



Twentieth session
Agenda item 40

ACTIVITIES IN THE FIELD OF INDUSTRIAL DEVELOPMENT

Organizational arrangements for industrial development
and provision of additional financing on a voluntary
basis for operational activitiesReport of the Secretary-General

1. At its thirty-ninth session, the Economic and Social Council considered a suggestion concerning the establishment of a voluntary fund to finance operational activities in the field of industrial development. After some discussion, during which various views were expressed on the desirability of an additional source of financing of this nature, the Council decided, by 24 votes to none, with 2 abstentions, to include the following passage in its report:

"Most delegations noted with interest the suggestion made by the United Kingdom that an additional source of financing on a voluntary basis should be established within the over-all framework of the proposed United Nations Development Programme, under special arrangements to be worked out between the management of the United Nations technical co-operation programme and the Commissioner for Industrial Development, to assist in financing operational activities in the industrial field.

"They considered that it might be useful if the Secretary-General, in the light of the discussions and of Council resolution 1081 F (XXXIX) were to make a brief progress report to the General Assembly at its twentieth session on the organizational arrangements which he envisaged as 'endowing the Centre for Industrial Development with the necessary operational flexibility and autonomy consistent with the nature and requirements of a broadly based programme of action to accelerate the industrialization of the developing countries', at the same time giving consideration to the question of providing additional financing on a voluntary basis and the way in which it might be utilized within the framework of the United Nations Development Programme." 1/

1/ Official Records of the General Assembly, Twentieth Session, Supplement No. 3 (A/6003), paras. 146-147.

2. The present report, which has been prepared pursuant to the above request, is accordingly divided into two parts; part I deals with the organizational arrangements, and part II with the proposed establishment of voluntary financing.

I. ORGANIZATIONAL ARRANGEMENTS

3. In recent decisions both the General Assembly and the Economic and Social Council have expressed their concern at the need to expand United Nations activities in industrial development and to strengthen the resources devoted to the work in this field. In line with the need to strengthen the Secretariat to a level where it could effectively discharge responsibilities in this field, provisions for building up the resources of the Centre for Industrial Development were included in the budget estimates for 1966.^{2/} As reported to the Committee for Industrial Development (E/C.5/L.52), the proposed increase for 1966 is part of an over-all programme aimed at providing the Centre for Industrial Development with a minimum target establishment of some 200 professional posts over the biennium of 1966-1967. Annex I below contains a summary of the 1966 budget estimates in respect to the Centre for Industrial Development. Annex II includes detailed information regarding the proposed target establishment and an account of the functions of the various units contemplated under the new organizational structure of the Centre.

4. To enhance further the effectiveness of the resources devoted to industrial development, efforts are being made for their flexible utilization in accordance with the principles for action in the field of industrial development outlined by the Council in its resolution 1030 A (XXXVII). The need for a flexible approach consistent with the particular requirements of industrial development is being felt not only with respect to the utilization of budgetary credits but also in matters related to the recruitment of staff and experts and to other administrative questions. As far as possible efforts are being made to ensure all the flexibility consistent with the existing rules and regulations as well as with the responsibilities of the Secretariat in other areas, in the light of the existing organizational framework.

^{2/} Ibid., Supplement No. 5 (A/6005), section 5.

5. Some consideration might be given in this context to the question of the appropriate balance between the magnitude of resources and the organizational framework. The Council's concern for the "necessary operational flexibility and autonomy consistent with the nature and requirements of a broadly based programme of action..." reflects indeed on the need for organizational adjustments designed to ensure an optimum balance between the action required, the means available and the machinery needed to put them to use.

6. In particular, the question of the degree of autonomy required by United Nations activities in the field of industrial development has been under consideration for some time by both the General Assembly and the Economic and Social Council, in connexion with the establishment of an appropriate machinery in this field. It will be recalled that under Council resolution 873 (XXXIII) an advisory committee of ten experts convened early in 1963 to examine this question. In reporting their conclusions to the Committee for Industrial Development at its third session, the committee of experts noted: "A certain progress has been made; nevertheless, the committee feels that a greater degree of authority is needed to provide the required impetus to industrial development."^{3/} It recommended "that a special organ, which might be called the United Nations Industrial Development Organization (UNIDO), be established under the authority of the General Assembly

and the Secretary-General".^{4/} Subsequent action was reflected in Assembly resolution 1940 (XVIII) and in several Council resolutions.^{5/} Furthermore, in connexion with recent recommendations contained in Council resolutions 1030 B (XXXVII) and 1081 F (XXXIX) and the decisions of the United Nations Conference on Trade and Development reflected in annex A.III.1 of the Final Act, the matter is now before the General Assembly for its consideration.^{6/}

II. PROPOSED ESTABLISHMENT OF VOLUNTARY FINANCING

7. One of the main reasons for the concern with strengthening the resources of the Centre for Industrial Development was to enable it to support a considerable expansion of the technical co-operation activities in industry under the existing programmes. Accordingly, efforts will continue with a view to increasing the number of projects in the field of industrial development under the Expanded Programme of Technical Assistance and the Special Fund. These efforts are being assisted by the use for appropriate projects, of funds from the Executive Chairman's Contingency

^{4/} Ibid., para. 43. The following passage of the Committee's report (paras. 40 and 41) dealt explicitly with the question of flexibility and autonomy:

"The Committee considered that the special responsibility and authority of the United Nations in the field of industrial development should be explicitly acknowledged in some appropriate directive of the General Assembly. The Committee then considered what organizational and institutional structure within the United Nations could best be vested with the necessary authority to provide the leadership and impetus required to achieve the aims and objectives of the United Nations in this field. In this connexion the Committee made inquiries as to the various institutional forms that exist within the United Nations where some special operative authority is desired to be combined with regular budgetary, staffing and administrative arrangements under the Secretary-General.

"The Committee understood that a variety of such institutions* exist and considered that certain features of these institutions might be incorporated in the type of organization that is needed in the field of industrial development. In the opinion of the Committee, this type of organization could be set up without undue delay and would meet the requirements for budgetary flexibility and a sufficient measure of authority to provide leadership and co-ordination, enabling a global strategy for the United Nations effort in the field of industrial development to be evolved.

"* Examples are UNICEF, the Special Fund and the Office of the High Commissioner for Refugees."

^{5/} Particularly resolutions 969 (XXXVI), 1030 (XXXVII) and 1081 (XXXIX).

^{6/} As requested by the Council, a report on the scope, functions and structure of a specialized agency for industrial development, including draft statutes, was prepared and submitted to the General Assembly (A/5826).

Fund and the preparatory allocation authority of the Managing Director. However, the need to adapt procedures and means of action to the particular requirements of the industrial development activities, which has been recognized by the Council, applied also to the operational programmes as well as to the Centre's supporting activities.

8. In particular, it must be recognized that in addition to the relatively long-term projects financed at present under Special Fund allocations and the medium-term activities programmed on a biennial basis under the Expanded Programme of Technical Assistance, there is a large area in the manufacturing industry which involves the need for more flexible means of assistance. Because this area has remained largely outside the scope of present programmes it cannot be easily defined by reference to the customary description of activities. Essentially, it may be said to embrace the range of services required by Governments for the implementation of projects in the manufacturing field after the initial feasibility study has been completed and until financing for the necessary capital investment has been assured. In addition to this "action gap", there is a whole range of practical needs in the manufacturing industry, with respect to both new and existing industries, which cannot be easily handled under the formal project procedures on which most existing programmes are based. Quite frequently these are short-term needs which cannot be programmed in advance and the effectiveness of the assistance depends on the ability to meet Government requests within a minimum period of time. Far from representing a set of standardized requirements, the type of assistance required in each case is likely to vary and thus, taken as a whole, the programme in this area would have to be based on a composite range of advisory services adaptable to the particular needs of each case. Furthermore, each successive step in the promotion and conduct of an industrial project towards its practical implementation is conditioned by the results of the preceding measures; thus, it may not be feasible to subject each ensuing action to the normal programming procedures.

9. The existing "gap" in these areas could be bridged by the establishment of a programme to provide "special industrial services" in a flexible form and on a massive scale so as to facilitate the carrying over of existing projects to the point of actual investment. This final stage in the implementation of industrial

steps which are to make feasible the capital financing of the project. Services of a similar nature would also have to be provided under this framework to assist Governments on technical problems that frequently arise in the early stages of production.

10. The following listing may serve as an illustration of the nature of the activities under discussion:

(a) Ad hoc assignment of high-level experts, whose services may be requested on relatively short notice, to advise about specific questions related to the preparation and implementation of industrial projects;

(b) Assistance in the different stages of new manufacturing projects, particularly in respect to the practical needs during the post-feasibility stage of the project, until appropriate financing is assured;

(c) Expert services on an intermittent basis to make available specialists for brief periods of time during the development of the project, whenever the need for the particular skills arises;

(d) Industrial projects involving complex manufacturing techniques in more than one field of specialization frequently require the co-operative attention of various specialists such as can be obtained through ad hoc arrangements with specialized institutions or consulting engineering organizations who possess accumulated experience in the specific field and are prepared to make available on short notice teams of specialists to handle simultaneously the specialized aspects of the job;

(e) In other instances, the situation may require a totally different approach, namely, instead of sending a team of experts to work on the spot it may be necessary to bring one or several national technicians to the sources of specialized knowledge abroad either to obtain the required assistance or to learn from first-hand observation the solution to technical problems as practised in industrialized areas;

(f) Support assistance in solving specific problems which may or may not be part of a field project. Quite frequently the need arises for technical documentation, computations or data of a particularly complex nature, laboratory analysis of a type not available locally, design work of a specialized nature, etc.

Frequently these are marginal aspects of the project concerned but more often than not they are key requirements to assure the technical soundness of the project;

(g) Confidential consultations at a high policy level on matters relating either to specific projects or industrial development policies and advice on industrial project promotion problems;

(h) Assignments of a "trouble shooting" nature to solve technical problems arising in connexion with the operation of plants and machinery, flow of materials, quality control, etc.

11. It would be misleading to interpret the diversity of the requirements illustrated by the above examples as merely a series of scattered actions. The diversity in the individual means of action follows naturally from the main purpose of an operational framework specially suited to the particular requirements of industrializing countries when they are establishing and expanding their manufacturing sector. But, to be effective in each case and meaningful within the total effort, assistance cannot proceed in a sporadic fashion; it must be envisaged as a sustained programme of Special Industrial Services dealing with some of the crucial problems in the practical implementation of industrial development. Aside from the question of evolving a systematic pattern of action to close the existing "gap", it is clear from the outset that the need for assistance in this area is already very great and that it will in all likelihood continue to grow very rapidly.

12. The full scope of the requirements of assistance under this type of programme cannot be anticipated with certainty at this stage. Many of the requirements of the developing countries are at present inadequately met or not met at all for lack of facilities. In the face of the existing concern with accelerating industrialization it may be anticipated that the potential demand for the services contemplated is already very large and also that these needs are likely to continue to increase very rapidly. Furthermore, the existence of a programme of sufficient scope is likely to have the effect of transforming the potential needs into actual requests, thus increasing further the demand for services under the proposed programme. It would therefore seem more appropriate at this time to give to the new programme - at least as far as its financing is concerned - a temporary and experimental character, subject to revision in the light of subsequent developments.

13. A major question in initiating the proposed programme of Special Industrial Services is the source of financing and the type of arrangement under which the resources devoted to this purpose would become operational. In line with the common practice, the financing would have to be based on voluntary contributions, as envisaged in the original suggestion made by the United Kingdom at the thirty-ninth session of the Council. The detailed arrangements concerning the operation of an additional means of financing for this purpose would have to be worked out carefully on the basis of the policy decisions that the General Assembly may take. Some basic requirements and possible alternatives are discussed below on a tentative basis.

14. A new fund for industrial development based on voluntary contributions by Member Governments on a replenishable basis could be established to finance the provision of systematic and sustained assistance under the proposed programme of Special Industrial Services. An over-all target amount could be set initially or appropriate annual targets could be established by the General Assembly in the light of requirements reflected in the yearly review of the operations of the fund. The rules and procedures for the operation and management of a fund of this nature would have to be particularly adapted to the requirements of flexibility and speedy handling of the contemplated programme of assistance services. However, it may be some time before Member Governments can agree on the establishment of a new voluntary fund and on the steps required to put it in operation. Furthermore, the establishment of a new voluntary fund at this stage would have to be viewed in the light of the present move to concentrate existing operational programmes under the United Nations Development Programme (UNDP).

15. An alternative approach might be the setting up of a Special Allocation for Industrial Development under UNDP by earmarking specific resources for this purpose, which would make it possible to initiate operations at an earlier stage. To this may be added, as a supplementary source of funds, the authority to receive voluntary contributions that Member Governments might wish to make, whether in cash or services, specifically for operational activities of this nature. Consideration might have to be given in this context to the provisions of General Assembly resolution 1240 (XIII). The level of expenditures would be established from time to time by the Governing Council of UNDP on the basis of proposals submitted

to it by the Administrator. The Administrator would have the authority to decide, after consultation with the Commissioner for Industrial Development, on individual items. A strengthened system of control at the policy level might be achieved by an appropriate form of reporting to both the Governing Council, which would be concerned primarily with the use of funds and the relationship between the activities financed and those of other components of the United Nations Development Programme, and to the Committee for Industrial Development (or any successor body which may be established), which would exercise its review functions primarily from the point of view of the adequacy of the activities in relation to the requirements of the industrialization efforts of the developing countries.

16. A third alternative would be the possibility of financing the new programme of special industrial services under the existing operational procedures of UNDP through broader authority that may be given to its management to undertake on a flexible basis the financing of the types of assistance envisaged under this programme. On the administrative level the approval of individual projects might follow the procedure outlined in the preceding paragraph, namely, they would be authorized by the Executive Head of UNDP after consultation with the Commissioner for Industrial Development.

17. In general terms, the particular requirements of the programme of Special Industrial Services seem to combine some of the features of the preparatory allocations which the Managing Director of the Special Fund is authorized to approve and the present technical assistance contingency authority of the Executive Chairman of the Technical Assistance Board. These two operational facilities incorporate, following the requirements of their respective programmes, certain features of operational flexibility which may be viewed as precedents for the type of arrangement required in the field of development. However, they do not fully meet the specific requirements of the proposed programme of Special Industrial Services. Consideration might be given to whether the present policies and procedures governing these two operational facilities should be modified where necessary.

18. It is worth noting that under the second or third alternative, the establishment of special responsibility for UNDP in the industrial development sector is likely to elicit renewed interest on the part of contributing Member Governments, who have shown high awareness of the needs in this field and have

given strong support for action through increased resources. Thus, it may be anticipated that far from affecting existing activities, particular action to meet the requirements of industry within the framework of UNDP is more likely to contribute to an over-all increase in voluntary contributions.

19. In case either of the last two alternatives is acted upon, provision may have to be made for those cases where Governments are willing to contribute additional voluntary funds provided that these can be identified specifically with industrial development activities. The authority of the Secretary-General to receive voluntary contributions in accordance with sections 7.2 and 7.3 of the United Nations Financial Regulations was brought to the attention of Governments in Economic and Social Council resolution 1050 A (XXXVII). An initial contribution has been received from the Government of Sweden and other Governments have given indications of their interest in making contributions under this provision. The Assembly may wish to bring again to the attention of Member Governments the possibility of effecting specific contributions for industrial development through this mechanism. Efforts would be made to ensure that, when such voluntary contributions received specifically for industrial development are used as an additional source of financing for operational activities, effective and close co-ordination is maintained with the management of UNDP both in respect of the development programme as a whole as well as in respect to financing provided from UNDP for the programme of Special Industrial Services.

20. It should be noted that there is already appropriate inter-agency machinery in existence for ensuring co-ordination of all programmes of an operational nature financed from regular budgets and voluntary funds.

21. Under any of the alternatives, the nature of the contemplated activities makes it particularly difficult to estimate in advance the total resources that would be required for financing the proposed programme of Special Industrial Services. At the outset it may be assumed that following an initial period devoted mostly to the building up of the programme, the rate of operations should be increasing very rapidly up to the point where the programme levels off after reaching an over-all volume consistent with the currently expanding requirements of the industrializing countries. It may be estimated, as a general guide to the possible magnitude of the resources that would be required, that these could reach a level of some

\$20 to \$25 million over the full duration of an initial experimental period of three years. Examination of the results and magnitude of operations during the experimental period would provide a better basis for estimating subsequent annual requirements under this programme.

ANNEX I

Items provided specifically for the Centre for Industrial Development
 in the budget estimates for 1966. a/

	\$
<u>Section 2. Special meetings and conferences</u>	
International symposium and regional symposia on industrial development	602,000
<u>Section 3. Salaries and wages</u>	
(i) In respect of 123 professional and higher level posts and 90 general service posts b/	1,814,300
(ii) Temporary assistance	6,000
(iii) Experts and consultants	300,000
(iv) <u>Ad hoc</u> expert groups	50,000
(v) Overtime	3,500
<u>Sections 4 and 5. Common staff costs and home leave travel</u>	
Assessed on the basis of 25.44 per cent of the costs of established posts shown under section 3	461,600
<u>Section 5. Travel of staff</u>	
For travel of the Commissioner and senior staff on official business	50,000
<u>Section 11. Printing</u>	65,400

a/ It should be noted that the estimates for industrial development also provide:

- (1) Industry divisions at each of the four regional commissions, which also cover largely activities in the fields of natural resources, energy and transport, a total of 99 professional posts and 43 general service posts;
- (2) A sum of \$1,055,000 for the United Nations regular programme of technical co-operation;
- (3) The administrative, language, conference and documents services, and the supplies, equipment and premises required by the Centre, the industry divisions of the regional commissions and the programme of technical co-operation.

The estimates may be subject to reductions in the light of the recommendations made by the Advisory Committee on Administrative and Budgetary Questions (A/6007), should the General Assembly approve those recommendations.

b/ In comparison with 50 professional and 38 general service posts provided to the Centre in 1965.

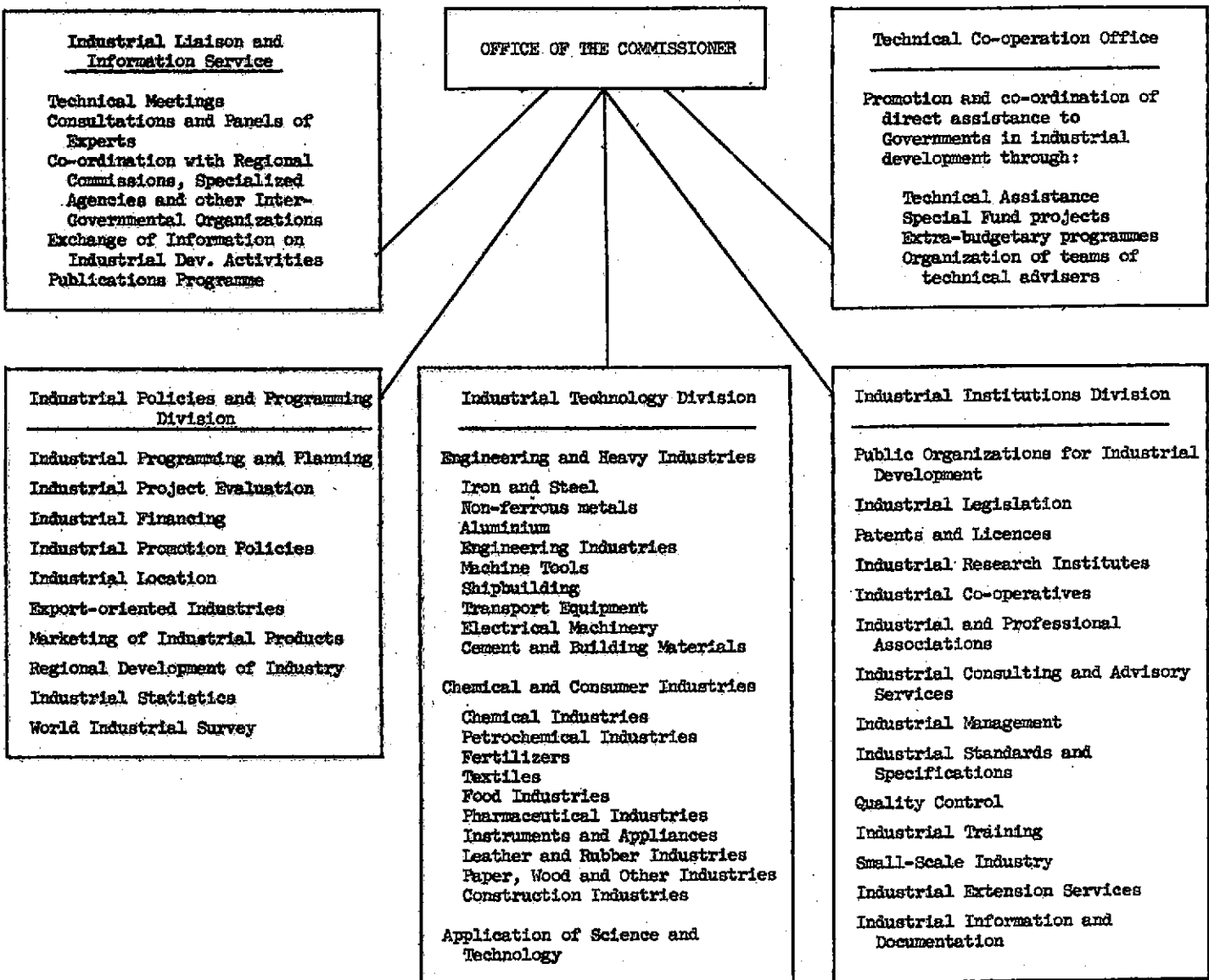
ANNEX II

Proposed organization of the Centre for Industrial Development

1. The chart below represents the organizational structure envisaged for the Centre for Industrial Development under the proposed target establishment to be achieved over the biennium of 1966/1967:

CHART 3-3

CENTRE FOR INDUSTRIAL DEVELOPMENT
ORGANIZATIONAL CHART



2. The proposed functions of the various units of the Centre for Industrial Development listed in the above chart are briefly summarized in the text that follows.

The Centre for Industrial Development:

Provides the secretariat and documentation for the Committee for Industrial Development; organizes meetings, seminars and symposia on industrial development;

Follows technological developments in different branches of industry particularly with a view to their applicability for the rapid industrialization of developing countries;

Provides on request advice to Governments on policy and technical aspects of industrialization programmes, on the mobilization of national resources for industrialization and the furtherance of bilateral or multilateral arrangements for development of industry;

Acts as a focal point for co-ordinating the activities in the field of industrialization of the United Nations system of organizations, and promotes international programmes of technical assistance in this field;

Provides substantive guidance and support to technical co-operation programmes in the field of industrial development;

Engages in research and the preparation of studies and performs other functions described below:

(a) Industrial liaison and information service

Maintains liaison with the organizations of the United Nations system for the purpose of implementing the functions of the Centre in its role as a focal point for co-ordination of industrial development activities;

Maintains liaison with other international and national organizations with a view to promoting co-ordinated action in the field of industrial development;

Plans and implements specific programmes of information on industrial development; assists in planning and carrying out the Centre's programme of documentation and publications;

Organizes consultative services and assists in the establishment of panels of experts and the organization of technical meetings.

(b) Technical Co-operation Office

Promotes technical co-operation activities, and co-ordinates the Centre's role in providing substantive support for technical co-operation activities in the field of industrial development, particularly under the Expanded and Regular Programmes of Technical Assistance and Special Fund projects;

Co-ordinates the utilization of the teams of technical advisers for organizing advisory services to Governments in the definition of needs, formulation or evaluation of projects and in the preparation of requests to the Special Fund.

(c) Industrial Technology Division

Engineering and Heavy Industries Branch

Chemical and Consumer Industries Branch

Adaptation of Technology Section

Through these units, the Division:

Carries out research dealing with technological aspects of industrialization with a view to providing current data on such matters as development in technology adaptation of processes and problems of transfer of technology involved in the process of industrialization in the developing economies; prepares reports on these questions for consideration by the Committee for Industrial Development and the Advisory Committee on Science and Technology;

Undertakes continuing review of existing and newly developed technological processes in respect to specific industries such as iron and steel, non-ferrous metals, engineering and mechanical industries, machine-tools, shipbuilding and transport equipment, electrical machinery and equipment, cement and building materials, construction industries, chemical and petrochemical industries, fertilizer production, textiles, food industries, pharmaceuticals, paper industries, light consumer industries, etc.;

Organizes seminars and study groups for the dissemination of technological information on industries of special importance to the developing countries;

Provides substantive support to technical assistance and Special Fund activities in the above fields;

Prepares manuals and handbooks on specific industries and industrial processes.

(d) Industrial Policies and Programmes Division

Industrial Policies Branch

Industrial Programming Section

Industrial Survey Section

Through these units the Division:

Undertakes studies on public policy matters affecting industrial development, including studies related to national policies in fields such as industrial investment and financing, taxation, income and price policies affecting industry, regional industrialization policies; trade policies, particularly in relation to exports of manufactures and semi-manufactures; protection and incentive measures; industrial employment and wage policies;

Undertakes research related to industrial planning, including problems of location of industries, prepares documentation for consideration by the Committee for Industrial Development, and other United Nations bodies;

Carries out studies on the structural problems related to industrial development in the context of the economy as a whole; the development and evaluation of industrial programming and planning techniques; methods for the formulation, appraisal and implementation of industrial projects;

Provides support to technical assistance and Special Fund activities in the above fields.

(e) Industrial Institutions Division

Industrial Development Organizations Branch

Small-Scale Industry Section

Training and Management Section

Through these units the Division:

Undertakes studies on the supporting institutional framework for industry including those related to the organization, functions and activities of public agencies, industrial research facilities, industrial development corporations, patent offices, standards and testing laboratories, industrial construction and consulting engineering organizations, federations of industry, chambers of commerce, professional associations, trade unions, industrial co-operatives, etc.;

Engages in research and operations relating to the establishment of basic industrial services including industrial extension services, industrial legislation, patents and licensing systems;

Undertakes studies on problems related to the development of small-scale industries and the establishment of industrial estates within over-all programmes of industrialization;

Undertakes studies on the assessment of requirements and facilities for training technical cadres for industrial development; organizes training programmes for groups of managerial and technical personnel for industry from developing countries; prepares and evaluates teaching material for training in industrial development;

Provides support to technical assistance and Special Fund activities in the above fields and prepares documentation and reports for the Committee for Industrial Development and other United Nations bodies.

GENERAL ASSEMBLY



ANNEXES

TWENTIETH SESSION

Official Records

NEW YORK, 1965

Audit reports relating to expenditure by specialized agencies and the International Atomic Energy Agency:

Agency:

(b) Allocations and allotments from the Special Fund

DOCUMENT A/6072

Audit reports for the year ended 31 December 1964 relating to expenditure by executing agencies of funds allocated from the Special Fund

[Original text: English/French]

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Letter of transmittal

18 October 1965

Sir,

I have the honour to transmit to you the consolidated status of funds of the Special Fund as at 31 December 1964 which was submitted by the Secretary-General. This document has been examined and certified by me on behalf of the Board of Auditors. Attached thereto were the following annexes:

Annex 1. Combined statement showing the status of funds of the executing agencies as at 31 December 1964;

Annex 2. Combined statement showing the status of funds from Governments' cash counterpart contributions to the executing agencies as at 31 December 1964;

Annex 3. Combined statement showing commitments against allocations issued to the executing agencies and under the Managing Director's preparatory authority as at 31 December 1964.

In addition to the above I have the honour to present the Report of the Board with respect to the Consolidated Status of Funds mentioned above.

Accept, Sir, the assurance of my highest consideration.

(Signed) Mushtaq AHMAD,
Chairman of the Board of Auditors

The President of the General Assembly
of the United Nations,
New York

Note by the Secretary-General

1. I submit herewith the audited accounts showing the consolidated financial position of the Special Fund as at 31 December 1964 and the report of the Board of Auditors in accordance with article 25.3 of the Financial Regulations of the Special Fund.

2. Detailed supporting schedules furnished by the executing agencies are not included in the submission but are made available to the Advisory Committee on Administrative and Budgetary Questions.

3. The audit reports of the following executing agencies for the year 1964 have been approved:

International Atomic Energy Agency by its General Conference on 27 September 1965;

International Civil Aviation Organization by its Assembly on 22 June 1965;

International Labour Organisation by its General Conference on 16 June 1965;

International Telecommunication Union by its Administrative Council on 5 May 1965;

World Health Organization by the Eighteenth World Health Assembly on 12 May 1965;

World Meteorological Organization by its Executive Committee on 11 June 1965.

The audit reports of the following executing agencies for the year 1964 will be submitted to their legislative bodies for approval as follows:

Food and Agriculture Organization of the United Nations at its Conference in November 1965;

United Nations Educational, Scientific and Cultural Organization at its General Conference in November 1965.

The audit report of the International Bank for Reconstruction and Development requires no action by its Board of Governors.

4. The audit reports of the following executing agencies for the year 1963 have been approved:

International Civil Aviation Organization by its Assembly on 22 June 1965;

United Nations Educational, Scientific and Cultural Organization by its General Conference on 18 December 1964;

World Health Organization by the Eighteenth World Health Assembly on 12 May 1965.

The audit report of the Food and Agriculture Organization of the United Nations for the year 1963 will be submitted to its Conference in November 1965.

5. The audit report of the International Civil Aviation Organization for the year 1962 was approved by its Assembly on 22 June 1965.

6. The audited financial statements of the United Nations as an executing agency of the Special Fund are presented in the financial report and accounts for the year ended 31 December 1964. Also included in the same document are financial statements in respect of the Administrative Budget of the Managing Director as well as a statement showing the status of income and allocations of the Special Fund as at 31 December 1964.¹

¹ Official Records of the General Assembly, Twentieth Session, Supplement No. 6 (A/6006, statements V, VIII, IX and X).

Consolidated status of funds as at 31 December 1964*(Expressed in United States dollars)*

Balance as at 31 December 1963:		
Funds available for allocations		100,806,860
Funds available from cash counterpart contributions to executing agencies		1,209,918
		<u>102,016,778</u>
Reversal to resources of unused balance of contingency fund for preparatory allocations		240,287
Contributions pledged by Governments, less exchange adjustments upon collection		54,221,857
Governments' obligations for local costs in respect of projects		6,184,042
Governments' obligations to Special Fund for cash counterpart contributions in respect of projects		1,116,144
Government cash counterpart contributions to executing agencies ..		1,115,263
Donations		874
Miscellaneous income and exchange adjustments (<i>net</i>)		4,825,443
Refund of prior years' expenditures and savings in liquidating prior year's obligations of the Managing Director's administrative budget		20,111
		<u>169,740,799</u>
<i>Less:</i>		
Commitments incurred in 1964:		
Against the Managing Director's administrative budget	4,636,028	
Against current and prior years' allocations for projects	55,780,618	
Against executing agencies' cash counterpart contributions ...	1,430,511	61,847,157
		<u>61,847,157</u>
Increase during 1964 of unencumbered allocations	12,553,420	74,400,577
		<u>95,340,222</u>
Represented by:		
Cash at banks, on hand and in transit		25,454,747
Non-interest bearing and non-negotiable Government bonds redeemable on demand		70,228,201
Investments		114,641,093
Accrued interest on investments		1,606,221
Contributions pledged but not received at 31 December 1964		63,804,802
Governments' local costs receivable in respect of projects		12,381,190
Governments' cash counterpart contributions receivable in respect of projects		7,845,868
Accounts receivable, deferred charges and sundry debit balances		3,165,019
		<u>299,127,141</u>
<i>Less:</i>		
Unliquidated obligations of the Managing Director's administrative budget		45,546
Reserve for projects approved as at 31 December 1964:		
Unliquidated commitments	41,366,344	
Unencumbered allocations	158,212,298	199,578,642
		<u>199,578,642</u>
Funds in trust, accounts payable and sundry credit balances		4,162,731
		<u>203,786,919</u>
		<u>95,340,222</u>

CERTIFIED CORRECT
(Signed) B. R. TURNER
Controller

APPROVED
(Signed) U THANT
Secretary-General

AUDIT CERTIFICATE

The above statement showing the consolidated status of funds of the Special Fund as at 31 December 1964 has been examined in accordance with my directions. I have obtained all the information and explanations I have required, and I certify, as a result of the audit, that, in my opinion, the above statement is correct.

On behalf of the Board of Auditors,
(Signed) Mushtaq AHMAD, Pakistan
Chairman

13 October, 1965

Report of the Board of Auditors to the General Assembly on the consolidated status of funds of the Special Fund as at 31 December 1964

1. Pursuant to article 25.3 of the Financial Regulations of the Special Fund, as adopted by the Governing Council at its twelfth session, the Board of Auditors shall audit, certify and report on the annual accounts showing the consolidated financial position of the Special Fund.

2. The Secretary-General submitted to the Board the following documents as at 31 December 1964:

- (a) *Statement*. Consolidated status of funds;
- (b) *Annex 1*. Combined statement showing the status of funds of the executing agencies;
- (c) *Annex 2*. Combined statement showing the status of funds from Governments' cash counterpart contributions to the executing agencies;
- (d) *Annex 3*. Combined statement showing allocations and commitments of the executing agencies.

3. The consolidation of the annual accounts includes the following documents as at 31 December 1964:

- (a) Status of income and allocations of the Special Fund (statement V of the United Nations accounts for 1964);
- (b) Status of funds from allocations to the United Nations as executing agency of the Special Fund (statement VIII of the United Nations accounts for 1964);
- (c) Certified status of funds from allocations to the other executing agencies of the Special Fund;
- (d) Status of funds from Governments' cash counterpart contributions to the United Nations as executing agency of the Special Fund (statement IX of the United Nations accounts for 1964);
- (e) Certified status of funds from Governments' cash counterpart contributions to the other executing agencies of the Special Fund;
- (f) Status of funds of the administrative budget of the Managing Director (statement X of the United Nations 1964 accounts).

4. The balance as at 31 December 1964, viz. \$95,340,222 consists of a balance of \$94,445,552 available for allocation by the Managing Director and of \$894,670 unspent balance of Governments' cash counterpart contributions.

5. The following gives a summary of the turnover of the consolidated funds for the years 1963 and 1964:

	1963		1964	
	<i>(Expressed in United States dollars)</i>			
Available for allocations at 1 January		99,328,449		102,016,778
Income		98,067,592		67,724,021
		<u>197,396,041</u>		<u>169,740,799</u>
Commitments incurred.....	47,526,179		61,847,157	
Increase reserve.....	47,853,084	95,379,263	12,553,420	74,400,577
Balance available as at 31 December..		<u>102,016,778</u>		<u>95,340,222</u>

6. For observations by the External Auditors on the status of funds of the various executing agencies, reference is made to their certificates and audit reports, if any.

7. The audit of the consolidation as such did not give rise to comments. Consequently, the consolidated status of funds of the Special Fund as at 31 December 1964 has been certified not subject to observations.

On behalf of the Board of Auditors,
(Signed) Mushtaq AHMAD, *Pakistan*
Chairman

14 October, 1965

	<i>Combined statement showing the status of funds</i>			
	(Expressed in thousands of dollars)			
	<i>FAO</i>	<i>IAEA</i>	<i>IBRD</i>	<i>ICAO</i>
Balance of allocations and other available funds as at 31 December 1963	48,502,726	349,267	1,034,106	4,048,600
Adjustments to opening balance	—	—	—	—
Miscellaneous income and exchange adjustments (<i>net</i>) reverted to the central fund	(10,615)	238	—	3,000
Funds allocated during 1964	27,964,229	535,840	1,399,445	3,222,400
	<u>76,456,340</u>	<u>885,345</u>	<u>2,433,551</u>	<u>7,271,400</u>
<i>Deduct:</i>				
Commitments during 1964				
Liquidated by disbursements	18,168,946	299,419	2,356,558	1,202,300
Unliquidated at 31 December 1964	17,183,793	128,482	2,357,175	1,206,300
	<u>35,352,739</u>	<u>427,901</u>	<u>4,713,733</u>	<u>2,408,600</u>
<i>Less:</i>				
Unliquidated at 31 December 1963	13,948,564	141,893	4,082,529	1,210,600
	<u>21,404,175</u>	<u>286,008</u>	<u>631,204</u>	<u>1,198,000</u>
Unencumbered balance of allocations at 31 December 1964	55,052,165	599,337	1,802,347	6,073,400
<i>Add:</i>				
Miscellaneous income and exchange adjustments (<i>net</i>)	(4,090)	—	25	—
Balance of allocations and other available funds as at 31 December 1964	<u>55,048,075</u>	<u>599,337</u>	<u>1,802,372</u>	<u>6,073,400</u>
Represented by:				
Cash at banks, on hand and in transit	2,562,134	5,336	1,306,215	751,000
Undrawn allotments	11,181,698	369,541	533,045	2,549,000
Unallotted allocations	57,449,405	372,125	2,243,183	4,044,000
Accounts receivable and sundry credit balances	1,556,694	962	89,140	5,000
	<u>72,749,931</u>	<u>747,964</u>	<u>4,171,583</u>	<u>7,351,000</u>
<i>Less:</i>				
Unliquidated commitments as at 31 December 1964	17,183,793	128,482	2,357,175	1,206,300
Accounts payable and sundry credit balances	518,063	20,145	12,036	71,000
	<u>17,701,856</u>	<u>148,627</u>	<u>2,369,211</u>	<u>1,277,300</u>
	<u>55,048,075</u>	<u>599,337</u>	<u>1,802,372</u>	<u>6,073,400</u>

^a The United Nations temporarily administers projects on behalf of WMO. For this purpose, allocations totalling \$2,840,000 have been transferred from WMO to the United Nations.

*the executing agencies as at 31 December 1964**(United States dollars)*

<i>ILO</i>	<i>ITU</i>	<i>UNESCO</i>	<i>United Nations^a</i>	<i>WHO</i>	<i>WMO^a</i>	<i>Total</i>
383,985	4,247,009	28,467,019	23,760,813	919,174	82,811	125,795,563
—	(31,275)	—	—	—	—	(31,275)
(14,300)	72	(5,829)	12,718	—	—	(17,367)
792,992	2,543,940	17,039,873	21,742,517	60,450	1,129,335	80,431,115
162,677	6,759,746	45,501,063	45,516,048	979,624	1,212,146	206,178,036
955,497	1,195,419	10,522,901	13,212,986	565,490	93,145	53,572,700
261,318	1,409,622	8,064,895	6,113,680	639,313	1,671	41,366,344
216,815	2,605,041	18,587,796	19,326,666	1,204,803	94,816	94,939,044
147,409	777,139	7,605,752	6,461,614	782,329	503	39,158,426
69,406	1,827,902	10,982,044	12,865,052	422,474	94,313	55,780,618
93,271	4,931,844	34,519,019	32,650,996	557,150	1,117,833	150,397,418
(1,544)	(356)	(4,151)	6,525	—	1	(3,646)
91,727	4,931,488	34,514,868	32,657,521	557,150	1,117,834	150,393,772
126,966	159,227	999,540	—	—	16,501	6,927,017
869,390	1,815,859	8,138,013	12,744,362	482,310	593,067	42,277,107
238,150	4,387,338	33,885,851	26,482,385	666,540	537,400	142,307,104
132,431	19,544	149,470	—	47,613	7,935	2,009,756
866,937	6,381,968	43,172,874	39,226,747	1,196,463	1,154,903	193,520,984
261,318	1,409,622	8,064,895	6,113,680	639,313	1,671	41,366,344
13,892	40,858	593,111	455,546	—	35,398	1,760,868
275,210	1,450,480	8,658,006	6,569,226	639,313	37,069	43,127,212
91,727	4,931,488	34,514,868	32,657,521	557,150	1,117,834	150,393,772

ANNEX 2

Combined statement showing the status of funds from Governments' cash counterpart contributions to the executing agencies as at 31 December 1964

(Expressed in United States dollars)

	<i>FAO</i>	<i>ICAO</i>	<i>UNESCO</i>	<i>United Nations</i>	<i>Total</i>
Balance of available funds as at 31 December 1963	917,548	17,181	125,936	149,253	1,209,918
Cash counterpart contributions received during 1964	437,050	260,500	—	417,713	1,115,263
	<u>1,354,598</u>	<u>277,681</u>	<u>125,936</u>	<u>566,966</u>	<u>2,325,181</u>
<i>Less:</i>					
Expenditures	753,946	139,194	23,980	409,292	1,326,412
Exchange adjustments and miscellaneous income (<i>net</i>)	114,373	(4,402)	—	(5,872)	104,099
	<u>868,319</u>	<u>134,792</u>	<u>23,980</u>	<u>403,420</u>	<u>1,430,511</u>
Balance of available funds as at 31 December 1964	<u>486,279</u>	<u>142,889</u>	<u>101,956</u>	<u>163,546</u>	<u>894,670</u>
<i>Represented by:</i>					
Cash at banks, on hand and in transit	—	142,889	—	—	142,889
Accounts receivable and sundry debit balances	486,279	—	101,956	163,546	751,781
	<u>486,279</u>	<u>142,889</u>	<u>101,956</u>	<u>163,546</u>	<u>894,670</u>
<i>Less:</i>					
Accounts payable and sundry credit balances	—	—	—	—	—
	<u>486,279</u>	<u>142,889</u>	<u>101,956</u>	<u>163,546</u>	<u>894,670</u>

**Combined statement showing commitments against
and under the Managing Director's preparatory authority**

(Expressed in thousands of dollars)

<i>Executing agency</i>	<i>Funds allocated</i>						<i>Total allocation</i>
	<i>Allocations for approved projects</i>			<i>Preparatory assistance</i>			
	<i>Prior years</i>	<i>Current year</i>	<i>Total</i>	<i>Prior years</i>	<i>Current year</i>	<i>Total</i>	
FAO	86,347,293	27,897,169	114,244,462	46,230	67,060	113,290	114,357,752
IAEA	552,260	535,840	1,088,100	—	—	—	1,088,100
IBRD	9,909,325	1,399,445	11,308,770 ^a	—	—	—	11,308,770
ICAO	8,594,622	3,222,494	11,817,116	—	—	—	11,817,116
ILO	30,344,300	4,787,500	35,131,800	43,008	5,492	48,500	35,180,300
ITU	5,728,125	2,549,440	8,277,565	5,500	(5,500)	—	8,277,565
UNESCO	49,397,225	17,065,423	66,462,648	40,400	(25,550)	14,850	66,477,448
United Nations	45,276,754	21,711,117	66,987,871 ^b	52,800	31,400	84,200	67,072,071
WHO	2,118,400	60,450	2,178,850	—	—	—	2,178,850
WMO	193,200	1,129,335	1,322,535 ^b	—	—	—	1,322,535
	<u>238,461,504</u>	<u>80,358,213</u>	<u>318,819,717</u>	<u>187,938</u>	<u>72,902</u>	<u>260,840</u>	<u>319,080,597</u>
Allocations not issued pending authorization to commence operations:							
At 31 December 1963	20,099,895	(20,099,895)	—	—	—	—	—
At 31 December 1964	—	7,428,430	7,428,430	—	—	—	7,428,430
	<u>258,561,399</u>	<u>67,686,748</u>	<u>326,248,147</u>	<u>187,938</u>	<u>72,902</u>	<u>260,840</u>	<u>326,508,997</u>
Allocations issued under the Managing Director's preparatory authority	—	—	—	—	386,450	386,450	386,450
	<u>258,561,399</u>	<u>67,686,748</u>	<u>326,248,147</u>	<u>187,938</u>	<u>459,352</u>	<u>647,290</u>	<u>326,895,447</u>

^a Excludes an allocation of \$287,500 in respect of a completed project.

^b The United Nations temporarily administers projects on behalf of WMO. For this purpose, allocations totalling \$2,845,775 have been transferred from WMO to the United Nations.

*allocations issued to the executing agencies
authority as at 31 December 1964*

(United States dollars)

<i>Commitments incurred</i>							
<i>Liquidated by disbursement</i>			<i>Unliquidated</i>			<i>Total commitments</i>	<i>Unencumbered balance of allocations</i>
<i>Prior years</i>	<i>Current year</i>	<i>Total</i>	<i>31 December 1963</i>	<i>Increase during 1964</i>	<i>31 December 1964</i>		
23,952,848	18,168,946	42,121,794	13,948,564	3,235,229	17,183,793	59,305,587	55,052,165
60,862	299,419	360,281	141,893	(13,411)	128,482	488,763	599,337
4,792,690	2,356,558	7,149,248	4,082,529	(1,725,354)	2,357,175	9,506,423	1,802,347
3,334,926	1,202,339	4,537,265	1,210,694	(4,299)	1,206,395	5,743,660	6,073,456
11,870,214	5,955,497	17,825,711	4,147,409	113,909	4,261,318	22,087,029	13,093,271
740,680	1,195,419	1,936,099	777,139	632,483	1,409,622	3,345,721	4,931,844
13,370,683	10,522,901	23,893,584	7,605,752	459,143	8,064,895	31,958,479	34,519,019
15,094,409	13,212,986	28,307,395	6,461,614	(347,934)	6,113,680	34,421,075	32,650,996
416,897	565,490	982,387	782,329	(143,016)	639,313	1,621,700	557,150
109,886	93,145	203,031	503	1,168	1,671	204,702	1,117,833
<u>73,744,095</u>	<u>53,572,700</u>	<u>127,316,795</u>	<u>39,158,426</u>	<u>2,207,918</u>	<u>41,366,344</u>	<u>168,683,139</u>	<u>150,397,418</u>
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	7,428,430
<u>73,744,095</u>	<u>53,572,700</u>	<u>127,316,795</u>	<u>39,158,426</u>	<u>2,207,918</u>	<u>41,366,344</u>	<u>168,683,139</u>	<u>157,825,848</u>
—	—	—	—	—	—	—	386,450
<u>73,744,095</u>	<u>53,572,700</u>	<u>127,316,795</u>	<u>39,158,426</u>	<u>2,207,918</u>	<u>41,366,344</u>	<u>168,683,139</u>	<u>158,212,298</u>

ANNEX 4 (a)

Food and Agriculture Organization of the United Nations: status of funds as at 31 December 1964
(Expressed in United States dollars)

Balance of allocations and other available funds at the end of prior year		48,502,726	
<i>Deduct:</i>			
Surrendered to the Fund:			
Prior year's other income		10,615	
			<u>48,492,111</u>
<i>Add:</i>			
Funds allocated during current year		27,964,229	
			<u>76,456,340</u>
<i>Deduct:</i>			
Funds committed during current year		21,404,175	
			<u>55,052,165</u>
<i>Add:</i>			
Other income:			
Miscellaneous income and exchange adjustments		(4,090)	
			<u>55,048,075</u>
Unencumbered balance of allocations and other income at end of current year			<u><u>55,048,075</u></u>
Represented by:			
Cash at banks, on hand and in transit	2,562,134		
Undrawn allotments	11,181,698		
Unallotted allocations	57,449,405		
Accounts receivable and sundry debit balances	1,556,694	72,749,931	
			<u>72,749,931</u>
<i>Less:</i>			
Unliquidated commitments	17,183,793		
Accounts payable and sundry credit balances	518,063	17,701,856	
			<u>17,701,856</u>
			<u><u>55,048,075</u></u>
 (Signed) W. K. MUDIE			(Signed) B. R. SEN
Director, Division of Finance			Director-General

AUDIT CERTIFICATE

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

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

ANNEX 4 (b)

Food and Agriculture Organization of the United Nations: status of funds from Governments' counterpart contributions in cash as at 31 December 1964*(Expressed in United States dollars)*

Balance of available funds at the end of prior year.....		917,548
<i>Add:</i>		
Contributions received during current year.....	437,050	
Exchange adjustments on contributions collected.....	(114,373)	322,677
		<hr/>
		1,240,225
<i>Deduct:</i>		
Cash disbursements during current year.....	755,350	
<i>Less:</i>		
Excess of expenditure over receipts.....	1,404	753,946
		<hr/>
Balance of available funds at end of current year.....		486,279
		<hr/> <hr/>
<i>Represented by:</i>		
Accounts receivable and sundry debit balances.....		486,279
		<hr/> <hr/>

(Signed) W. K. MUDIE
 Director, Division of Finance

(Signed) B. R. SEN
 Director-General

AUDIT CERTIFICATE

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

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

REPORT OF THE EXTERNAL AUDITOR ON THE STATEMENTS SHOWING AS AT 31 DECEMBER 1964:

- (1) THE STATUS OF FUNDS ALLOCATED TO THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS BY THE UNITED NATIONS SPECIAL FUND;
- (2) THE STATUS OF FUNDS FOR GOVERNMENTS' COUNTERPART CASH CONTRIBUTIONS TO SPECIAL FUND PROJECTS

GENERAL

1. The accounts relating to the participation of the Food and Agriculture Organization of the United Nations in field projects of the United Nations Special Fund during the year ended 31 December 1964 consist of (1) the statement showing as at 31 December 1964 the status of funds allocated to the Organization by the United Nations Special Fund, together with the related schedules showing (a) the cumulative position in regard to allocations and other income and (b) details of allocations and commitments by projects; and (2) the statement showing the status of funds as at 31 December 1964 for Government counterpart cash contributions paid direct to the Organization, together with the related schedules giving details under projects. The statements and schedules are in the form prescribed by the Special Fund.

2. My examination has been carried out in conjunction with my audit of the accounts of the regular programme of the Organization. I have also examined the reports of the Internal Auditor.

LOSSES AND WRITE-OFFS

3. I have examined the losses and write-offs totalling \$5,496 which are listed in the financial report of the Director-General. I have no comments to make upon them.

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

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

21 June 1965

ANNEX 5

*International Atomic Energy Agency: status of funds as at 31 December 1964**(Expressed in United States dollars)*

Balance of allocations and other available funds at the end of prior year.....		349,267
<i>Add:</i>		
Adjustment to balance of allocations and other available funds brought forward from 1963 (exchange adjustment).....		238
		<u>349,505</u>
<i>Add:</i>		
Funds allocated during current year including adjustments.....		535,840
Unliquidated commitments at end of prior year.....		141,893
		<u>1,027,238</u>
<i>Deduct:</i>		
Commitments:		
Liquidated by disbursements during current year.....	299,419	
Unliquidated at end of current year.....	128,482	427,901
		<u>599,337</u>
Unencumbered balance of allocations and other income at end of current year....		<u><u>599,337</u></u>
<i>Represented by:</i>		
Cash at banks, on hand and in transit.....	5,336	
Undrawn allotments.....	369,541	
Unallotted allocations.....	372,125	
Accounts receivable and sundry debit balances.....	962	747,964
		<u>747,964</u>
<i>Less:</i>		
Unliquidated commitments.....	128,482	
Accounts payable and sundry credit balances.....	20,145	148,627
		<u>148,627</u>
		<u><u>599,337</u></u>

(Signed) Howard R. ENNOR
 Director, Division of Budget and Finance

(Signed) Sigvard EKLUND
 Director General

AUDIT CERTIFICATE

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

(Signed) Volkmar HOFF
 (President of the Court of Accounts,
 Federal Republic of Germany)
 External Auditor

REPORT OF THE EXTERNAL AUDITOR OF THE INTERNATIONAL ATOMIC ENERGY AGENCY TO THE MANAGING DIRECTOR OF THE UNITED NATIONS SPECIAL FUND ON THE ACCOUNTS OF THE UNITED NATIONS SPECIAL FUND—STATUS OF FUNDS FOR THE YEAR ENDED 31 DECEMBER 1964

1. The Director-General of the International Atomic Energy Agency submitted the following financial statement for audit certification:

Special Fund projects

Status of funds for the year ended 31 December 1964.

2. The above statement is certified by me as being in accordance with the books and records; four copies are attached.

3. I have examined the transactions, accounts and inventories to the extent deemed necessary to satisfy myself as to the general state of the accounts and the accuracy of the financial statement submitted for audit certification, and to report thereon to the Managing Director of the United Nations Special Fund. All information required was provided and I now record my appreciation of the co-operation and assistance extended by the Secretariat of the Agency.

(Signed) Volkmar HOFF
(President of the Court of Accounts,
Federal Republic of Germany)
External Auditor

Vienna, 24 March 1965

ANNEX 6

*International Bank for Reconstruction and Development: status of funds as at 31 December 1964**(Expressed in United States dollars)*

Balance of allocations and other available funds at the end of prior year.....		1,034,105.61	
<i>Add:</i>			
Funds allocated during current year.....		1,399,445.00	
Total available for commitments.....		<u>2,433,550.61</u>	
<i>Deduct:</i>			
Funds committed during current year.....		631,204.00	
Unencumbered balance of allocations at end of current year.....		<u>1,802,346.61</u>	
<i>Add:</i>			
Other income:			
Interest on Swiss franc bank deposit.....		25.45	
Unencumbered balance of allocations and other income at end of current year....		<u>1,802,372.06</u>	
Represented by:			
Cash at banks, on hand and in transit.....	1,306,214.47		
Undrawn allotments	533,045.22		
Unallotted allocations	2,243,183.00		
Accounts receivable and sundry debit balances.....	89,139.93	4,171,582.62	
		<u>4,171,582.62</u>	
<i>Less:</i>			
Unliquidated commitments	2,357,175.05		
Accounts payable and sundry credit balances.....	12,035.51	2,369,210.56	
		<u>2,369,210.56</u>	
		<u>1,802,372.06</u>	

APPROVED:
(Signed) Robert W. CAVANAUGH
Treasurer

AUDIT CERTIFICATE

The above statement showing the status of funds held by International Bank for Reconstruction and Development as executing agency of United Nations Special Fund projects as at 31 December 1964 has been examined in accordance with the directions of the undersigned. All of the information and explanations required have been obtained, and this is to certify, as a result of the audit, that, subject to the observations in the report, in the opinion of the undersigned, the above statement is correct.

(Signed) PRICE WATERHOUSE & CO.
by Theodore HERZ, a partner

31 March 1965

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AS EXECUTING AGENCY FOR CERTAIN UNITED NATIONS SPECIAL FUND PROJECTS: REPORT AND COMMENTS OF INDEPENDENT AUDITOR ON STATUS OF FUNDS AND INDEPENDENT AUDITOR'S OPINION FOR THE YEAR ENDED 31 DECEMBER 1964

1. The accounts and records of the International Bank for Reconstruction and Development as executing agency for the United Nations Special Fund are maintained, and the financial statement is presented, in terms of United States dollars.

As executing agency for the Special Fund, the Bank translates currencies other than United States dollars into United States dollars at the exchange rates used by the Special Fund when making remittances to the Bank.

2. The statement of the status of funds has been prepared in accordance with the format prescribed by the United Nations Special Fund. The following table summarizes briefly additional information relating to commitments liquidated or unliquidated.

	<i>Expressed in United States dollars</i>	
Unliquidated commitments at 1 January 1964.....		4,082,529.65
Commitments made during 1964.....	805,928.25	
<i>Less:</i>		
Adjustments of amounts reported as commitments in prior years resulting from:		
Reduction in scope of work performed.....	107,960.36	
Changes in estimates of amounts required to complete projects	66,763.89	631,204.00
		<u>4,713,733.65</u>
Commitments liquidated by disbursement in 1964.....		<u>2,356,558.60</u>
Unliquidated commitments at 31 December 1964 relating to:		
Commitments existing at 1 January 1964.....	1,745,665.61	
Commitments made during 1964.....	611,509.44	<u>2,357,175.05</u>

The Bank reports as unliquidated commitments only those amounts for which, as executing agency for the Special Fund, it has entered into contracts for receipt of goods or services or for which the Government receiving assistance from the Special Fund has entered into such contracts. The amounts reported for such commitments, in many instances, are estimates of amounts expected to be billed by consulting firms based on *per diem* rates specified in contracts. Also the Bank reports as unencumbered balance of allocations, amounts for which no such commitments have been made.

(Signed) PRICE WATERHOUSE & Co.
by Theodore HERZ, a partner

31 March 1965

ANNEX 7 (a)

International Civil Aviation Organization: status of funds as at 31 December 1964*(Expressed in United States dollars)*

Balance of allocations and other available funds at end of prior year.....		4,048,653	
<i>Deduct:</i>			
Surrendered to the Fund:			
Prior year's other income.....			(349)
			<u>4,049,002</u>
<i>Add:</i>			
Funds allocated during current year.....		3,222,494	
Total available for commitments.....			<u>7,271,496</u>
<i>Deduct:</i>			
Funds committed during current year.....		1,198,040	
Unencumbered balance of allocations at end of current year.....			<u>6,073,456</u>
<i>Add:</i>			
Other income:			
Miscellaneous income and exchange adjustments.....			(56)
Unencumbered balance of allocations and other income at end of current year....			<u><u>6,073,400</u></u>
 Represented by:			
Cash at banks, on hand and in transit.....	751,098		
Undrawn allotments.....	2,549,822		
Unallotted allocations.....	4,044,727		
Accounts receivable and sundry debit balances.....	5,967	7,351,614	
 <i>Less:</i>			
Unliquidated commitments.....	1,206,395		
Accounts payable and sundry credit balances.....	71,819	1,278,214	
			<u><u>6,073,400</u></u>
 CERTIFIED CORRECT:			APPROVED:
(Signed) G. van GELDER			(Signed) B. T. TWIGT
Chief, Finance Branch			Secretary-General

AUDIT CERTIFICATE

The above statement showing the status of funds from allocations made to the International Civil Aviation Organization in connexion with the United Nations Special Fund projects for the year ended 31 December 1964, has been examined. All the information and explanations required have been obtained and I certify that, in my opinion, the above statement and the related schedule of Special Fund projects are correct.

(Signed) A. M. HENDERSON
(Auditor General of Canada)
External Auditor

ANNEX 7 (b)

International Civil Aviation Organization: status of funds from Governments' counterpart contributions in cash as at 31 December 1964*(Expressed in United States dollars)*

Balance of available funds at end of prior year		17,181
Add:		
Income:		
Contributions received during current year	260,500	
Miscellaneous income	4,402	264,902
		<u>282,083</u>
Deduct:		
Cash disbursements during current year		139,194
Balance of available funds at end of current year		<u>142,889</u>
Represented by:		
Cash at banks, on hand and in transit		<u>142,889</u>

CERTIFIED CORRECT:

(Signed) G. van GELDER
 Chief, Finance Branch

APPROVED:

(Signed) B. T. TWIGT
 Secretary-General

AUDIT CERTIFICATE

The above statement showing the status of funds from Governments' cash counterpart contributions to the International Civil Aviation Organization in connexion with the United Nations Special Fund projects for the year ended 31 December 1964, has been examined. All the information and explanations required have been obtained and I certify that, in my opinion, the above statement is correct.

(Signed) A. M. HENDERSON
 (Auditor General of Canada)
 External Auditor

REPORT OF THE EXTERNAL AUDITOR TO THE GENERAL ASSEMBLY ON THE AUDIT OF THE ACCOUNTS RESPECTING THE STATUS OF FUNDS OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION RELATING TO THE UNITED NATIONS SPECIAL FUND FOR THE YEAR ENDED 31 DECEMBER 1964

1. The Provisional Financial Regulations of the Special Fund require that the executing agencies shall transmit to the Managing Director for submission to the Governing Council and to the United Nations General Assembly annual accounts showing the status of all funds either allocated to them by the Managing Director for the execution of projects or made available to them by Governments as counterpart contributions in cash in accordance with project plans of operations. Such accounts shall bear audit certificates from the executing agency's external auditors and shall be accompanied by their reports. This is the report on the examination of the accounts maintained by the International Civil Aviation Organization for the year ended 31 December 1964.

2. Statements I and II submitted by the Secretary-General showing the status of funds as at 31 December 1964, prepared in the forms required by the Managing Director of the Special Fund, have been examined and have been certified as being in accordance with the accounts maintained by the Organization and being, in my opinion, correct.

3. All the information and explanations required were readily provided to my officers, and the audit was facilitated by the co-operation extended by officers of the Secretariat, for which I am pleased to record my appreciation.

(Signed) A. M. HENDERSON
 (Auditor General of Canada)
 External Auditor

29 March 1965

ANNEX 8

International Labour Organisation: status of funds as at 31 December 1964*(Expressed in United States dollars)*

Balance of allocations and other available funds at the end of prior year		14,383,985
<i>Deduct:</i>		
Surrendered to the Fund:		
Prior year's other income		14,300
		<hr/>
		14,369,685
<i>Add:</i>		
Funds allocated during current year		4,792,992
		<hr/>
Total available for commitments		19,162,677
<i>Deduct:</i>		
Funds committed during current year		6,069,406
		<hr/>
Unencumbered balance of allocations at end of current year		13,093,271
<i>Add:</i>		
Other income:		
Miscellaneous income and exchange adjustments		(1,544)
		<hr/>
Unencumbered balance of allocations and other income at end of current year		13,091,727
		<hr/> <hr/>
Represented by:		
Cash at banks, on hand and in transit	1,126,966	
Undrawn allotments	3,869,390	
Unallotted allocations	12,238,150	
Accounts receivable and sundry debit balances	132,431	17,366,937
		<hr/>
<i>Less:</i>		
Unliquidated commitments	4,261,318	
Accounts payable and sundry credit balances	13,892	4,275,210
		<hr/>
		13,091,727
		<hr/> <hr/>

CERTIFIED CORRECT:

(Signed) P. M. C. DENBY,
Chief of the Budget and Control Branch

APPROVED:

(Signed) E. J. RICHES
Treasurer and Financial Comptroller
for the Director-General,
International Labour Office

AUDIT CERTIFICATE

The above accounts have been examined in accordance with my instructions. I have obtained all the information and explanations that I have required, and I certify, as a result of this audit, that, in my opinion, the above accounts are correct.

(Signed) UNO BRUNSKOG
Auditor

REPORT ON THE AUDIT RELATING TO THE OPERATIONS OF THE INTERNATIONAL LABOUR ORGANISATION UNDER THE UNITED NATIONS SPECIAL FUND

1. My examination of the accounts relating to the operations of the International Labour Organisation under the United Nations Special Fund for 1964 has been carried out in the same way as my audit of the accounts for the regular budget of the Organisation.

2. During 1964 there have been 54 different projects consisting of the following:

(a) Projects for which authorization to commence operations was received	40
(b) Projects for which advance credits were received.....	9
(c) Projects for which preparatory allocations were received.....	5
	<hr/>
TOTAL PROJECTS	54
	<hr/>

3. Funds allocated for the projects mentioned in paragraph 2, including balances of earmarkings carried over from prior years, amounted to \$35,180,300. Of this total \$22,087,029 were obligated and of that amount \$4,261,318 were unliquidated obligations relating to

commitments representing balances to be settled up to the end of the contracts.

4. I have noted that the funds previously held in the Service Benefit Account have been transferred to a central account of the Organisation shown under the heading "Special Funds" in the statement of assets and liabilities.

5. The Director-General has established a Property Survey Board to examine cases of losses or damage to assets and to recommend appropriate action. I have noted two different cases of such losses and I am satisfied with the recommendations of the Property Survey Board.

6. I have no observations to make and I record my appreciation of the assistance of the officials of the Organisation.

(Signed) Uno BRUNSKOG
Auditor

Geneva, 12 March 1965

ANNEX 9

*International Telecommunication Union: status of funds as at 31 December 1964**(Expressed in United States dollars)*

Balance of allocations and other available funds at the end of prior year		4,215,733.43	
<i>Deduct:</i>			
Surrendered to the Fund:			
Prior year's other income			(72.07)
			<hr/>
		4,215,805.50	
<i>Add:</i>			
Funds allocated during current year		2,543,940.00	
			<hr/>
Total available for commitments		6,759,745.50	
<i>Deduct:</i>			
Funds committed during current year		1,827,901.68	
			<hr/>
Unencumbered balance of allocations at end of current year		4,931,843.82	
<i>Add:</i>			
Other income:			
Miscellaneous income and exchange adjustments			(356.08)
			<hr/>
Unencumbered balance of allocations and other income at end of current year . .		4,931,487.74	
			<hr/> <hr/>
Represented by:			
Cash at banks, on hand and in transit	159,227.11		
Undrawn allotments	1,815,858.81		
Unallotted allocations	4,387,338.00		
Accounts receivable and sundry debit balances	19,543.91	6,381,967.83	
			<hr/>
<i>Less:</i>			
Unliquidated commitments	1,409,622.01		
Accounts payable and sundry credit balances	40,858.08	1,450,480.09	
			<hr/>
		4,931,487.74	
			<hr/> <hr/>

CERTIFIED CORRECT:

(Signed) R. C. CHATELAIN
Chief of the Finance Division

APPROVED:

(Signed) M. B. SARWATE
*Deputy Secretary-General
for the Secretary-General*

AUDIT CERTIFICATE

I have examined the books and accounts of the International Telecommunication Union and I hereby certify that the above is a true extract therefrom and, to the best of my knowledge and belief, correct.

(Signed) Ch. POCHON
*Chief of Section, Federal Audit Department
of the Swiss Confederation,
External Auditor*

Dated 5 March 1965

REPORT ON THE STATEMENT, AS AT 31 DECEMBER 1964, OF FUNDS ALLOCATED TO THE INTERNATIONAL TELECOMMUNICATION UNION AT GENEVA BY THE UNITED NATIONS SPECIAL FUND

1. The International Telecommunication Union (ITU) at Geneva, as an executing agency of United Nations Special Fund projects, keeps its accounts in United States dollars, and the statement of funds is also prepared in that currency.

2. We conducted a spot audit of operations during 1964 and of the statement of funds, following which, on 5 March 1965, we signed the prescribed certificate of audit of the "Statement of funds as at 31 December 1964".

3. A summary of the audited operations follows:

	<i>United States dollars</i>
Balance of allocations and other available funds at the end of the preceding financial year.....	4,215,733.43
<i>Add:</i>	
Allocations during current year.....	2,543,940.00
	SUB-TOTAL 6,759,673.43
<i>Deduct:</i>	
Expenditures, including miscellaneous operations and exchange adjustments	1,828,185.69
Balance of allocations at end of the financial year.....	4,931,487.74

4. The operations relating to the Special Fund call for the following explanations:

The differences commented on under items 4.1 and 4.2 in our report of 25 March 1964 have been adjusted during the financial year 1964. They have been taken into account above in the balance brought forward from the preceding year.

5. Apart from the observations made in this report, no comments are necessary concerning the statement of funds allocated to the International Telecommunication Union at Geneva by the United Nations Special Fund.

(Signed) Ch. POCHON
Chief of Section, Federal Audit Department
of the Swiss Confederation,
External Auditor

Berne, 17 March 1965

ANNEX 10 (a)

**United Nations Educational, Scientific and Cultural Organization:
status of funds as at 31 December 1964**

(Expressed in United States dollars)

Balance of allocations and other available funds at the end of prior year.....		28,467,019
<i>Deduct:</i>		
Surrendered to the Fund—prior year's other income.....		5,829
		<hr/>
		28,461,190
<i>Add:</i>		
Funds allocated during current year.....		17,039,873
		<hr/>
Total available for commitments.....		45,501,063
<i>Deduct:</i>		
Funds committed during current year.....		10,982,044
		<hr/>
Unencumbered balance of allocations at end of current year.....		34,519,019
<i>Add:</i>		
Other income—miscellaneous income and exchange adjustments.....		(4,151)
		<hr/>
Unencumbered balance of allocations and other income at end of current year....		34,514,868
		<hr/> <hr/>
<i>Represented by:</i>		
Cash at banks, on hand and in transit.....	999,540	
Undrawn allotments.....	8,138,013	
Unallotted allocations.....	33,885,851	
Accounts receivable and sundry debit balances.....	149,470	43,172,874
		<hr/>
<i>Less:</i>		
Unliquidated commitments.....	8,064,895	
Accounts payable and sundry credit balances.....	593,111	8,658,006
		<hr/>
		34,514,868
		<hr/> <hr/>

CERTIFIED CORRECT:
(Signed) R. HARPER-SMITH
Comptroller

APPROVED:
(Signed) René MAHEU
Director-General

AUDIT CERTIFICATE

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

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

ANNEX 10 (b)

United Nations Educational, Scientific and Cultural Organization: status of funds from Governments' counterpart contributions in cash as at 31 December 1964*(Expressed in United States dollars)*

Balance of available funds at end of prior year.....	125,936
<i>Deduct:</i>	
Cash disbursements during current year.....	23,980
	<hr/>
Balance of available funds at end of current year.....	101,956
	<hr/> <hr/>
<i>Represented by:</i>	
Accounts receivable and sundry debit balances.....	101,956
	<hr/> <hr/>

CERTIFIED CORRECT:
(Signed) R. HARPER-SMITH
Comptroller

APPROVED:
(Signed) René MAHEU
Director-General

AUDIT CERTIFICATE

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

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

REPORT OF THE EXTERNAL AUDITOR ON THE STATEMENTS SHOWING AS AT 31 DECEMBER 1964:

- (1) THE STATUS OF FUNDS ALLOCATED TO THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION BY THE UNITED NATIONS SPECIAL FUND;
- (2) THE STATUS OF FUNDS FOR GOVERNMENTS' COUNTERPART CASH CONTRIBUTIONS TO SPECIAL FUND PROJECTS
 1. The statements and the related schedules and annexes are in the form prescribed by the Special Fund.
 2. My examination has been carried out in conjunction with my audit of the accounts of the regular programme of the Organization, and the reports of the Internal Auditor have been made available to me. I have no observations to make upon the statements.
 3. I wish to record my appreciation of the willing co-operation of the officers of the Organization during my audit.

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

9 July 1965

ANNEX 11

World Health Organization: status of funds as at 31 December 1964*(Expressed in United States dollars)*

Balance of allocations and other available funds at the end of prior year.....		919,174	
<i>Add:</i>			
Funds allocated during current year		60,450	
Total available for commitments.....			979,624
<i>Deduct:</i>			
Funds committed during current year.....		422,474	
Unencumbered balance of allocations and other income at end of current year.....			557,150
<i>Represented by:</i>			
Undrawn allotments	482,310		
Unallotted allocations	666,540		
Accounts receivable and sundry debit balances.....	47,613	1,196,463	
<i>Less:</i>			
Unliquidated commitments			639,313
			557,150

CERTIFIED CORRECT:

(Signed) Ted L. SMITH
Chief, Finance

APPROVED:

(Signed) Eric RENLUND
Director, Budget and Finance

AUDIT CERTIFICATE

The above accounts have been examined in accordance with my instructions. I have obtained all the information and explanations that I have required, and I certify, as a result of the audit, that in my opinion the above account is correct.

(Signed) Uno BRUNSKOG
External Auditor

REPORT ON THE AUDIT RELATING TO THE OPERATIONS OF THE WORLD HEALTH ORGANIZATION UNDER THE UNITED NATIONS SPECIAL FUND

1. The audit of the transactions of the World Health Organization under the United Nations Special Fund has been carried out in the same way as that under the regular budget and taking account of the procedures of the Special Fund.

2. The operations of the Organization under the Special Fund were limited during 1964 to six projects. The total disbursements in 1964 amounted to \$565,490, increasing the disbursements since the inception of these operations to \$982,387. The unliquidated commitments as at 31 December 1964 were \$639,313.

3. The explanatory notes to the Financial Report provide additional information and I have no special audit observations to make.

(Signed) Uno BRUNSKOG
External Auditor

Geneva, 12 March 1965

ANNEX 12

World Meteorological Organization: status of funds as at 31 December 1964*(Expressed in United States dollars)*

Balance of allocations and other available funds at the end of prior year ^a		56,000	
<i>Add:</i>			
Funds allocated during current year		1,129,335	
Total available for commitments		<u>1,185,335</u>	
<i>Deduct:</i>			
Funds committed during current year		67,502	
Unencumbered balance of allocations at end of current year		<u>1,117,833</u>	
<i>Add:</i>			
Other income:			
Miscellaneous income and exchange adjustments		1	
Unencumbered balance of allocations and other income at end of current year		<u>1,117,834</u>	
Represented by:			
Cash at banks, on hand and in transit	16,501		
Undrawn allotments	593,067		
Unallotted allocations	537,400		
Accounts receivable and sundry debit balances	7,935	1,154,903	
		<u>1,154,903</u>	
<i>Less:</i>			
Unliquidated commitments	1,671		
Accounts payable and sundry credit balances	35,398	37,069	
		<u>37,069</u>	
		<u>1,117,834</u>	

^a Balance at the end of prior year

\$

82,811

Less:

Increase in prior years' commitments for executing agency's overhead costs,
to convert from disbursements (\$109,789) to full amounts allotted (\$136,600) 26,811

56,000

CERTIFIED CORRECT:

(Signed) E. H. COOK
Chief, Budget and Finance Section

APPROVED:

(Signed) D. A. DAVIES
Secretary-General

AUDIT CERTIFICATE

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

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

REPORT OF THE EXTERNAL AUDITOR ON THE STATEMENTS SHOWING AS AT 31 DECEMBER 1964:

- (1) THE STATUS OF FUNDS ALLOCATED TO THE WORLD METEOROLOGICAL ORGANIZATION BY THE UNITED NATIONS SPECIAL FUND;
- (2) THE STATUS OF FUNDS FOR GOVERNMENTS' COUNTERPART CASH CONTRIBUTIONS TO SPECIAL FUND PROJECTS

1. The statements and the related schedules and annexes are in the form prescribed by the Special Fund. There were no transactions relating to Governments' counterpart cash contributions (statement II).

2. My examination has been carried out in conjunction with my audit of the accounts of the World Meteorological Organization.

3. Prior to 1 October 1964 the United Nations administered the Special Fund's projects in the fields of meteorology and hydrology and accounted for the project costs, and the World Meteorological Organization's charges to the Special Fund were limited to certain overhead costs. From 1 October 1964 the Organization took over the United Nations' responsibilities for the Special Fund projects in these fields, except for two projects which the United Nations expected to complete

in 1965. These statements accordingly include, in addition to allocations and allotments for project and overhead costs made direct to the Organization, the balances of allocations and allotments transferred to the Organization by the United Nations in respect of projects taken over at 1 October 1964. The balances were those remaining for these projects after allowing for the United Nations' commitments up to 31 December 1964.

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

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

27 May, 1965



Audit reports relating to expenditure by specialized agencies and the International Atomic Energy Agency:

(a) Earmarkings and contingency authorizations from the Special Account of the Expanded Programme of Technical Assistance

DOCUMENT A/6071

Audit reports for the year ended 31 December 1964 relating to expenditure by specialized agencies and the International Atomic Energy Agency of technical assistance funds earmarked from the Special Account

[Original text: English/French]

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Letter of transmittal

18 October 1965

Sir,

I have the honour to transmit to you the consolidated status of funds for the Expanded Programme of Technical Assistance as at 31 December 1964 which was submitted by the Secretary-General. This document has been examined and certified by me on behalf of the Board of Auditors. Attached thereto is the combined statement showing the status of funds of the participating organizations as at the same date.

In addition to the above I have the honour to present the report of the Board with respect to the consolidated status of funds.

Accept, Sir, the assurance of my highest consideration.

(Signed) Mushtaq AHMAD,
Chairman of the Board of Auditors

The President of the General Assembly
of the United Nations,
New York

Note by the Secretary-General

1. I submit herewith the audited accounts showing the consolidated financial position of the Expanded Programme of Technical Assistance as at 31 December 1964 and the report of the Board of Auditors in accordance with General Assembly resolution 519 A (VI) and with article 31.3 of the Technical Assistance Board Manual of Financial Policies and Procedures.

2. Detailed supporting schedules furnished by the participating organizations are not included in the submission but are made available to the Advisory Committee on Administrative and Budgetary Questions.

3. The audit reports of the following participating organizations for the year 1964 have been approved:

International Atomic Energy Agency by its General Conference on 27 September 1965;

International Civil Aviation Organization by its Assembly on 22 June 1965;

International Labour Organisation by its General Conference on 16 June 1965;

International Telecommunication Union by its Administrative Council on 5 May 1965;

World Health Organization by the Eighteenth World Health Assembly on 12 May 1965;

World Meteorological Organization by its Executive Committee on 11 June 1965;

Universal Postal Union by its Executive Council on 17 May 1965.

The audit reports of the following participating organizations for the year 1964 will be submitted to their legislative bodies for approval as follows:

Food and Agriculture Organization of the United Nations at its Conference in November 1965;

United Nations Educational, Scientific and Cultural Organization at its General Conference in November 1965.

4. The audit reports of the following participating organizations for the year 1963 have been approved: International Civil Aviation Organization by its Assembly on 22 June 1965;

United Nations Educational, Scientific and Cultural Organization by its General Conference on 18 December 1964;

World Health Organization by the Eighteenth World Health Assembly on 12 May 1965;

Universal Postal Union by its Executive Council on 17 May 1965.

The audit report of the Food and Agriculture Organization of the United Nations for the year 1963 will be submitted to its Conference in November 1965.

5. The audit report of the International Civil Aviation Organization for the year 1962 was approved by its Assembly on 22 June 1965.

6. The audited financial statements of the United Nations as a participating organization in the Expanded Programme of Technical Assistance are presented in the financial report and accounts for the year ended 31 December 1964. Also included in the same document are financial statements in respect of the secretariat of the Technical Assistance Board as well as a statement showing the status of funds of the Special Account for the Expanded Programme of Technical Assistance as at 31 December 1964.¹

¹ *Official Records of the General Assembly, Twentieth Session, Supplement No. 6 (A/6006, statements IV, VI and VII).*

Consolidated status of funds as at 31 December 1964*(Expressed in United States dollars)*

Balance as at 31 December 1963	10,253,867
Contributions pledged by Governments less exchange adjustments upon collection	51,207,805
Contributions of Governments towards local living costs of experts	2,561,577
Contributions of Governments towards operating costs of TAB offices	1,626,839
Miscellaneous income and exchange adjustments (<i>net</i>)	303,548
Savings in liquidating prior years' obligations	3,207,418
Subvention from the Special Fund	2,814,000
	<hr/>
	71,975,054

	<i>Operating costs of projects</i>	<i>Administrative and operational services costs</i>	<i>Total</i>	
Less:				
Obligations incurred:	11,567,367	936,600	12,503,967	
United Nations	11,457,922	1,107,307	12,565,229	
FAO	1,207,560	104,500	1,312,060	
IAEA	2,251,988	220,000	2,471,988	
ICAO	5,365,767	453,357	5,819,124	
ILO	1,109,631	110,000	1,219,631	
ITU	9,912,311	738,760	10,651,071	
UNESCO	193,882	40,000	233,882	
UPU	8,430,281	756,990	9,187,271	
WHO	299,975	122,800	422,775	
WMO				
	<hr/>	<hr/>	<hr/>	
	51,796,684	4,590,314	56,386,998	

TAB:

Headquarters secretariat and other joint administrative costs	1,034,491		
Field offices:			
Chargeable to approved budget	5,894,245		
Chargeable to Governments	1,629,433	8,558,169	

Increase of Working Capital and Reserve Fund	500,000	65,445,167
		<hr/>
		6,529,887

Represented by:

Cash at banks, on hand and in transit	21,844,688
Investments	4,280,568
Contributions pledged but not received at 31 December 1964	6,689,494
Contributions receivable from Governments towards local living costs of experts	1,198,006
Accounts receivable and sundry debit balances	6,779,705
	<hr/>
	40,792,461

Less:

Unliquidated obligations, 1964	11,970,438
Unliquidated obligations, prior years	1,621,770
Working Capital and Reserve Fund	12,500,000
Miscellaneous accounts payable and sundry credit balances	8,170,366
	<hr/>
	34,262,574
	<hr/>
	6,529,887

CERTIFIED CORRECT:
(Signed) B. R. TURNER
Controller

APPROVED:
(Signed) U THANT
Secretary-General

AUDIT CERTIFICATE

The above statement showing the consolidated status of funds of the Expanded Programme of Technical Assistance as at 31 December 1964 has been examined in accordance with my directions. I have obtained all the information and explanations I have required, and I certify, as a result of the audit, that, in my opinion, the above statement is correct.

On behalf of the Board of Auditors,
(Signed) Mushtaq AHMAD, Pakistan
Chairman

13 October, 1965

Report of the Board of Auditors to the General Assembly on the consolidated status of funds for the Expanded Programme of Technical Assistance as at 31 December 1964

1. In accordance with the provisions of article 31.3 of the financial regulations of the Expanded Programme of Technical Assistance, the Board of Auditors is required to audit, certify and report on the consolidated status of funds for this Programme.

2. The Secretary-General submitted to the Board the consolidated status of funds as at 31 December 1964, together with a combined statement showing separately the status of funds of the participating organizations as at that date.

3. The data for the consolidation are included in the status of funds as at 31 December 1964 of:

(a) The Special Account for the Expanded Programme of Technical Assistance (statement IV of the United Nations accounts for 1964);

(b) The Technical Assistance Board secretariat (statement VII of the United Nations accounts for 1964);

(c) The United Nations as participating organization (the relevant figures are included in statement VI of the United Nations accounts for 1964);

(d) The other participating organizations.

4. It may be observed that, as in the previous years the figures of statement VI of the United Nations accounts include, besides these for projects executed under the Expanded Programme, also items relating to the United Nations regular programmes as well as for other activities. However, the totals for income and expenditure of the regular programmes have been eliminated and the other items do not affect the outcome of the consolidated status for the Expanded Programme.

5. For observations by the External Auditors on the various accounts of the other participating organizations, reference is made to their audit certificates and reports, if any.

6. The audit of the consolidation as such did not give rise to comments. Consequently, the consolidated status of funds for the Expanded Programme of Technical Assistance as at 31 December 1964 has been certified without observations.

On behalf of the Board of Auditors,
(Signed) Mushtaq AHMAD, *Pakistan*
Chairman

14 October 1965

Combined statement showing the status of funds of the participating organizations as at 31 December 1964
(Expressed in United States dollars)

	FAO	IAEA	ICAO	ILO	ITU	UNESCO	United Nations ^a	UPU	WHO	WMO ^a	Total participating organizations
Balance at 31 December 1963	1,032,073	363,106	347,026	800,244	206,724	1,554,555	1,726,461	16,357	800,184	—	6,846,730
<i>Less:</i>											
Unobligated balance of 1963 authorizations from the Working Capital and Reserve Fund and other income surrendered to the Special Account	214,100	76,264	12,229	(4,879)	17,925	122,213	598,729	—	98,416	—	1,134,997
Balance of unobligated earmarkings of the preceding year carried forward on 1 January 1964	817,973	286,842	334,797	805,123	188,799	1,432,342	1,127,732	16,357	701,768	—	5,711,733
Earmarking adjustments, 1963		(723)		(450)				(4,010)			(5,183)
<i>Add:</i>											
Savings realized during the year in liquidating 1963 obligations (other than those incurred against contingency authorizations)	629,876	—	—	—	27,738	160,935	377,888	2,099	—	—	1,198,536
Earmarkings from contributions and other available funds in 1964	12,032,392	1,050,523	2,332,039	5,280,190	1,167,318	9,108,265	11,063,890	277,872	8,562,472	437,592	51,312,553
	13,480,241	1,336,642	2,666,836	6,085,313	1,383,405	10,701,542	12,569,510	292,318	9,264,240	437,592	58,217,639
<i>Less:</i>											
Obligations incurred during 1964:											
Project costs	11,457,922	1,207,560	2,251,988	5,365,767	1,109,631	9,912,311	11,567,367	193,882	8,430,281	299,975	51,796,684
Administrative and operational services costs	1,107,307	104,500	220,000	453,357	110,000	738,760	936,600	40,000	756,990	122,800	4,590,314
	12,565,229	1,312,060	2,471,988	5,819,124	1,219,631	10,651,071	12,503,967	233,882	9,187,271	422,775	56,386,998
Excess of earmarkings and other available funds over obligations incurred	915,012	24,582	194,848	266,189	163,774	50,471	65,543	58,436	76,969	14,817	1,830,641
<i>Add:</i>											
Other income:											
Savings on liquidation of obligations incurred in prior years	168,328	110,516	54,856	267,152	11,701	840,104	515,154	—	17,154	—	1,984,965
Miscellaneous	78,871	536	9,286	11,846	518	18,759	84,760	(596)	17,694	9	221,683
Exchange adjustments (net)	(31,716)	(1,340)	(6,789)	(13,818)	(806)	(8,961)	(52,382)	(101)	(11,366)	5	(127,274)
	215,483	109,712	57,353	265,180	11,413	849,902	547,532	(697)	23,482	14	2,079,374

ANNEX I (continued)
Combined statement showing the status of funds of the participating organizations as at 31 December 1964 (continued)
(Expressed in United States dollars)

	FAO	IABA	ICAO	ILO	ITU	UNESCO	United Nations ^a	UPU	WHO	WMO ^a	Total participating organizations
Balance as at 31 December 1964 to revert to the Special Account	1,130,495	134,294	252,201	531,369	175,187	900,373	613,075	57,739	100,451	14,831	3,910,015
Represented by:											
Cash at banks, on hand and in transit ..	1,849,170	261,721	384,790	1,899,395	241,274	1,310,228	4,922,712	95,472	787,279	60,649	11,812,690
Undrawn earmarkings	746,095	374,755	248,043	413,399	253,797	3,057,490	1,038,908	27,714	1,900,700	196,302	8,257,203
Accounts receivable and sundry debit balances	975,366	4,914	220,731	249,181	30,072	612,725	1,959,533	501	676,651	8,767	4,738,441
Less:											
Unliquidated obligations, 1964	3,570,631	641,390	853,564	2,561,975	525,143	4,980,443	7,921,153	123,687	3,364,630	265,718	24,808,334
Unliquidated obligations, prior years ..	1,667,300	411,940	454,988	1,100,609	271,757	3,278,476	2,422,605	64,436	1,902,373	243,360	11,818,444
Accounts payable and sundry credit balances	181,843	58,672	77,310	93,575	24,719	46,243	223,028	1,512	914,868	—	1,621,770
	590,993	36,484	69,065	836,422	53,480	755,351	4,662,445	—	446,338	7,527	7,458,105
	2,440,136	507,096	601,363	2,030,606	349,956	4,080,070	7,308,078	65,948	3,264,179	250,887	20,898,319
	1,130,495	134,294	252,201	531,369	175,187	900,373	613,075	57,739	100,451	14,831	3,910,015

^a The United Nations administered certain projects on behalf of WMO in 1964. For this purpose financial authorizations totalling \$1,103,897 were entrusted to the United Nations for field programme implementation.

ANNEX 2

Food and Agriculture Organization of the United Nations: status of funds as at 31 December 1964
(Expressed in United States dollars)

Balance as at 31 December 1963.....		1,032,073
<i>Less:</i>		
Unobligated balances of 1963 authorizations from the Working Capital and Reserve Fund and other income surrendered to the Special Account.....		214,100
		<hr/>
Balance of unobligated earmarkings of the preceding year carried forward on 1 January 1964.....		817,973
<i>Add:</i>		
Savings realized during the year in liquidating 1963 obligations (other than those incurred against contingency authorizations).....	629,876	
Earmarkings from contributions and other available funds in 1964.....	12,032,392	
		<hr/>
		12,662,268
		<hr/>
		13,480,241
Obligations incurred during 1964:		
Project costs	11,457,922	
Administrative and operational services costs.....	1,107,307	
		<hr/>
		12,565,229
Excess of earmarkings and other available funds over obligations incurred.....		915,012
<i>Add:</i>		
Other income:		
Savings on liquidation of obligations incurred in the previous biennium.....	168,328	
Miscellaneous	78,871	
Exchange adjustments (<i>net</i>).....	(31,716)	
		<hr/>
		215,483
		<hr/>
Balance as of 31 December 1964, to revert to the Special Account.....		1,130,495
		<hr/>
Represented by:		
Cash at banks, on hand and in transit.....	1,849,170	
Undrawn earmarkings	746,095	
Accounts receivable, advances, deposits etc.....	975,366	
		<hr/>
		3,570,631
<i>Less:</i>		
Unliquidated obligations, 1961/63.....	181,843	
Unliquidated obligations, 1964.....	1,667,300	
Accounts payable and other credit balances.....	590,993	
		<hr/>
		2,440,136
		<hr/>
		1,130,495
		<hr/> <hr/>

(Signed) W. K. MUDIE
Director, Division of Finance

(Signed) B. R. SEN
Director-General

AUDIT CERTIFICATE

The financial statement showing the status of earmarkings made to the Food and Agriculture Organization in connexion with the Expanded Programme of Technical Assistance for economic development of under-developed countries, for the period 1 January to 31 December 1964, has 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.

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

REPORT OF THE EXTERNAL AUDITOR OF THE STATEMENTS SHOWING THE STATUS OF FUNDS EARMARKED TO THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS AS AT 31 DECEMBER 1964

1. The accounts relating to the participation of the Food and Agriculture Organization of the United Nations in the Expanded Programme of Technical Assistance for the year ended 31 December 1964 consist of (a) statement I showing the status as at 31 December 1964 of the technical assistance funds earmarked to the Organization, supported by the related schedule of project costs (schedule A), and (b) a statement (annex I) showing the status as at 31 December 1964 of funds, held in trust, relating to technical assistance to the Government of the Republic of Venezuela, together with the final account for a completed project. The statements and schedule A 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. I have also examined the reports of the Internal Auditor. In accordance

with the arrangements made between the Technical Assistance Board and the Panel of Auditors of the United Nations, certified copies of this report have been sent to the Board.

LOSSES AND WRITE-OFFS

3. I have examined the losses and write-offs totalling \$744 which are listed in the financial report of the Director-General. I have no comments to make upon them.

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

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

14 June 1965

ANNEX 3

*International Atomic Energy Agency: status of funds as at 31 December 1964**(Expressed in United States dollars)*

Balance as at 31 December 1963.....	363,106	
<i>Less:</i>		
Adjustment of 1963 earmarkings.....	723	362,383
	<hr/>	
<i>Less:</i>		
Unobligated balances of 1963 authorizations from the Working Capital and Reserve Fund and other income surrendered to the Special Account.....	78,002	
<i>Less:</i> Exchange adjustments (net).....	1,738	76,264
	<hr/>	<hr/>
Balance of unobligated earmarkings of the preceding year carried forward on 1 January 1964.....		286,119
Earmarkings from contributions and other available funds in 1964.....		1,050,523
		<hr/>
		1,336,642
Obligations incurred during 1964:		
Project costs.....	1,207,560	
Administrative and operational services costs.....	104,500	1,312,060
	<hr/>	<hr/>
Excess of earmarkings and other available funds over obligations incurred.....		24,582
<i>Add:</i>		
Other income:		
Savings on liquidation of prior years' obligations.....	110,516	
Miscellaneous.....	536	
	<hr/>	
	111,052	
<i>Less:</i> Exchange adjustments (<i>net</i>).....	1,340	109,712
	<hr/>	<hr/>
Balance as at 31 December 1964, to revert to the Special Account.....		134,294
		<hr/> <hr/>
Represented by:		
Cash at banks, on hand or in transit.....	261,721	
Undrawn earmarkings.....	374,755	
Accounts receivable, advances, deposits, etc.....	4,914	641,390
	<hr/>	<hr/>
<i>Less:</i>		
Unliquidated obligations, 1963.....	58,672	
Unliquidated obligations, 1964.....	411,940	
Accounts payable and other credit balances.....	36,484	507,096
	<hr/>	<hr/>
		134,294
		<hr/> <hr/>

(Signed) Howard R. ENNOR
Director, Division of Budget and Finance

(Signed) Sigvard EKLUND
Director General

AUDIT CERTIFICATE

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

(Signed) Volkmar HOFF
(President of the Court of Accounts, Federal Republic of Germany)
External Auditor

REPORT OF THE EXTERNAL AUDITOR OF THE INTERNATIONAL ATOMIC ENERGY AGENCY TO THE TECHNICAL ASSISTANCE BOARD ON THE ACCOUNTS OF THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE: STATUS OF FUNDS AS AT 31 DECEMBER 1964

1. The Director General of the International Atomic Energy Agency submitted the following financial statements for audit certification:

Expanded Programme of Technical Assistance

- A. Status of funds of IAEA as at 31 December 1964;
- B. Project costs for the period 1 January to 31 December 1964.

2. The above-mentioned statements are certified by me as being in accordance with the books and records, two copies each are attached.

3. I have examined the transactions, accounts and inventories to the extent deemed necessary to satisfy

myself as to the general state of the accounts and the accuracy of the financial statements submitted for audit certification, and to report thereon to the Technical Assistance Board. All information required was provided and I now record my appreciation of the co-operation and assistance extended by the Secretariat of the Agency.

(Signed) Volkmar HOPF
(President of the Court of Accounts,
Federal Republic of Germany)
External Auditor

Vienna, 24 March 1965

ANNEX 4

International Civil Aviation Organization: status of funds as at 31 December 1964*(Expressed in United States dollars)*

Balance as at 31 December 1963		347,026
<i>Less:</i>		
Unobligated balance of 1963 authorizations from the Working Capital and Reserve Fund and other income surrendered to the Special Account.....		12,229
Balance of unobligated earmarkings of the preceding year carried forward on 1 January 1964.....		334,797
Earmarkings from contributions and other available funds in 1964.....		2,332,039
		<u>2,666,836</u>
Obligations incurred during 1964:		
Project costs	2,240,529	
Administrative and operational services costs.....	220,000	
Pension fund revalidation costs.....	11,459	2,471,988
		<u>194,848</u>
Excess of earmarkings and other available funds over obligations incurred.....		194,848
<i>Add:</i>		
Other income:		
Savings on liquidation of obligations incurred in the previous biennium....	54,856	
Miscellaneous	9,286	
Exchange adjustments (<i>net</i>).....	(6,789)	57,353
		<u>252,201</u>
Balance as at 31 December 1964, to revert to the Special Account.....		<u><u>252,201</u></u>
Represented by:		
Cash at banks, on hand and in transit.....	384,790	
Undrawn earmarkings	248,043	
Accounts receivable, advances, deposits, etc.....	220,731	853,564
		<u>853,564</u>
<i>Less:</i>		
Unliquidated obligations, 1963.....	77,310	
Unliquidated obligations, 1964.....	454,988	
Accounts payable and other credit balances.....	69,065	601,363
		<u>601,363</u>
		<u><u>252,201</u></u>

CERTIFIED CORRECT:

(Signed) G. van GELDER
Chief, Finance Branch

APPROVED:

(Signed) B. T. TWIGT
Secretary-General

AUDIT CERTIFICATE

The above statement showing the status of funds from earmarkings made to the International Civil Aviation Organization in connexion with its participation in the Expanded Programme of Technical Assistance for the year ended 31 December 1964, has been examined. All the information and explanations required have been obtained and I certify that, in my opinion, the above statement and the related schedule of project costs are correct.

(Signed) A. M. HENDERSON
(Auditor General of Canada)
External Auditor

REPORT OF THE EXTERNAL AUDITOR TO THE ASSEMBLY ON THE AUDIT OF THE ACCOUNTS RESPECTING THE STATUS OF FUNDS OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION RELATING TO THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE FOR THE YEAR ENDED 31 DECEMBER 1964

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 1964.

2. The financial statement showing the status of funds earmarked for the International Civil Aviation Organization in connexion with the Expanded Programme of Technical Assistance as at 31 December 1964 was submitted by the Secretary-General for examination, along with the supporting schedule for obligations incurred during the year then ended—both in the form required by the Technical Assistance Board

Finance Manual. The financial statement and the related schedule have been examined, and they have been certified as being in accordance with the accounts maintained by the Organization and being, in my opinion, correct.

3. All the information and explanations required were readily provided to my officers and the audit was facilitated by the co-operation extended by officers of the Secretariat, for which I am pleased to record my appreciation.

(Signed) A. M. HENDERSON
(Auditor General of Canada)
External Auditor

29 March 1965

ANNEX 5

International Labour Organization: status of funds as at 31 December 1964*(Expressed in United States dollars)*

Balance as at 31 December 1963.....		800,244
<i>Less:</i>		
Unobligated balance of 1963 authorizations from the Working Capital and Reserve Fund and other income surrendered to the Special Account.....		(4,879)
Balance of unobligated earmarkings of the preceding year carried forward on 1 January 1964.....		805,123
Earmarkings from contributions and other available funds in 1964.....		5,280,190
		<u>6,085,313</u>
Obligations incurred during 1964:		
Project costs	5,365,767	
Administrative and operational services costs.....	453,357	5,819,124
		<u>266,189</u>
Excess of earmarkings and other available funds over obligations incurred.....		266,189
<i>Add:</i>		
Other income:		
Savings on liquidation of obligations incurred in the previous biennium.....	267,152	
Miscellaneous	11,846	
Exchange adjustments (<i>net</i>).....	(13,818)	265,180
		<u>531,369</u>
Balance as of 31 December 1964 to revert to the Special Account.....		<u>531,369</u>
Represented by:		
Cash at banks, on hand and in transit.....	1,899,395	
Undrawn earmarkings	413,399	
Accounts receivable, advances, deposits, etc.....	249,181	2,561,975
		<u>2,561,975</u>
<i>Less:</i>		
Unliquidated obligations, 1963.....	93,575	
Unliquidated obligations, 1964.....	1,100,609	
Accounts payable and other credit balances	836,422	2,030,606
		<u>2,030,606</u>
		<u>531,369</u>

(Signed) E. J. RICHES
Treasurer and Financial Comptroller
for the Director-General, International Labour Office

AUDIT CERTIFICATE

The above accounts have been examined in accordance with my instructions. I have obtained all the information and explanations that I have required, and I certify, as result of the audit, that, in my opinion, the above accounts are correct.

(Signed) Uno BRUNSKOG
Auditor

REPORT ON THE AUDIT OF THE ACCOUNTS RELATING TO THE OPERATIONS OF THE INTERNATIONAL LABOUR ORGANISATION UNDER THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE FOR THE YEAR 1964

1. My examination of the accounts relating to the operations of the International Labour Organisation under the Expanded Programme of Technical Assistance for 1964 has been carried out in the same way as my audit of the accounts for the regular budget of the Organisation.

2. The balance as at 31 December 1964 amounted to \$531,369 to revert to the Special Account of the Expanded Programme of Technical Assistance.

3. Of that amount \$267,000 were savings on liquidation of obligations incurred in the previous biennium. I think that a less conservative calculation of outstanding obligations could be made in order to reduce the amount of such savings in future.

4. I have noted that the funds previously held in the "Service Benefit Account" have been transferred

to a central account of the Organisation shown under the heading "Special Funds" in the statement of assets and liabilities.

5. The Director-General has established a Property Survey Board to examine cases of losses or damage to assets and to recommend appropriate action. I have noted three different cases of such losses and I am satisfied with the recommendations of the Property Survey Board.

6. I record my appreciation to the assistance of the officials of the Organisation.

(Signed) UNO BRUNSKOG
Auditor

Geneva, 12 March 1965

ANNEX 6

International Telecommunication Union: status of funds as at 31 December 1964*(Expressed in United States dollars)*

Balance as at 31 December 1963		206,724.42	
<i>Less:</i>			
Unobligated balance of 1963 authorizations from the Working Capital and Reserve Fund and other income surrendered to the Special Account.....		18,376.00*	
Balance of unobligated earmarkings of the preceding year carried forward on 1 January 1964		188,348.42	
<i>Add:</i>			
Savings realized during the year in liquidating 1963 obligations (other than those incurred against contingency authorizations)		27,738.45	
Earmarkings from contributions and other available funds in 1964.....		1,167,318.00	
		<u>1,383,404.87</u>	
Obligations incurred during 1964:			
Project costs	1,109,630.74		
Administrative and operational service costs.....	110,000.00	1,219,630.74	
		<u>1,219,630.74</u>	
Excess of earmarkings and other available funds over obligations incurred.....		163,774.13	
<i>Add:</i>			
Other income:			
Savings on liquidation of obligations incurred in the previous biennium.....	11,700.87		
Miscellaneous	518.09		
Exchange adjustments (<i>net</i>).....	(805.66)	11,413.30	
		<u>11,413.30</u>	
Balance as of 31 December 1964, to revert to the Special Account.....		175,187.43	
		<u><u>175,187.43</u></u>	
Represented by:			
Cash at banks, on hand and in transit.....	241,274.70		
Undrawn earmarkings	253,796.77		
Accounts receivable, advances, deposits, etc.....	30,072.14	525,143.61	
		<u>525,143.61</u>	
<i>Less:</i>			
Unliquidated obligations 1962.....	4,813.59		
Unliquidated obligations 1963.....	19,904.84		
Unliquidated obligations 1964.....	271,757.40		
Accounts payable and other credit balances.....	53,480.35	349,956.18	
		<u>349,956.18</u>	
		<u><u>349,956.18</u></u>	

*Credits reverted to the Special Account in 1963	17,925.55
Add adjustment of contingency allocations 1963	450.45
	<u>18,376.00</u>

CERTIFIED CORRECT:

(Signed) R. C. CHATELAIN
Chief of the Finance Division

APPROVED:

(Signed) M. B. SARWATE
Deputy Secretary-General

AUDIT CERTIFICATE

I have examined the books and accounts of the International Telecommunication Union and I hereby certify that the above is a true extract therefrom and, to the best of my knowledge and belief, correct.

(Signed) Ch. POCHON
Chief of Section, Federal Audit Department
of the Swiss Confederation,
External Auditor

5 March 1965

REPORT ON THE STATEMENT, AS AT DECEMBER 1964, OF FUNDS MADE AVAILABLE TO THE INTERNATIONAL TELECOMMUNICATION UNION AT GENEVA UNDER THE UNITED NATIONS EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE

1. The International Telecommunication Union at Geneva, as an Executing Agency for projects under the United Nations Expanded Programme of Technical Assistance, keeps its accounts in United States dollars, and the statement of funds is also prepared in that currency.

2. We conducted a spot audit of operations during 1964 and of the statement of funds, following which, on 5 March 1965, we signed the prescribed certificate of audit of the "Statement of funds as at 31 December 1964".

3. Operations during the financial year 1964 can be summarized as follows:

	<i>In United States dollars</i>
Balance brought forward from 1963.....	206,724.42
<i>Add:</i>	
Funds earmarked in 1964.....	1,167,318.00
	<hr/>
SUB-TOTAL	1,374,042.42

	<i>In United States dollars</i>
<i>Deduct:</i>	
Obligations incurred in 1964.....	1,219,630.74
	<hr/>
	154,411.68
<i>Add:</i>	
Miscellaneous income and savings realized, after deduction of a surrender to the Special Account	20,775.75
	<hr/>
	175,187.43
	<hr/> <hr/>

4. No comments are necessary concerning the statement of funds earmarked to the International Telecommunication Union at Geneva by the United Nations Expanded Programme of Technical Assistance.

(Signed) Ch. POCHON
Chief of Section, Federal Audit Department
of the Swiss Confederation,
External Auditor

Berne, 17 March 1965

ANNEX 7

United Nations Educational, Scientific and Cultural Organization: status of funds as at 31 December 1964
(Expressed in United States dollars)

Balance as at 31 December 1963.....		1,554,555	
<i>Less:</i>			
Unobligated balance of 1963 authorizations from the Working Capital and Reserve Fund and other income surrendered to the Special Account.....			122,213
			<hr/>
Balance of unobligated earmarkings of the preceding year carried forward on 1 January 1964	1,432,342		
<i>Add:</i>			
Savings realized during the year in liquidating 1963 obligations (other than those incurred against contingency authorizations).....	160,935	1,593,277	
		<hr/>	
Earmarkings from contributions and other available funds in 1964.....		9,108,265	
		<hr/>	
			10,701,542
Obligations incurred during 1964:			
Project costs	9,912,311		
Administrative and operational services costs	738,760	10,651,071	
		<hr/>	
Excess of earmarkings and other available funds over obligations incurred.....			50,471
<i>Add:</i>			
Other income:			
Savings on liquidation of obligations incurred in the previous biennium.....	840,104		
Miscellaneous	18,759		
Exchange adjustments (<i>net</i>).....	(8,961)	849,902	
		<hr/>	
Balance as at 31 December 1964, to revert to the Special Account.....			900,373
			<hr/> <hr/>
Represented by:			
Cash at banks, on hand and in transit	1,310,228		
Undrawn earmarkings	3,057,490		
Accounts receivable, advances, deposits, etc.....	612,725	4,980,443	
		<hr/>	
<i>Less:</i>			
Unliquidated obligations, 1963.....	46,243		
Unliquidated obligations, 1964.....	3,278,476		
Accounts payable and other credit balances.....	755,351	4,080,070	
		<hr/>	
			900,373
			<hr/> <hr/>

CERTIFIED CORRECT:
(Signed) R. HARPER-SMITH
Comptroller

APPROVED:
(Signed) René MAHEU
Director-General

AUDIT CERTIFICATE

The financial statement showing the status of earmarkings made to UNESCO in connexion with the Expanded Programme of Technical Assistance for economic development of under-developed countries, for the period 1 January to 31 December 1964, has 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 appended statement and the related schedule of project 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 FUNDS EARMARKED TO THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION AS AT 31 DECEMBER 1964

1. The statement and the related schedule of projects costs (schedule A) 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 the reports of the Internal Auditor have been made available to me. I have no observations to make upon the Statement.

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

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

9 July 1965

ANNEX 8

Universal Postal Union: status of funds as at 31 December 1964*(Expressed in United States dollars)*

Balance as at 31 December 1963.....	16,356.72	
Adjustment of 1963 earmarkings.....	4,010.00	12,346.72
		<hr/>
<i>Less:</i>		
Excess of expenditure over 1963 Working Capital and Reserve Fund un-liquidated obligations		595.97
		<hr/>
Balance of unobligated earmarkings of the preceding year carried forward on 1 January 1964.....		11,750.75
<i>Add:</i>		
Savings realized during the year in liquidating 1963 obligations (other than those incurred against contingency authorizations).....		2,098.74
Earmarkings from contributions and other available funds in 1964.....		277,872.00
		<hr/>
		291,721.49
<i>Less:</i>		
Obligations incurred in 1964:		
Project costs	193,881.85	
Administrative and operational services costs.....	40,000.00	233,881.85
		<hr/>
Excess of earmarkings and other available funds over obligations incurred.....		57,839.64
<i>Add:</i>		
Other income:		
Exchange adjustments (<i>net</i>).....	(101.28)	(101.28)
		<hr/>
Balance as of 31 December 1964 to revert to the Special Account.....		57,738.36
		<hr/> <hr/>
Represented by:		
Cash at banks, on hand and in transit.....	95,471.54	
Undrawn earmarkings	27,713.73	
Accounts receivable, advances, deposits, etc.....	501.44	123,686.71
		<hr/>
<i>Less:</i>		
Unliquidated obligations, 1963.....	1,512.17	
Unliquidated obligations, 1964.....	64,436.18	
Accounts payable and other credit balances.....		65,948.35
		<hr/>
		57,738.36
		<hr/> <hr/>

(Signed) E. WEBER
Director General

Berne, 13 April 1965

AUDIT CERTIFICATE

I have examined the books and accounts of the Universal Postal Union and I hereby certify that the above is a true extract therefrom and, to the best of my knowledge, correct.

(Signed) Ch. POCHON
Chief of Section, Federal Audit Department
of the Swiss Confederation,
External Auditor