



Twelfth session
Agenda item 49(c)

FINANCIAL REPORT AND ACCOUNTS AND REPORT OF THE BOARD OF AUDITORS:
UNITED NATIONS KOREAN RECONSTRUCTION AGENCY (FOR THE FINANCIAL
YEAR ENDED 30 JUNE 1957)

Sixteenth report of the Advisory Committee on Administrative and Budgetary
Questions to the twelfth session of the General Assembly

1. The Advisory Committee on Administrative and Budgetary Questions has examined the financial report and accounts of the United Nations Korean Reconstruction Agency for the financial year ended 30 June 1957 and the related report of the Board of Auditors (A/3696).^{1/} It has also considered a separate memorandum of the Board of Auditors, which deals mainly with the routine of administration.
2. No contributions were pledged by Governments during financial year ended 30 June 1957. However, at that date the total income received by UNKRA from its inception amounted to \$147 million, of which \$143 million had been committed, thereby reducing the unobligated balance of funds to approximately \$4 million. The latter sum includes \$1 million which is reserved for administrative, operational and liquidation expenses during the financial year 1957-1958. Thus, there remains a balance of \$3 million available for increases in current projects or for contingencies.
3. The report of the Board of Auditors describes, in paragraphs 8 to 10, two claims which UNKRA had made to the Republic of Korea concerning the refund of import duties and commodity taxes, as well as a further claim arising from the rate of exchange used by the Government in making credits to the Agency's counterpart funds. The Agent General estimates the amount recoverable for taxes

1/ Official Records of the General Assembly, Twelfth Session, Supplement No. 6B.

and duties levied at the hwan equivalent of \$1,876,000 and, while the exact figure is the subject of current negotiations, the Advisory Committee is informed that the Republic of Korea has acknowledged the obligation and will make settlement. The claim for additional deposits to the counterpart funds is the hwan equivalent of \$4,760,000. The Committee understands that in this case also the Government intends to take the necessary steps to resolve the question.

4. There are no other points in the financial and audit reports under review on which the Advisory Committee desires to offer comment. From an administrative and financial point of view, there appears to be satisfactory progress towards the completion of this programme.
