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FINANCIAL REPORTS AND ACCOUNTS FOR THE YEAR 1973
AND REPORTS OF THE BOARD OF AUDITORS

Budget performance of the United Nations
for the financial year 1973

Report of the Secretary-General

1. At its twenty-eighth session the General Assembly, by resolution 3094 (XXVIII) of 11 December 1973, approved revised appropriations for 1973 in a total amount of \$233,820,374 and revised estimates of income in a total amount of \$38,032,052.
2. Expenditures and obligations actually incurred in 1973 totalled \$233,804,338, leaving an uncommitted balance of \$16,036. Income actually received totalled \$37,153,571, indicating a shortfall of \$878,481. These results take into account the decision by the General Assembly in its above-mentioned resolution to apply to the revised appropriations and estimates of income for 1973 the uncommitted balance of \$255,046 under the expenditure sections and the additional income of \$430,252 which had been achieved in 1972.
3. The final outcome under the various expenditure and income sections is provided in the annex to this report. Full explanations were provided by the various offices and departments in respect of such variations as may have occurred in comparison with the revised appropriations and estimates of income as approved by the General Assembly. The comments below are confined to the most significant of these discrepancies and other general observations.

Deficits

4. Deficits in excess of 1.5 per cent in relation to the revised appropriations occurred under the following sections:

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Section 8. Permanent equipment	-	\$25,284 (2 per cent)
Section 9. Maintenance, operation and rental of premises	-	\$248,125 (3 per cent)
Section 10. General expenses	-	\$234,922 (3.2 per cent)

5. The shortfall under section 8 occurred at Geneva in connexion with the acquisition of furniture and equipment for use by the Division of Human Rights following its transfer from New York in the course of 1974. Pending a final decision by the General Assembly, an amount of \$48,900 was surrendered in this context in 1973 at the time of the supplementary estimates for that year. When the relocation of the Division was confirmed, it was decided not to request additional appropriations for this purpose for 1974 in the expectation that the expenses under section 8 could be met within the total revised appropriations for 1973 and the transfer and removal of staff accommodated within the common staff credits made available for the Division for the biennium 1974-1975 under section 20.

6. The deficit under section 9 occurred at Headquarters and Geneva, principally as a result of increases in the cost of utilities such as heating and electricity following steep rises in the cost of fuel oil.

7. Under section 10 the deficit of \$234,922 was attributable to a further net loss of \$154,276 on currency exchange transactions since the supplementary estimates were prepared.

Unspent balances

8. Surpluses in excess of 1.5 per cent in relation to the revised appropriations recurred under the following sections:

Section 1. Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies	-	\$75,828 (4.8 per cent)
Section 2. Special meetings and conferences	-	\$88,168 (4.1 per cent)
Section 6. Payments under annex I, paragraphs 2 and 5, of the Staff Regulations; hospitality	-	\$4,129 (2.6 per cent)
Section 14. Industrial development (Technical programmes)	-	\$27,867 (1.9 per cent)
Section 16. United Nations Industrial Development Organization	-	\$246,914 (1.5 per cent)
Section 19. International Court of Justice	-	\$62,443 (3.2 per cent)
Section 21. United Nations Environment Programme	-	\$86,027 (4.7 per cent)

9. As in the past, a certain proportion of the appropriations under section 1 remained unspent because of such factors as the inability of members of organs and subsidiary organs to attend meetings or to attend them in full. In addition, a

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number of meetings which had been scheduled for the latter part of the year did not in fact take place. These included the third session of the International Narcotics Control Board (\$18,200); the Second Working Group of the Committee for Development Planning (\$17,700); and the Intergovernmental Committee of Experts on Science and Technology in Addis Ababa, which was to have been attended by members of the Advisory Committee on the Application of Science and Technology to Development (\$11,000).

10. Under section 2, the more significant of the unexpended balances contributing to the total surplus of \$88,168 related to the following special meetings and conferences:

(a) Of the amount of \$30,000 appropriated for the Seventh United Nations Regional Cartographic Conference for Asia and the Far East, some \$28,000, which had been provided for the contractual translation and typing of pre-conference documentation and for its reproduction, remained unspent because the workload could be accommodated by the Department of Conference Services within existing resources;

(b) Of the amount of \$771,700 provided for the Committee on the Peaceful Uses of the Sea-Bed and the Ocean Floor beyond the Limits of National Jurisdiction, some \$87,700 was left unspent, largely because editing of conference documentation, for which some \$50,000 had been provided, was undertaken in New York from within existing resources rather than at Geneva;

(c) Finally, some \$10,700 remained uncommitted because of the further postponement of the printing of volume I of the proceedings of the United Nations Conference to Consider Amendments to the Single Convention on Narcotic Drugs, 1961.

11. The above-mentioned surpluses were offset, inter alia, by unbudgeted expenses in respect of United Nations attendance at the Peace Conference on the Middle East in December, as well as unforeseen printing requirements relating to the Sixth United Nations Regional Cartographic Conference for Asia and the Far East (\$15,913) and the Fourth International Conference on the Peaceful Uses of Atomic Energy (\$19,050).

12. Under section 6 the provision of \$110,000 for the payment of representation allowances was based on full occupancy of all posts at the D-2 level and above. In fact, some \$4,000 remained unspent because of the existence at the year-end of one vacancy at the Assistant Secretary-General level and five vacancies at the D-2 level.

13. The unspent balance of \$27,867 under section 14 resulted from the suspension, late in the year, of an industrial development technical assistance project.

14. The surplus of \$246,914 under section 16 was attributable mainly to lower staff costs as a result of a temporary improvement in the rate of exchange between the United States dollar and the Austrian schilling during the last four months of the year, i.e. from 17.60 schillings on which the supplementary estimates had been based, to 18 schillings as from 1 September and 18.30 schillings as from 1 December. This resulted not only in a lower post classification for Vienna than had been

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anticipated but also in a lower cost in dollar terms in respect of the salaries of staff in the General Service and Manual Worker categories.

15. The surplus of \$62,443 under section 19 results mainly from economies achieved in respect of salaries, wages and other expenses of the Registry of the International Court of Justice. A contributory factor was that four Professional posts (one P-4 and three P-2/1) remained vacant during the latter half of the year.

16. Under section 21 the unexpended balance of \$86,027 resulted mainly from the delays experienced by the United Nations Environment Programme in filling its authorized establishment (\$75,119) and in achieving in full its anticipated publications programme (\$19,399).

Income

17. Of the increased income of \$1,467,000 projected in the supplementary estimates under income section 1, only \$798,317 was actually achieved, representing a shortfall of \$668,683 or 2.3 per cent.

18. Additional general income accrued under income section 3 in a net amount of \$306,922 or 6 per cent, of which the more important elements related to the refund of prior years' expenditures (\$191,960), bank interest (\$89,005) and contributions from non-member States (\$94,828).

19. Under income section 4 there was a net shortfall of \$86,216 or 2.9 per cent as compared with the approved estimate of \$2,983,300. Under the first four chapters (Sale of postage stamps; souvenir shop, gift centre and catering services; royalties on commemorative medals; and the garage operation) a net shortfall of \$197,368 occurred, largely because of a deficit of \$351,961 in respect of the sale of postage stamps and \$70,554 in respect of the souvenir shop and catering services, offset by a gain of \$215,846 on the sale of commemorative medals. On the other hand, increased income was achieved in respect of the sale of publications (\$89,835) and services to visitors (\$21,317).

Transfers among sections

20. In order to eliminate the deficits incurred under expenditure sections 4, 5, 8, 9, 10, 11, 12 and 15 in a total amount of \$770,761, the concurrence of the Advisory Committee on Administrative and Budgetary Questions was obtained for the transfer, as indicated in the penultimate column in the annex to this report, of unexpended balances under a number of other sections as follows: \$75,828 from section 1, \$88,168 from section 2, \$392,382 from section 3, \$14,786 from section 14 and \$199,597 from section 16.

ANNEX

1973 budget appropriations, obligations incurred and unencumbered balances of appropriations

Appropriation section	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Original appropriations ^{a/}	Supplementary appropriations ^{b/}	Subsequent section transfers ^{c/}	Revised appropriations	Obligations incurred	Column (1)-(5) Unencumbered balances of appropriations	Column (4)-(5) Unencumbered balances of appropriations
Part I. Sessions of the General Assembly, the councils, commissions and committees; special meetings and conferences							
1. Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies	1,519,570	49,100	(75,828)	1,492,842	1,492,842	26,728	-
2. Special meetings and conferences	1,922,600	215,300	(88,168)	2,049,732	2,049,732	(127,132)	-
TOTAL, Part I	3,442,170	264,400	(163,996)	3,542,574	3,542,574	(100,404)	-
Part II. Staff costs and related expenses							
3. Salaries and wages	99,989,500	2,500,100	(392,382)	102,097,218	102,097,218	(2,107,718)	-
4. Common staff costs	23,441,300	(18,300)	166,952	23,589,952	23,589,952	(148,652)	-
5. Travel of staff	2,646,350	350,800	3,941	3,001,091	3,001,091	(354,741)	-
6. Payments under annex I, paragraphs 2 and 5, of the Staff Regulations; hospitality	150,000	10,000	-	160,000	155,871	(4,871)	4,129
TOTAL, Part II	126,227,150	2,842,600	(221,489)	128,848,261	128,844,132	(2,616,982)	4,129
Part III. Construction, alteration, improvement and major maintenance of premises							
7. Construction, alteration, improvement and major maintenance of premises	11,649,400	8,500	-	11,657,900	11,649,883	483	8,017
TOTAL, Part III	11,649,400	8,500	-	11,657,900	11,649,883	483	8,017
Part IV. Equipment, supplies and services							
8. Permanent equipment	1,246,800	21,000	25,284	1,293,084	1,293,084	(46,284)	-
9. Maintenance, operation and rental of premises	7,850,200	434,800	248,125	8,533,125	8,533,125	(682,925)	-
10. General expenses	6,318,900	915,000	234,922	7,468,822	7,468,822	(149,922)	-
11. Printing	3,155,200	-	31,721	3,186,921	3,186,921	(31,721)	-
TOTAL, Part IV	18,571,100	1,370,800	540,052	20,481,952	20,481,952	(1,910,852)	-
Part V. Technical programmes							
12. Regional and subregional advisory services	1,825,000	(306,000)	14,786	1,533,786	1,533,786	291,214	-
13. Economic development, social development and public administration; human rights advisory services; narcotic drugs control	5,408,000	(907,000)	-	4,501,000	4,501,000	907,000	-
14. Industrial development	1,500,000	-	(14,786)	1,485,214	1,472,133	27,867	13,081
TOTAL, Part V	8,733,000	(1,213,000)	-	7,520,000	7,506,919	1,226,081	13,081
Part VI. United Nations Conference on Trade and Development							
15. United Nations Conference on Trade and Development	13,252,600	1,306,300	45,030	14,603,930	14,603,930	(1,351,330)	-
TOTAL, Part VI	13,252,600	1,306,300	45,030	14,603,930	14,603,930	(1,351,330)	-
Part VII. United Nations Industrial Development Organization							
16. United Nations Industrial Development Organization	14,634,700	2,189,900	(199,597)	16,625,003	16,577,686	(1,942,986)	47,317
TOTAL, Part VII	14,634,700	2,189,900	(199,597)	16,625,003	16,577,686	(1,942,986)	47,317
Part VIII. Special missions							
17. Special missions	8,959,100	365,500	-	9,324,600	9,320,075	(360,975)	4,525
TOTAL, Part VIII	8,959,100	365,500	-	9,324,600	9,320,075	(360,975)	4,525
Part IX. Office of the United Nations High Commissioner for Refugees							
18. Office of the United Nations High Commissioner for Refugees	5,925,900	730,000	-	6,655,900	6,633,407	(707,507)	22,493
TOTAL, Part IX	5,925,900	730,000	-	6,655,900	6,633,407	(707,507)	22,493
Part X. International Court of Justice							
19. International Court of Justice	1,714,900	247,500	-	1,962,400	1,899,957	(185,057)	62,443
TOTAL, Part X	1,714,900	247,500	-	1,962,400	1,899,957	(185,057)	62,443
Part XI. Special expenses							
20. Special expenses	10,810,400	202,500	-	11,012,900	10,989,850	(179,450)	23,050
TOTAL, Part XI	10,810,400	202,500	-	11,012,900	10,989,850	(179,450)	23,050
Part XII. United Nations Environment Programme							
21. United Nations Environment Programme	2,000,000	(160,000)	-	1,840,000	1,753,973	246,027	86,027
TOTAL, Part XII	2,000,000	(160,000)	-	1,840,000	1,753,973	246,027	86,027
TOTAL, Parts I to XIII	225,920,420	8,155,000	-	234,075,420	233,804,338	(7,883,918)	271,082
Less:							
Unspent balance of revised 1972 appropriations approved under General Assembly resolution 2947 A (XVII)	-	(255,046)	-	(255,046)	-	-	(255,046)
GRAND TOTAL	225,920,420	7,899,954	-	233,820,374	233,804,338	(7,883,918)	16,036

ANNEX

1973 budget appropriations, obligations incurred and unencumbered balances of appropriations

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Original estimates a/	Supplementary estimates b/	Subsequent section transfers c/	Revised estimates	Actual income	Surplus or Shortfall Column (1)-(5)	Column (4)-(5)
	\$	\$	\$	\$	\$	\$	\$
Income section							
Part I. Income from staff assessment							
1. Income from staff assessment	27,383,000	1,467,000	-	28,850,000	28,181,317	798,317	(668,683)
TOTAL, Part I	27,383,000	1,467,000	-	28,850,000	28,181,317	798,317	(668,683)
Part II. Other income							
2. Funds provided from extra-budgetary accounts	734,000	(46,000)	-	688,000	687,748	(46,252)	(252)
3. General income	4,934,000	146,500	-	5,080,500	5,387,422	453,422	306,922
4. Revenue-producing activities	2,907,800	75,500	-	2,983,300	2,897,084	(10,716)	(86,216)
TOTAL, Part II	8,575,800	175,000	-	8,751,800	8,972,254	396,454	220,454
TOTAL, Parts I and II	35,958,800	1,643,000	-	37,601,800	37,153,571	1,194,771	(448,229)
Add:							
Excess of income over revised 1972 estimates approved under General Assembly resolution 2947 B (XXVII)	-	430,252	-	430,252	-	-	(430,252)
GRAND TOTAL	35,958,800	2,073,252	-	38,032,052	37,153,571	1,194,771	(878,481)

a/ Approved by the General Assembly under resolutions 3044 A and B (XXVII) of 19 December 1972.

b/ Approved by the General Assembly under resolutions 3094 A and B (XXVIII) of 11 December 1972.

c/ Includes transfers between sections totalling \$770,761 made with the concurrence of the Advisory Committee on Administrative and Budgetary Questions.