of the year, of which \$43,200 was with respect to fellowships.

7. The statement of supplies and equipment ordered but not delivered as at 31 December 1959, and totalling \$13,334, prepared for submission to the Technical Assistance Board in accordance with article 14.1 of the finance manual, was verified in the course of the audit.

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All information and explanations required were readily provided, and the audit was facilitated by the co-operation extended by officers of the Secretariat.

(Signed) IAN STEVENSON
External Auditor

26 February 1960

**Expanded Programme of Technical Assistance for the Economic Development
of Under-developed Countries**

STATEMENT SHOWING THE STATUS OF FUNDS OF THE WORLD HEALTH ORGANIZATION AS AT 31 DECEMBER 1959
(Expressed in United States dollars)

	\$	\$
Balance as at 31 December 1958.....		180,905
<i>Less:</i>		
Excess of 1958 allocations and other income over obligations incurred surrendered to the Special Account.....		<u>21,420</u>
Balance, reallocated in 1959.....		159,485
Allocations from contributions and other available funds in 1959.....		<u>5,137,558</u>
		5,297,043
Obligations incurred during 1959:		
	\$	
Project costs (schedule A) (gross).....	4,880,785	
<i>Less:</i> Local costs allocations.....	<u>437,876</u>	
Project costs (net).....	4,442,909	
Administrative and operational services costs.....	<u>724,000</u>	5,166,909
Excess of allocations and other available funds over obligations incurred.....		130,134
Other income:		
Savings on liquidation of prior years' obligations.....	26,516	
Miscellaneous.....	29,847	
Exchange adjustments (net).....	<u>(18,229)</u>	38,134
Balance as at 31 December 1959, to revert to the Special Account.....		<u><u>168,268</u></u>
Represented by:		
Cash at banks, on hand or in transit.....	802,746	
Undrawn allocations.....	95,663	
Accounts receivable, advances, deposits, etc.....	<u>25,031</u>	923,440
<i>Less:</i>		
Unliquidated obligations, 1959.....	590,985	
Unliquidated obligations, 1958.....	138,710	
Accounts payable and other credit balances.....	<u>25,477</u>	755,172
		<u><u>168,268</u></u>

CERTIFIED CORRECT:

(Signed) TED L. SMITH
Chief, Finance

(Signed) ERIC RENLUND
Director, Division of Budget and Finance

AUDIT CERTIFICATE

The financial statements relating to the allocations made to the World Health Organization in connection with the Expanded Programme of Technical Assistance for Economic development of Under-developed Countries for the year ended 31 December 1959 have been examined in accordance with the directions of the undersigned. All the information and explanations required have been obtained, and this is to certify, as a result of the audit, that, in the opinion of the undersigned, the above statement and the related schedule of project costs are correct, subject to the observations in my report.

(Signed) UNO BRUNSKOG
External Auditor

REPORT ON THE AUDIT RELATING TO THE OPERATIONS OF THE WORLD HEALTH ORGANIZATION
UNDER THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE FOR THE YEAR 1959

1. My examination of the accounts relating to the operations of WHO under the Expanded Programme of Technical Assistance for the year 1959 has been carried out in the same way as my audit of the accounts for the regular budget of the Organization.

2. The transactions in 1959 relating to the Expanded Programme of Technical Assistance show a decrease in comparison with those for 1958; the following summarizes the details for the two years:

	1958	1959
	\$	\$
Income:		
Balance reallocated.....	457,918	159,485
Allocations.....	5,317,459	5,137,558
Local costs allocations.....	447,276	437,876
Other income.....	7,640	38,134
TOTAL INCOME	6,230,293	5,773,053
Obligations:		
Direct project costs		
Personal services.....	3,215,757	3,153,534
Travel and transportation.....	805,301	835,636
Supplies and materials.....	276,951	146,760
Property and equipment.....	403,312	145,454
Fellowships.....	625,649	599,401
TOTAL DIRECT PROJECT COSTS	5,326,970	4,880,785
Administrative and operational services costs.....	722,418	724,000
TOTAL OBLIGATIONS INCURRED	6,049,388	5,604,785
Balance to revert to the Special Account..	180,905	168,268
Part of balance to be reallocated in the following year.....	159,485	125,315

The administrative and operational services costs for 1958 represent obligations incurred but those for 1959 (\$724,000) represent a lump sum allocated from Technical Assistance funds towards meeting such costs which were integrated with the regular budget of the Organization.

3. The unliquidated obligations of \$590,985 represent the estimated amount required to liquidate outstanding liabilities pertaining to the year 1959. Included in this amount is \$390,509 for the outstanding balance of 1959 fellowship awards.

4. The 1958 unliquidated obligations of \$138,710 represent the estimated amount required to liquidate fellowships previously awarded where the fellows had not finished their studies by 31 December 1959.

(Signed) UNO BRUNSKOG
External Auditor

Geneva, 16 March 1960

**Expanded Programme of Technical Assistance for the Economic Development
of Under-developed Countries**

STATEMENT SHOWING THE STATUS OF FUNDS OF THE WORLD METEOROLOGICAL ORGANIZATION
AS AT 31 DECEMBER 1959

(Expressed in United States dollars)

Balances as at 31 December 1958.....	\$	\$	256
<i>Less:</i>			
Excess of 1958 allocation and other income over obligations incurred surrendered to the Special Account.....			256
			<hr/> NIL
Allocation from contributions and other available funds in 1959.....			51,500
Allocation for Iran Project.....			1,800
			<hr/> 53,300
TOTAL ALLOCATIONS FOR 1959			53,300
Additional surplus 1958.....			32
Interest on bank accounts 1958-1959.....			285
			<hr/> 53,617
Obligations incurred during 1959:			
Project costs (schedule A).....	3,862		
Operational services costs (schedule B).....	27,182		
Administrative costs (schedule C).....	20,501		
			<hr/> 51,545
<i>Less:</i>			
Exchange adjustments (net).....	87		51,458
			<hr/> 2,159
Represented by:			
Cash at banks, on hand or in transit.....	8,087		
Accounts receivable, advances, deposits, etc.....	2,890		10,977
			<hr/>
<i>Less:</i>			
Unliquidated obligations, 1958.....	3,359		
Unliquidated obligations, 1959.....	4,202		
Accounts payable:			
WMO General Fund.....	161		
Service Benefits/Pension Fund Reserve.....	1,096		8,818
			<hr/> 2,159
			<hr/> <hr/>
<i>(Signed)</i> D. A. DAVIES <i>Secretary-General</i>			<i>(Signed)</i> E. H. COOK <i>Chief, Finance Section</i>

AUDIT CERTIFICATE

I have examined the foregoing statement. I have obtained all the information and explanations that I have required, and I certify, as the result of my audit, that in my opinion this statement is correct.

(Signed) E. G. COMPTON
(Comptroller and Auditor-General, Great Britain)
External Auditor

EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE STATUS OF FUNDS OF WMO AS AT 31 DECEMBER 1959

(Statement VIII)

10. The statement shows that allocations, etc., amounting to \$53,617, were available during 1959 to defray the operational and administrative costs of the WMO Technical Assistance Unit. Obligations incurred amounted to \$51,458, leaving a balance of \$2,159 to be carried forward to 1960.

11. Savings of \$2,062 on operational and administrative costs were utilized for the Technical Assistance Field Programme of the Organization in Latin America, Tunisia, Morocco and Iran.

(Signed) E. G. COMPTON
(Comptroller and Auditor-General, Great Britain)
External Auditor

**Expanded Programme of Technical Assistance for the Economic Development
of Under-developed Countries**

OBLIGATIONS INCURRED—ADMINISTRATIVE AND OPERATIONAL SERVICES COSTS BY THE INTERNATIONAL
TELECOMMUNICATION UNION FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 1959

(Expressed in Swiss francs)

	<i>Cash disbursements</i>	
Administrative costs:		
Personnel services.....	59,079.60	
Administrative property and equipment.....	3,404.65	
Travel and transportation on official business.....	44,116.75	
		<hr/>
TOTAL ADMINISTRATIVE COSTS		106,601.00
Operational services costs:		
Personnel services.....	21,781.10	
Printing and documents.....	1,448.90	
Communications.....	3,443.35	
		<hr/>
TOTAL OPERATIONAL SERVICES COSTS		26,673.35
		<hr/>
GRAND TOTAL		<u>133,274.35</u>

at an exchange rate of 4.34 Sw. fr. for 1 US \$ = \$30,708.37
(approximate value for information only)

AUDIT CERTIFICATE

This statement in the amount of Swiss francs 133,274.35 is certified to be in conformity with the records of the International Telecommunication Union which I have audited.

Federal Audit Office
(Contrôle fédéral des finances)
(Signed) Pochon
Section Chief

Berne, 2 May 1960

**Expanded Programme of Technical Assistance for the Economic Development
of Under-developed Countries**

STATEMENT SHOWING THE STATUS OF FUNDS OF THE INTERNATIONAL ATOMIC ENERGY AGENCY
AS AT 31 DECEMBER 1959

(*Expressed in United States dollars*)

	\$	\$
Balance as at 31 December 1958.....		NIL
Allocations from contributions and other available funds in 1959.....		303,861
		303,861
Obligations incurred during 1959:		
Project costs (schedule A).....	278,401	
Operational service costs (schedule B).....	NIL	
Administrative costs (schedule C).....	NIL	
	278,401	
Exchange adjustments (net).....	567	278,968
Excess of allocations and other available funds over obligations incurred.....		24,893
Other income.....		NIL
Balance as at 31 December 1959, to revert to the Special Account.....		24,893
 Represented by:		
Cash at banks,* on hand or in transit.....	65,250	
Undrawn allocations.....	108,322	
Accounts receivable, advances, deposits, etc.....	4,656	178,228
		178,228
 <i>Less:</i>		
Unliquidated obligations—1959.....	152,091	
Accounts payable and other credit balances.....	1,244	153,335
		24,893

* Due from Administrative Fund.

CERTIFIED CORRECT:

(*Signed*) B. E. D. HAMDI
Director, Division of Budget and Finance

(*Signed*) STERLING COLE
Director-General

AUDIT CERTIFICATE

The financial statements of the International Atomic Energy Agency for the financial year ended 31 December 1959 have 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 financial statements are correct.

(*Signed*) TOSA TISMA
(Yugoslavia)

(*Signed*) DR. GUIDO HERTEL
(Federal Republic of Germany)

LETTER FROM THE BOARD OF AUDITORS OF THE INTERNATIONAL ATOMIC
ENERGY AGENCY TO THE CHAIRMAN OF THE BOARD OF TECHNICAL
ASSISTANCE OF THE UNITED NATIONS

I have the honour to transmit the statement of Expanded Programme of Technical Assistance—Status of Funds of the International Atomic Energy Agency, Vienna, with respect to the financial year ended 31 December 1959, which was submitted by the Director-General to the Board of Auditors in accordance with Financial Policies and Procedures article 29.5. This statement has been examined and certified by the Board of Auditors.

In addition to the above, I have the honour to present the report of the Board of Auditors with respect to the accounts of Funds of Technical Assistance of the International Atomic Energy Agency for the year 1959.

(Signed) TOSA TISMA
on behalf of the Board of Auditors

Vienna, 8 April 1960

REPORT OF THE BOARD OF AUDITORS TO THE TECHNICAL ASSISTANCE BOARD ON THE ACCOUNT OF
THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE STATUS OF FUNDS OF THE INTER-
NATIONAL ATOMIC ENERGY AGENCY FOR THE YEAR ENDED 31 DECEMBER 1959

1. The Director-General of IAEA submitted the following financial statement, together with an associated schedule, for audit certification:

Statement of Expanded Programme of Technical Assistance—Status of Funds of IAEA as at 31 December 1959 (statement VI).

2. The above mentioned statement is certified by the Board as being in accordance with the books and records.

3. Examinations of transactions, accounts and inventories were conducted to the extent deemed necessary to satisfy the Board of Auditors as to the general state of the accounts and the accuracy of the financial statement submitted for audit certificates, and to report thereon to the Technical Assistance Board. All information required was provided and the Board now records its appreciation of the co-operation and assistance extended by the Agency.

4. The statement of the Expanded Programme of Technical Assistance was checked against the general ledger and the relevant subsidiaries and the figures were found correct.

5. In the operation of the funds, fixed assets in the amount of \$229.47 were purchased.

(Signed) TOSA TISMA
(Yugoslavia)

(Signed) DR. GUIDO HERTEL
(Federal Republic of Germany)

Vienna, 8 April 1960

**Expanded Programme of Technical Assistance for the Economic Development
of Under-developed Countries**

CONSOLIDATED STATEMENT OF THE SPECIAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1959

(Expressed in United States dollars)

Balance as at 31 December 1958.....			\$	
Contributions pledged for 1959 less adjustments prior years' contributions and exchange adjustments upon receipt of contributions.....				14,433,340
Provision from United Nations budget.....				28,757,110
Savings effected in 1959 in liquidating prior years' obligations.....				1,705,000
Miscellaneous income, exchange adjustments, etc. (net).....				739,427
Contributions of Governments towards local living costs of experts.....				184,636
				<u>2,090,862</u>
				47,910,375
<i>Less:</i>				
Obligations incurred:				
IAEA.....	\$		\$	
United Nations.....	278,401		—	278,401
ILO.....	8,752,677	1,100,000		9,852,677
FAO.....	3,085,447	492,787		3,578,234
UNESCO.....	7,384,328	1,278,400		8,662,728
ICAO.....	4,646,303	505,779		5,152,082
WHO.....	1,334,090	179,064		1,513,154
ITU.....	4,880,785	724,000		5,604,785
WMO.....	—	30,994		30,994
Adjustment to WMO project obligations incurred.....	3,862	47,683		51,545
	(3,862)	—		(3,862)
	<u>30,362,031</u>	<u>4,358,707</u>		<u>34,720,738</u>
TAB Secretariat.....				1,943,123
Total obligations incurred.....				<u>36,663,861</u>
Balance as at 31 December 1959.....				<u><u>11,246,514</u></u>
Represented by:				
Cash at banks, on hand and in transit.....				11,086,233
Interest bearing account with bank.....				467,525
Accounts receivable, advances, deposits and services not yet used.....				1,461,424
Contributions pledged but not yet received.....				4,705,337
Contributions receivable from Governments towards local living costs of experts.....				1,352,655
				<u>19,073,174</u>
<i>Less:</i>				
Unliquidated 1959 obligations.....		4,614,987		
Unliquidated 1958 obligations.....		1,002,394		
Accounts payable and sundry credit balances.....		1,937,987		
Advance payments by and refunds due to Governments.....		271,292		7,826,660
				<u>11,246,514</u>
NOTE: The balance as at 31 December 1959 is made up as follows:				\$
Unallocated funds on hand in the Special Account.....				785,952
Excess of participating organizations' allocations over obligations incurred.....				1,644,380*
Saving on liquidation of prior years' obligations and miscellaneous income less exchange adjustments.....				812,453
Working Capital and Reserve Fund.....				2,718,929
Contributions pledged but not yet received.....				4,705,337
Contributions receivable from Governments towards 1959 local living costs of experts.....				579,463
				<u>11,246,514</u>

* Against this sum funds amounting to \$1,142,260 were committed for supplies and equipment not delivered as at 31 December 1959 and reallocated in 1960.