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FINANCIAL REPORT AND ACCOUNTS

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REPORTS OF THE BOARD OF AUDITORS

UNICEF

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UNITED NATIONS CHILDREN'S FUND

FINANCIAL REPORT AND ACCOUNTS

for the year 1962

and

REPORTS OF THE BOARD OF AUDITORS

GENERAL ASSEMBLY

OFFICIAL RECORDS : EIGHTEENTH SESSION

SUPPLEMENT No. 6A (A/5506/Add.1)



UNITED NATIONS

New York, 1963

This document, A/5506/Add.1,
incorporates E/ICEF/AB/L.27 &
L.27/Add.1 in their entirety.

NOTE

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LETTER OF TRANSMITTAL

23 May 1963

Sir,

I have the honour to transmit to you the financial statements relating to the United Nations Children's Fund with respect to the financial year ended 31 December 1962 and to the Greeting Card Fund for the period ended 31 August 1962. These statements have been examined and certified by the Board of Auditors.

In addition to the above, and in accordance with the relevant resolution of the General Assembly, I have the honour to present the reports of the Board of Auditors with respect to the above accounts.

Accept, Sir, the assurance of my highest consideration.

(Signed) L. GÖTZEN
Chairman of the Board of Auditors

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

Part I
UNITED NATIONS CHILDREN'S FUND

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 1962

1. The financial statements of the United Nations Children's Fund (UNICEF) for the sixteenth financial period, which ended 31 December 1962, comprise the following principal statements along with supporting schedules:

- I. Statement of assets and liabilities as at 31 December 1962;
- II. Statement of income and expenditure for the year ended 31 December 1962;
- III. Statement of 1962 budgetary authorizations, obligations incurred and unobligated balances of authorizations—administrative costs and costs of operational services for the year ended 31 December 1962.

Summary

2. Income in 1962 amounted to \$29.7 million (see paras. 3 to 8). The Board approved commitments amounting to \$50.1 million, which included \$43.5 million for programme aid (see paras. 9 and 10 and table 3). Against these commitments and commitments approved in earlier years, allocations were made in 1962 in the amount of \$44.6 million (\$30.9 million effective 1962 and \$13.7 million effective 1 January 1963) (see paras. 11 to 15 and table 4). Expenditures in 1962 amounted to \$30.4 million (see para. 17), exceeding income by \$0.7 million. The ratio of administrative expenditures to total expenditures in 1962 was 6.28 per cent (see para. 18). Major programme trends are referred to in paragraphs 19 and 20.

INCOME

3. The income from all sources in 1962 amounted to the equivalent of approximately \$29.7 million, an increase of almost \$1.8 million over the income in 1961. The over-all increase resulted from an increase of approximately \$0.6 million in government contributions and approximately \$1.2 million in private contributions and other income (see paras. 35 to 42).

4. The income of UNICEF in 1962, by source, is shown below:

Table 1

UNICEF INCOME IN 1962 BY SOURCE

	<i>(In thousands of US dollars)</i>	<i>(Per cent of total)</i>
Government contributions	23,587	79.4
Private contributions	3,751	12.6
Other income	2,359	8.0
	29,697	100.0

5. Table 2 below indicates that the income of UNICEF has increased each year since 1954. Except for 1957 and 1959, when the increase over the previous year was less than \$1 million, the increases have been in the neighbourhood of \$2 million a year.

Table 2

UNICEF INCOME FROM ALL SOURCES

	<i>Income (in thousands of US dollars)</i>	<i>Increase over previous year</i>
1954	15,044	—
1955	17,515	2,471
1956	19,819	2,304
1957	20,716	897
1958	23,008	2,292
1959	23,820	812
1960	25,767	1,947
1961	27,945	2,178
1962	29,697	1,752

6. In 1962, 105 Governments contributed to UNICEF as compared with 100 in the preceding year. A list of the contributing Governments is given in schedule C. Details of income from private contributions and other sources are given in paragraphs 39 to 42.

7. Apart from contributions to the central account of UNICEF, a number of Governments of developing countries made cash contributions towards the implementation of UNICEF-aided projects, to provide additional imported supplies and equipment and to help meet the local administrative and related costs of UNICEF field offices. These cash contributions totalled the equivalent of \$3.2 million and \$0.5 million respectively (schedule B).

8. For 1961, the contribution of the Government of the United States of America was \$12 million; the contribution in that year was subject to the condition that it would not exceed 46 per cent of the total of government contributions to UNICEF. While the amount of the United States contribution was again \$12 million in 1962, the percentage in relation to the total of government contributions was reduced to 44 per cent. For 1963, the United States has again pledged a contribution of \$12 million, subject to the condition that this contribution should not exceed 42 per cent of the total of government contributions to UNICEF.

COMMITMENTS AND ALLOCATIONS

9. In 1961, the Executive Board approved procedures which would allow UNICEF for several years to expand its assistance more rapidly than its income. Earlier, the Board had decided that, in approving aid for certain types of projects, mainly malaria eradication and milk conservation, it would approve aid for the project as a whole but would limit the allocations to approximately the amount required for expenditure in the next twelve months. This practice was extended in 1961 to cover all types of projects except those involving relatively small amounts of aid. In 1962, the Board approved allocations, not only against resources available in 1962 (\$30.9 million), but also against a portion (\$13.7 million) of the governmental pledges announced for 1963, this portion of the allocations to become effective as of 1 January 1963.

10. Commitments approved by the Board in 1962 totalled \$50.1 million, including \$43.5 million in programme aid (table 3). At the end of 1962, the total of commitments for allocations to be made in the future (known as formal commitments) amounted to \$17.1 million (\$14.1 million for programme aid and \$3.0 million for half of the 1963 administrative and operational services costs).

Table 3
COMMITMENTS^a APPROVED BY THE EXECUTIVE BOARD IN 1962
(In thousands of US dollars)

	<i>Africa</i>	<i>Asia</i>	<i>Eastern Mediterranean</i>	<i>Europe</i>	<i>The Americas</i>	<i>Inter- regional</i>	<i>Total</i>	<i>Per cent</i>
Health services	2,966.6	6,462.0	1,035.6	65.0	4,273.0	—	14,802.2	34.0
Disease control	701.6	4,538.8	2,041.5	19.0	3,911.0	—	11,211.9	25.8
Malaria	0.1	585.7	1,535.0	—	3,681.0	—	5,801.8	13.3
TB/BCG	93.0	1,402.5	332.0	19.0	230.0	—	2,076.5	4.8
Yaws/VD	91.0	71.0	14.5	—	—	—	176.5	0.4
Trachoma	46.5	1,856.6	91.0	—	—	—	1,994.1	4.6
Leprosy	471.0	183.0	—	—	—	—	654.0	1.5
Other diseases	—	440.0	69.0	—	—	—	509.0	1.2
Nutrition	671.0	3,901.6	56.0	140.0	1,184.9	2,240.6 ^b	8,194.1	18.8
Child feeding	—	257.6	—	—	0.6	850.0	1,108.2	2.6
Applied nutrition	671.0	2,984.0	56.0	61.0	1,105.0	1,173.6	6,050.6	13.9
Milk conservation	—	660.0	—	79.0	79.3	67.0	885.3	2.0
High-protein food development ..	—	—	—	—	—	150.0	150.0	0.3
Family and child welfare	1,185.6	402.2	236.0	—	318.5	—	2,142.3	4.9
Education	1,086.5	1,646.0	685.0	268.0	1,093.5	—	4,779.0	11.0
Vocational training	800.0	—	—	—	225.0	—	1,025.0	2.4
Other	—	—	—	—	—	152.4	152.4	0.3
<i>Total for long-range aid</i>	7,411.3	16,950.6	4,054.1	492.0	11,005.9	2,393.0	42,306.9	97.2
Emergency aid	—	—	—	—	—	—	1,228.1	2.8
<i>Total for programme aid</i>	—	—	—	—	—	—	43,535.0	100.0
Operational services expenditures for 1963	—	—	—	—	—	—	3,716.8	
Administrative costs for 1963	—	—	—	—	—	—	2,296.8	
Supplementary administrative and operational services costs for 1962	—	—	—	—	—	—	534.0	
							GRAND TOTAL	50,082.6

^a Total of commitments to projects and to the administrative and operational services budget approved by the Executive Board during the calendar year in accordance with procedure adopted at the session of June 1961 (E/ICEF/431, para. 167). These differ from "allocations", which provide only expenditures required for approximately the next twelve months for projects approved in the same calendar year and earlier.

^b Includes undistributed global allocations in the amount of \$1,446,000.

11. Allocations approved by the Executive Board in 1962, at its June and December sessions and by mail polls, amounted to \$44.6 million (\$38.6 million for programme aid and \$6.0 million for administrative and operational services costs, the latter for the second half of 1962 and the first half of 1963). This compares with \$30.4 million in 1961 (\$25.7 million for programme aid and \$4.7 million for administrative costs and operational services).

12. As indicated in paragraphs 2 and 9 above, of the total of \$44.6 million of allocations approved by the Board in 1962, \$30.9 million was made effective in 1962 and \$13.7 in 1963. The distribution of these allocations as between 1962 and 1963 is shown in table 4 below.

Table 4

ALLOCATIONS APPROVED BY THE EXECUTIVE BOARD IN 1962

	<i>Effective 1962</i>	<i>Effective 1963</i>
	<i>(in US dollars)</i>	
Health services	9,521,947	3,651,500
Disease control	7,859,898	3,011,500
Malaria	4,544,788	1,742,000
TB/BCG	1,574,003	600,500
Yaws/VD	126,500	50,000
Trachoma	472,607	598,000
Leprosy	633,000	21,000
Other diseases	509,000	—
Nutrition	5,949,044	2,751,000
Child feeding	758,221	350,000
Applied nutrition	3,644,561	1,387,000
Milk conservation	1,396,262	1,014,000
High-protein food development	150,000	—
Family and child welfare	1,138,000	441,000
Education	1,638,400	817,000
Vocational training	501,000	—
Other	152,433	—
Total for long-range aid	26,760,722	10,672,000
Emergency aid	1,228,135	—
<i>Total for programme aid</i>	27,988,857	10,672,000
Operational services (six months each of 1962 and 1963)	1,787,200	1,858,400
Administrative costs (six months each of 1962 and 1963)	1,173,750	1,148,375
GRAND TOTAL, ALLOCATIONS	30,949,807	13,678,775

13. The allocations of \$30.9 million, effective in 1962, were financed as follows: \$29.7 million from 1962 income, \$0.8 million from the return to general resources of unused balances of previous allocations, and \$0.4 million from unallocated funds carried forward from 1961. The unallocated resources, which stood at \$457,325 at the beginning of 1962, were thus reduced to \$59,831 at the end of 1962.

14. As explained in a previous financial report,¹ there are necessarily on any given date sizable allocations approved by the Board but not yet spent. The total of these unspent allocations is referred to in the statement of assets and liabilities as "approved allocations". The balance of such "approved allocations" by country and by category of general assistance, are shown in schedule D ("Statement of allocations, expenditures and balances of allocations for the year ended 31 December 1962").

15. At the end of 1962, outstanding allocations amounted to \$38.8 million of which \$38.6 million was for programme aid and \$0.2 million was in unused funds of the allocation for administrative and operational services costs in 1962 (to be returned in 1963 to general resources) (see para. 33). This amount compares with \$39.2 million in outstanding allocations at the end of 1961.

INTERNAL MATCHING

16. As noted in previous financial reports, the primary responsibility for the projects aided by UNICEF rests with the assisted Governments, and the purpose of UNICEF programme allocations is to stimulate and supplement the use of national resources. The local funds made available in each country in this connexion (in facilities, services, supplies and personnel) are called "internal matching". In 1962, for each dollar allocated by UNICEF, the assisted Governments spent, or accepted commitments to spend, an average of \$2.70 (see para. 59).

¹ *Official Records of the General Assembly, Fifteenth Session, Supplement No. 6A (A/4382), para. 11.*

EXPENDITURES

17. Expenditures in 1962 amounted to \$30.4 million as compared with \$24.4 million in 1961, an increase of \$6.0 million (see paras. 43 to 55). A break-down of the expenditures on programme aid, by programme and by type of supplies, is shown in paragraphs 47 and 48 respectively.

RATIO OF ADMINISTRATIVE EXPENDITURES TO TOTAL EXPENDITURES

18. In 1962, expenditures on assistance amounted to approximately \$28.0 million (\$25.3 million for programmes and \$2.7 million (net) for operational services). Administrative costs totalled \$1.9 million (net). This resulted in a ratio of administrative expenditures to total expenditures of 6.28 per cent in 1962. The ratio for 1961 was 7.68 per cent (see paras. 54 and 55).

PROGRAMME TRENDS

19. An indication of the main UNICEF programme trends can be found in the report of the June 1962 session of the Executive Board² and the report of the Executive Director to the Economic and Social Council at its thirty-fifth session.³ The salient features of the Board's policy are incorporated in the "Declaration on a Long Term Policy for Children in Relation to the Development Decade", adopted in June 1962.⁴

20. In June 1961, the Executive Board decided to increase the flexibility of UNICEF aid by considering requests relating to the main needs of children in each individual country for which opportunities exist for effective action, and by helping the countries assess the needs of their children and plan programmes to meet them, wherever possible as an integral part of broader economic and social development programmes. Under this new approach well-established policies of UNICEF support in the fields of health and nutrition will continue to receive major emphasis. At the same time new possibilities have been opened up for UNICEF aid, bringing within its scope not only the physical needs of children and youth, but their educational, vocational and social welfare needs as well. The effects of the Executive Board decisions in a wider range of UNICEF aid began to appear in 1962, especially with respect to commitments for assistance to education and vocational training.

Assets and liabilities

21. The statement of assets and liabilities is shown on page 18. Additional information on each of the categories is given below:

ASSETS

22. *Cash on hand, in transit and at banks:* These funds amounted to \$5,894,239 at 31 December 1962 (including deposits against irrevocable letters of credit of \$441,679). Funds administered on behalf of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) are held in special bank accounts, designated UNICEF/UNRWA, and these funds amounted at 31 December 1962 to \$462,647 (including deposits of \$3,882 against irrevocable letters of credit). Funds held on behalf of the UNICEF Greeting Card Fund amounted to \$100,370. The balance of funds at 31 December 1962 were UNICEF-owned funds, totalling \$5,331,222 (\$924,678 in United States currency and the equivalent of \$4,406,544 in fifty-seven other currencies). Wherever feasible, the cash holdings were put into interest-bearing accounts (see para. 42 (a)). Funds held in non-dollar currencies included the equivalent of approximately \$700,000 in USSR rubles; \$600,000 in Indian rupees; \$500,000 in Polish zloty; \$250,000 in Swedish kronor; \$200,000 each in Brazilian cruzeiros and Yugoslav dinars; \$150,000 in French francs; \$125,000 each in German marks, Pakistan rupees, Philippines pesos, Swiss francs and United Kingdom sterling; and \$115,000 each in New Taiwan dollars and Turkish liras. (For a break-down of contractual commitments by type of currency, see para. 33.) Funds in currencies other than United States dollars were converted in the books of accounts according to the rates of exchange current on 31 December 1962, as quoted by the International Monetary Fund.

23. *Investments:* At 31 December 1962, trustee securities, namely fixed-interest bearing securities of the United States Government and of its federal agencies, and United Kingdom treasury bills, accounted for 33 per cent of all investments. The balance consisted of time deposits with commercial banks (see schedule A). Of the \$30,743,054 (nominal value) of investments thus held, \$24,018,054 were short-term and \$6,725,000 medium-term investments. The average yield on investments during the year was 3.70 per cent, as compared with the average rate of 3.84 per cent in 1961. Income from investments in 1962 amounted to \$1,100,104, compared with \$972,215 in 1961 (see para. 42 (a)).

24. *Custodial investments:* Funds held in trust by UNICEF on behalf of UNRWA and the UNICEF Greeting Card Fund, and not required immediately, are invested. At 31 December 1962, UNICEF held in bank deposit

² Official Records of the Economic and Social Council, Thirty-fifth Session, Supplement No. 3 (E/3655/Rev.1-E/ICEF/454/Rev.1).

³ E/3722-E/ICEF/462.

⁴ E/3655/Rev.1-E/ICEF/454/Rev.1, para. 12.

accounts \$811,635 on behalf of UNRWA and \$200,000 on behalf of the Greeting Card Fund. These deposits were earning interest at 2.79 and 3½ per cent per annum respectively.

25. *Deposits with suppliers*: At 31 December 1962, these deposits comprised \$3,339 of trust funds held (for UNRWA) in a separate account and \$958,633 of UNICEF funds. The latter included the following amounts held by governmental procurement agencies: the equivalent of approximately \$500,000 with the Commonwealth Department of Supply, Australia (in Australian pounds); \$250,000 with the Department of Industries and Commerce, New Zealand (in New Zealand pounds); \$60,000 with the Canadian Commercial Corporation (in Canadian dollars); and \$30,000 with the Ministry of International Trade and Industry, Japan (in Japanese yen).

26. *Accounts receivable, advances, deposits etc.*: These consisted of (a) interest accrued by 31 December 1962 on securities, bank deposit accounts and custodial investments (\$239,078); (b) receivables from Governments of UNICEF-aided countries (\$107,404); (c) receivables from the United Nations and international agencies (\$353,113); (d) private contributions collected and in course of transfer to UNICEF bank accounts (\$1,760,394 from the United States Committee for UNICEF and \$301,443 from the United Nations Association in Canada—Committee for UNICEF); (e) receivables from other national committees and the United Nations bookshop (\$154,575), including \$126,636 of donations collected in a milk fund drive in the Federal Republic of Germany; (f) service deposits (\$19,238); (g) freight and insurance claims (\$31,658); (h) prepayment of 1963 expenses (\$2,416); (i) salary and travel advances to UNICEF staff (\$22,741); (j) other sundry receivables (\$16,524) and secured claims (\$21,427).

27. *Contributions receivable from Governments*: Of \$5,931,933 in Government contributions receivable, the amount of \$1,548,628 had been transferred to UNICEF by April 1963.

LIABILITIES

28. Accounts payable and other unliquidated obligations (of which approximately \$2,040,000 was payable in United States dollars and the equivalent of \$2,254,000 in forty-one other currencies) consisted of the following:

(a) Accounts payable (\$2,004,737) for supplies and equipment shipped but unpaid for by 31 December 1962, and for freight costs due at that date;

(b) Other accounts payable (\$2,194,964) comprising (i) amounts to be accounted for with Governments of UNICEF-assisted countries and with governmental agencies (\$520,567); (ii) amounts due to the United Nations Joint Staff Pension Fund and to the international agencies (\$134,648); (iii) amounts due to staff members under the Tax Equalization Fund (\$172,153); (iv) amounts due for supplies shipped on account of UNRWA by 31 December 1962 but for which payment had not been made at that date (\$95,003); (v) Special Fund established by the Executive Board⁵ for certain public information revenue-producing activities (\$37,180); (vi) pre-paid 1963 governmental contributions (\$1,203,220); (vii) amounts due to UNICEF staff (\$11,523); (viii) amounts due to sundry creditors (\$20,670).

(c) Obligations outstanding (\$49,892) in respect of administrative costs. Full details of these obligations are shown in the statement of budgetary authorizations (administrative costs) on page 22.

(d) Obligations outstanding (\$44,764) in respect of operational services. Full details of these obligations are shown in the statement of budgetary authorizations (costs of operational services) on page 22.

29. *Trust Funds—Governments* consisted of contributions made to UNICEF by assisted Governments (see para. 7): (a) towards the implementation of UNICEF-aided projects (for additional required imported supplies and equipment); (b) towards the local administrative and related costs of UNICEF field offices. Schedule B gives details of each of the two groups of funds, namely: balances at the beginning of the financial year, funds received during the year, disbursements (including funds returned) and balances at the end of the year.

30. *UNRWA agency procurement account* represents funds made available to UNICEF by UNRWA for agency procurement operations. Since 1951, when an agreement was made with UNRWA, UNICEF has undertaken to procure as agent certain supplies required by that agency. No funds of UNICEF are employed in these procurement operations. A fee of \$75,000 is paid annually by UNRWA to UNICEF in reimbursement of all costs incurred by UNICEF in the performance of these services. At 31 December 1962, the funds held in trust on behalf of UNRWA amounted to \$1,279,728 (cash at banks \$462,647, deposits with suppliers \$3,339, investments \$811,635 and interest accrued on investments \$2,107), against which there were unpaid obligations of \$95,003, leaving \$1,184,725 in net funds held by UNICEF at 31 December 1962 on behalf of UNRWA.

31. *Greeting Card Fund*: At 31 December 1962, holdings on behalf of the Greeting Card Fund amounted to \$569,442. At its December 1961 session, the Committee on Administrative Budget of the Executive Board, on the recommendation of the Chairman of the Board of Auditors, approved⁶ a change in the financial year of the Greeting Card Fund so that it would end each year on 31 August rather than on 31 January. The Board of Auditors suggested that the end of the financial year should not coincide with the busiest quarter of operations and that more time should be available for the receipt of the results of all financial transactions from local voluntary commit-

⁵ E/3655/Rev.1-E/ICEF/454/Rev.1, para. 118.

⁶ E/ICEF/AB/L.15, paras. 4-6.

tees in various countries. In order to achieve a transition to the new financial year, the Committee approved the extension of the accounting period of the Greeting Card Fund from 31 January 1962 to 31 August 1962. Accordingly, the financial statement of the Greeting Card Fund⁷ covers the nineteen-month period from 1 February 1961 to 31 August 1962. During the 1961 campaign, 21.7 million cards were sold (compared with 17.4 million in 1960) bringing a net income to UNICEF of \$1.1 million (compared with \$1 million in 1960). Preliminary estimates for the 1962 campaign indicate that 26 million cards were sold which would bring a net income to UNICEF of approximately \$1.6 million.

32. A reserve for insurance of \$200,000 was established in November 1950 when UNICEF adopted a policy of self-insurance. On the recommendation of the Board of Auditors, the Executive Board at its December 1961 session⁸ restored the reserve to \$200,000 for which a transfer of \$32,095 was required. At 31 December 1962, the reserve stood at \$198,783. No major loss occurred during 1962. The decrease of \$1,217 in the reserve is accounted for by disbursements (\$375) towards general average contributions less refunds (\$518) and by marine losses (\$2,590) less recoveries (\$1,230).

33. Allocations approved by the Executive Board but not yet fulfilled at 31 December 1962 (\$38,833,003) are shown in schedule D, mainly on a country basis. A further summary is given hereunder:

	<i>US dollars</i>
Area and country assistance (excluding freight).....	32,226,912
Freight	4,679,074
General assistance (excluding operational services).....	1,704,262
	<hr/>
	38,610,248
<i>Plus</i> : Unused funds of the 1962 budget for administrative costs and costs of operational services, to be returned to the general resources, as reported to the Executive Board at the June 1963 session (see statement of budgetary authorizations, obligations incurred and unobligated balances of authorizations—administrative costs and costs of operational services)	222,755
	<hr/>
TOTAL	38,833,003
	<hr/> <hr/>

Against the amount of \$33,931,174 in unfulfilled area, country and general assistance (exclusive of freight), there were outstanding contractual commitments of \$13,524,859 at 31 December 1962. These included contracts for supplies and equipment on which deliveries had not yet been effected (\$8,701,650 as compared with \$6,377,482 at 31 December 1961) and commitments for project personnel, fellowships, stipends and training grants (\$4,823,209 as compared with \$3,786,423 at 31 December 1961). These contractual commitments consisted of approximately \$9,500,000 in United States dollars and the equivalent of \$4,000,000 in twenty-eight other currencies. Included in the latter was the equivalent of approximately \$1,250,000 in German marks, \$780,000 in United Kingdom sterling, \$480,000 in French francs, \$300,000 in Indian rupees, \$250,000 in Swedish kronor, \$165,000 in USSR rubles, \$100,000 each in Danish kroner, Japanese yen, Netherlands guilders, New Zealand pounds and Polish zloty, \$50,000 each in Argentine pesos, Australian pounds, Canadian dollars, Norwegian kroner and Swiss francs.

34. *Unallocated funds.* As mentioned in paragraph 13, part of the unallocated funds brought forward from 1961 was used to finance allocations in 1962. The following table summarizes the position of these unallocated funds:

	<i>US dollars</i>
Unallocated funds at 1 January 1962.....	457,325
<i>Plus</i> : Income for year ended 31 December 1962.....	29,697,343
	<hr/>
TOTAL AVAILABLE FOR ALLOCATIONS	30,154,668
Allocations approved effective 1962.....	30,949,807
<i>Minus</i> : Allocations returned	854,970
	<hr/>
Allocations (net)	30,094,837
	<hr/>
Unallocated funds at 31 December 1962.....	59,831
	<hr/> <hr/>

Income and expenditure

35. The statement of income and expenditure is shown on page 20. Additional information on each of the categories of income and expenditure is given below.

⁷ E/ICEF/AB/L.28.

⁸ E/ICEF/440, para. 48.

INCOME

36. Income, from all sources in 1962 totalled \$29,697,343, representing an increase of \$1,752,363, or 6.3 per cent over 1961. The following table shows the income in 1962 by major source, compared with income in 1961:

Source of income	Amount of income		Increase 1962 over 1961	
	1961	1962 (In United States dollars)	Amount	Per cent
Governmental contributions	22,959,796	23,586,903	627,107	2.7
Private contributions (including organized campaigns)	2,670,006	3,750,784	1,080,778	40.5
Other income (investments, staff assessment, agency procurement commission, miscellaneous, and difference in exchange)	2,315,178	2,359,656	44,478	1.9
	<u>27,944,980</u>	<u>29,697,343</u>	<u>1,752,363</u>	<u>6.3</u>

GOVERNMENTAL CONTRIBUTIONS

37. Contributions from Governments in 1962 comprised 79.4 per cent of total UNICEF income. This compares with 82.2 per cent in the preceding year. The number of Governments contributing in 1962 was 105 as compared to 100 in 1961.

38. The Government of the United States of America again contributed \$12 million (see para. 8); other Governments contributed \$11,586,903 in 1962, compared with \$10,959,796 in 1961. In addition to contributions to the UNICEF central account, a number of Governments of developing countries made cash contributions to UNICEF-aided projects, namely \$3,164,419 (for additional required imported supplies and equipment), and to the administrative and related costs of UNICEF field offices, namely \$505,444 (see paras. 7 and 29 and also schedule B).

PRIVATE CONTRIBUTIONS

39. Private contributions in 1962 amounted to \$3,750,784 (compared with \$2,670,006 in 1961), of which \$3,464,004 came from organized campaigns in the United States of America and Canada as well as from milk fund drives in six European countries and from Freedom-from-Hunger campaigns in the Netherlands and New Zealand. The largest single source was the United States Committee for UNICEF with receipts of \$2,559,296 accruing to UNICEF, mainly from its "Trick or treat" Hallowe'en project. Receipts accruing to UNICEF from Hallowe'en collections in 1962 in Canada sponsored by the United Nations Association in Canada, Committee for UNICEF, amounted to \$315,178. Funds collected in milk fund drives in Belgium (\$3,190); Finland (\$37,616); the Netherlands (\$122,882); Switzerland (\$117,621) and the United Kingdom (\$46,470) were used for the purchase of 1,113,857 pounds of vacuum-packed powdered whole milk, and an amount of \$126,636 from a similar drive in the Federal Republic of Germany is available for such purchases in 1963. Thus the total collected in 1962 from milk fund drives amounted to \$454,415. Proceeds of the Freedom-from-Hunger campaign launched in the Netherlands (\$95,915) and the first instalment (\$39,200) of proceeds of this campaign in New Zealand totalled \$135,115.

40. Contributions from individuals, churches, women's groups, schools and other organizations amounted in 1962 to \$119,660 from thirty-six countries, compared with \$115,977 from thirty-one countries in 1961. The largest amounts came from the United States of America (\$65,663) and the United Kingdom (\$43,977).

41. Apart from the collections mentioned in paragraph 39, activities of committees resulted in remittances to UNICEF of contributions totalling \$167,120 from the following countries: Belgium (\$35,577); Denmark (\$5,923); the Federal Republic of Germany (\$22,519); Ireland (\$11,200); Italy (\$13,502); Japan (\$20,000); Luxembourg (\$470); the Netherlands (\$15,104); Norway (\$4,067); the Philippines (\$771); Sweden (\$7,336); Switzerland (\$2,768); and the United Kingdom (\$27,883).

42. (a) *Income from investments* (see para. 23: Income of \$1,100,104 was \$127,889 more than that received in 1961 (\$972,215). The average yield decreased from 3.84 per cent in 1961 to 3.70 per cent in 1962. Interest from securities and time deposits amounted to \$1,087,376 (\$945,517 in 1961) and from bank accounts to \$12,728 (\$26,698 in 1961).

(b) *Income from staff assessment plan*: Income from the staff assessment plan of \$441,210 increased by \$122,592 (\$318,618 in 1961). In accordance with the procedure adopted by the United Nations, administrative costs (\$2,048,013) and costs of operational services (\$3,117,132) are stated on a gross basis and the amount derived from the staff assessment plan (\$441,210) is shown as income. Income related to salaries of administrative personnel amounted to \$151,981 and income related to salaries of personnel of operational services to \$289,229.

(c) *Income from agency procurement commission* (see para. 30): In 1962, the amount reimbursed to UNICEF by UNRWA remained unchanged at the level of \$75,000. Of this amount, \$17,000 was paid in reimbursement of administrative costs, and \$58,000 in reimbursement of costs of operational services.

(d) *Miscellaneous income* totalled \$1,309,813 (\$1,031,263 in 1961) and consisted of (i) recoveries from carriers (\$27,811); (ii) transfer from the Greeting Card Fund (\$1,100,000—1961 campaign); (iii) proceeds of the sale of surplus property (\$29,884); (iv) cancelled administrative obligations of previous years and refunds related thereto (\$20,379); (v) sundry commissions and discounts (\$113,978); (vi) surplus realized on UNICEF warehouse operations (\$3,554); (vii) transfer from the Revolving Fund⁹ (\$3,961); (viii) sundry receipts and refunds (\$10,246).

(e) "Difference in exchange" account showed a debit balance in 1962 of \$566,471 as compared with \$81,918 in 1961 owing to the devaluation of some non-convertible currencies in 1962.

EXPENDITURE

Summary of expenditures and allocations

43. Expenditures in 1962 totalled \$30,428,890; allocations effective 1962 totalled \$30,949,807 (for a comparison of expenditures and allocations with those of the two preceding years, see para. 45). Allocations remaining to be fulfilled amounted at the end of 1962 to \$38,833,003, a decrease of \$334,053 compared with the balance of \$39,167,056 of allocations unfulfilled at the end of 1961 (see paras. 15 and 33).

44. Schedule D shows expenditures in 1962 on area and country assistance by the object of expenditure—supplies and equipment, fellowships, project personnel and other services (for break-down of expenditures by programme, see para. 47). Schedule D also gives totals of expenditure on general assistance (i.e. benefiting more than one area) and on administrative costs. In addition, it details allocations made by the Executive Board effective in 1962 (as adjusted by returns of previous allocations), shows the balances of allocations remaining to be fulfilled after 31 December 1962, and allocations approved by the Board in 1962 but effective in 1963.

45. Expenditures and allocations are shown in the following table in summary form for the years 1960, 1961 and 1962:

<i>Expenditures:</i>	1960 \$	1961 \$	1962 \$
Supplies and equipment (inclusive of freight)	18,072,279	18,619,322	23,274,472
Project personnel and fellowships			
	16,339.9	16,255.5	21,726.3
Freight: on powdered milk	1,061.2	2,030.4	1,536.3
on other supplies	1,566.8	1,641.0	2,001.1
	18,967.9	19,926.9	25,263.7

49. The main types of bulk commodities were shipped in the quantities shown below:

	1960	1961	1962
	<i>(In thousands of pounds)</i>		
DDT (75 per cent and 100 per cent)	22,046.1	13,790.3	12,721.8
Dieldrin	490.6	344.0	50.0
Soap	750.5	1,564.2	2,095.7
Skim milk	49,979.0	90,627.2	64,871.7
Skim milk fortified	—	6,636.0	12,533.7
Whole milk	15,000.7	2,213.4	1,778.6
	<i>(In thousands of capsules)</i>		
Vitamin A and D	166,467.5	224,965.0	332,667.0
	<i>(In thousands of vials)</i>		
Penicillin	615.5	340.3	1,414.7

50. The 77,405,393 pounds of powdered skim milk (of which 12,533,724 pounds were vitaminized by UNICEF), shipped by UNICEF in 1962 for distribution through maternal and child welfare centres and schools, were provided by the United States Government from surplus stocks, free of cost at the port of exit; the ocean freight costs were borne by UNICEF. Out of the total quantity of powdered whole milk shipped in 1962, 664,774 pounds were donated by the Swiss Government f.o.b. Swiss plants, with packing charges borne by UNICEF, and 1,113,857 pounds were supplied by the United States Government from surplus stocks of whole milk produced in five European countries (Belgium, Finland, France, Germany and the Netherlands).

	\$	Per cent	\$	Per cent
1962				
Programme expenditures	25,263,745	84.48	28,025,148	93.72
Operational services (net)	2,761,403	9.24		
			1,879,032	6.28
Administrative expenditures (net)				
TOTAL			29,904,180	100.00

55. Comparable figures for the years 1960 and 1961 are shown below:

	\$	Per cent	\$	Per cent
1960				
Programme expenditures	18,967,905	83.72	21,013,550	92.75
Operational services (net)	2,045,645	9.03		
			1,643,098	7.25
Administrative expenditures (net)				
TOTAL			22,656,648	100.00
1961				
Programme expenditures	19,959,019	82.97	22,209,070	92.32
Operational services (net)	2,250,051	9.35		
			1,847,128	7.68
Administrative expenditures (net)				
TOTAL			24,056,198	100.00

Allocations

56. Allocations (gross) approved by the Executive Board in 1962 amounted to \$44,628,582. As indicated in paragraph 12 (table 4), \$30,949,807 of the total was approved to be effective in 1962 and \$13,678,775 to be effective 1 January 1963. In 1961 UNICEF allocations (gross) amounted to \$30,417,008. Changes in the allocation policy adopted by the Executive Board are referred to in paragraphs 9 and 10 above (see also table 3—"Commitments").

57. Table 5 (a) below shows the total of allocations (\$44,628,582) by programme and geographic area. Table 5 (b) shows this break-down in regard to the allocations effective in 1962 (\$30,949,807).

Table 5(a)
SUMMARY OF ALLOCATIONS APPROVED BY THE EXECUTIVE BOARD IN 1962
(In US dollars)

	Africa	Asia	Eastern Mediterranean	Europe	The Americas	Inter- regional	Total	Per cent
A. LONG-RANGE AID:								
Health services	1,594,822	6,510,971	1,035,654	65,000	3,567,000	400,000	13,173,447	34.08
Disease control	685,088	3,845,807	1,961,503	19,000	4,360,000	—	10,871,398	28.12
Malaria	88	663,700	1,535,000	—	4,088,000	—	6,286,788	16.26
BCG anti-tuberculosis vaccination	13,000	483,000	3	—	—	—	496,003	1.28
Other tuberculosis control	80,000	1,055,500	252,000	19,000	272,000	—	1,678,500	4.34
Yaws/VD	91,000	71,000	14,500	—	—	—	176,500	0.46
Trachoma	30,000	949,607	91,000	—	—	—	1,070,607	2.77
Leprosy	471,000	183,000	—	—	—	—	654,000	1.69
Other diseases	—	440,000	69,000	—	—	—	509,000	1.32
Nutrition	1,516,000	4,120,590	56,000	325,000	931,893	1,750,561 ^a	8,700,044	22.50
Child feeding	—	257,590	—	—	631	850,000	1,108,221	2.87
Applied nutrition	1,516,000	1,863,000	56,000	61,000	852,000	683,561	5,031,561	13.01
Milk conservation	—	2,000,000	—	264,000	79,262	67,000	2,410,262	6.23
High-protein food de- velopment	—	—	—	—	—	150,000	150,000	0.39
Family and child welfare	774,000	302,500	236,000	—	266,500	—	1,579,000	4.08
Education	467,400	652,000	460,000	268,000	608,000	—	2,455,400	6.35
Vocational training	276,000	—	—	—	225,000	—	501,000	1.30
Other	—	—	—	—	—	152,433	152,433	0.39
Total for long-range aid	5,313,310	15,431,868	3,749,157	677,000	9,958,393	2,302,994	37,432,722	96.82

Table 5(a) (continued)

	Africa	Asia	Eastern Mediterranean	Europe	The Americas	Inter- regional	Total	Per cent
B. EMERGENCY AID							1,228,135	3.18
TOTAL FOR PROGRAMME AID							38,660,857	100.00
Operational services (six months each of 1962 and 1963)							3,645,600	
Administrative costs (six months each of 1962 and 1963)							2,322,125	
GRAND TOTAL, ALLOCATIONS							44,628,582	

^a Includes undistributed global allocations in the amount of \$1,446,000.

Table 5(b)

ALLOCATIONS APPROVED BY THE EXECUTIVE BOARD IN 1962—EFFECTIVE 1962

(In US dollars)

	Africa	Asia	Eastern Mediterranean	Europe	The Americas	Inter- regional	Total	Per cent
A. LONG-RANGE AID:								
Health services	1,382,822	3,501,471	1,005,654	65,000	3,567,000	—	9,521,947	34.02
Disease control	614,088	2,721,307	1,842,503	19,000	2,663,000	—	7,859,898	28.08
Malaria	88	663,700	1,416,000	—	2,465,000	—	4,544,788	16.24
BCG anti-tuberculosis vaccination	13,000	403,500	3	—	—	—	416,503	1.49
Other tuberculosis control	80,000	608,500	252,000	19,000	198,000	—	1,157,500	4.13
Yaws/VD	41,000	71,000	14,500	—	—	—	126,500	0.45
Trachoma	30,000	351,607	91,000	—	—	—	472,607	1.69
Leprosy	450,000	183,000	—	—	—	—	633,000	2.26
Other diseases	—	440,000	69,000	—	—	—	509,000	1.82
Nutrition	411,000	3,261,590	56,000	140,000	807,893	1,272,561	5,949,044	21.26
Child feeding	—	257,590	—	—	631	500,000 ^a	758,221	2.71
Applied nutrition	411,000	1,754,000	56,000	61,000	807,000	555,561	3,644,561	13.02
Milk conservation	—	1,250,000	—	79,000	262	67,000	1,396,262	4.99
High-protein food de- velopment	—	—	—	—	—	150,000	150,000	0.54
Family and child welfare	424,000	302,500	236,000	—	175,500	—	1,138,000	4.07
Education	302,400	299,000	161,000	268,000	608,000	—	1,638,400	5.85
Vocational training	276,000	—	—	—	225,000	—	501,000	1.79
Other	—	—	—	—	—	152,433	152,433	0.54
Total for long-range aid	3,410,310	10,085,868	3,301,157	492,000	8,046,393	1,424,994	26,760,722	95.61
B. EMERGENCY AID							1,228,135	4.39
TOTAL FOR PROGRAMME AID							27,988,857	100.00
Operational services (second semester 1962)							1,787,200	
Administrative costs (second semester 1962)							1,173,750	
GRAND TOTAL, ALLOCATIONS							30,949,807	

^a Represents allocation for freight on powdered milk which on delivery will be charged to the respective countries.

58. Unused balances of allocations returned to the general resources during 1962 included: \$794,567 in programme allocations and \$60,403 in allocations for 1961 administrative and operational services costs. After taking these returns into account, the net allocations effective in 1962 amounted to \$30,094,837.

Internal matching

59. The provision by Governments of local funds, facilities, services, supplies, personnel and other resources for the execution of programmes aided by UNICEF is known as "internal matching". For allocations made by UNICEF effective 1962 (\$30.9 million) (see para. 12) the assisted Governments undertook to spend \$83.5 million as shown in the following table:

	<i>UNICEF allocations</i>	<i>Internal matching by Governments</i>
	<i>(in thousands of US dollars)</i>	
<i>I. Programme assistance</i>		
Africa	4,088	11,789
Asia	10,146	30,045
Eastern Mediterranean	3,784	15,817
Europe	492	1,495
The Americas	8,046	23,859
Assistance benefiting more than one region	1,433	500
TOTAL	<u>27,989</u>	<u>83,505</u>
II. <i>Estimated operational services costs for the second semester of 1962</i>	1,787	— ^a
III. <i>Estimated administrative costs for the second semester of 1962</i>	1,174	—
	<u>30,950</u>	<u>83,505</u>

^a See paras. 7 and 29, also schedule B.

Budgetary authorizations—administrative costs and costs of operational services

60. A surplus of \$222,755, unobligated, from the allocation of \$5,387,900 for 1962 administrative costs and costs of operational services, is returned to the general resources of UNICEF. Obligations (gross) incurred in 1962 represented 95.9 per cent of the budgetary authorizations (gross) for the year. The following table presents a summary of budgetary authorizations, obligations incurred, and unobligated balances of authorizations for each of the eight sections of the budget:

<i>Sections</i>	<i>Budgetary authorizations</i> \$	<i>Obligations incurred</i>			<i>Ratio of obligations incurred to budgetary authorizations</i> Percentage	<i>Unobligated balances of authorizations</i> \$
		<i>Adminis- tration</i> \$	<i>Operational services</i> \$	<i>Total</i> \$		
I. New York Headquarters	2,167,200	1,327,341	805,809	2,133,150	98.4	34,050
II. Field offices:						
(a) Asia (excluding India, Afghanistan and Cey- lon)	469,950	267,773	192,313	460,086	97.9	9,864
(b) India, Afghanistan and Ceylon	277,350	—	257,351	257,351	92.8	19,999
(c) Europe and North Africa	758,100	306,452	442,486	748,938	98.8	9,162
(d) Africa, South of the Sahara	678,500	—	610,878	610,878	90.0	67,622
(e) The Americas	583,810	146,447	419,339	565,786	96.9	18,024
(f) Eastern Mediterranean	372,470	—	359,798	359,798	96.6	12,672

Sections	Budgetary authorizations \$	Obligations incurred			Ratio of obligations incurred to budgetary authorizations Percentage	Unobligated balances of authorizations \$
		Adminis- tration \$	Operational services \$	Total \$		
II. Field offices: (continued)						
(g) South-West Pacific Office	30,520	—	29,158	29,158	95.5	1,362
	<u>5,337,900</u>	<u>2,048,013</u>	<u>3,117,132</u>	<u>5,165,145</u>	96.8	<u>172,755</u>
Contingency Fund	50,000	—	—	—	—	50,000
TOTAL (GROSS)	<u>5,387,900</u>	<u>2,048,013</u>	<u>3,117,132</u>	<u>5,165,145</u>	95.9	<u>222,755</u>
Less:						
Staff assessment plan		(151,981)	(289,229)	(441,210)		
Agency procurement com- mission		(17,000)	(58,000)	(75,000)		
Reimbursement from TAB		—	(8,500)	(8,500)		
Obligations incurred (net)		<u>1,879,032</u>	<u>2,761,403</u>	<u>4,640,435</u>		

Ex gratia payments

61. There were no *ex gratia* payments authorized from UNICEF funds during the year.

2 May 1963

(Signed) Maurice PATE
Executive Director

**FINANCIAL STATEMENTS FOR THE SIXTEENTH FINANCIAL PERIOD
ENDED 31 DECEMBER 1962**

I. Statement of assets and liabilities

(Expressed in US

ASSETS	\$
Cash on hand, in transit and at banks (including deposits against irrevocable letters of credit totalling \$441,678.92)	5,894,239.06
Investments at cost (schedule A)	30,769,481.74
Custodial investments (UNRWA and Greeting Card Fund)	1,011,635.14
Deposits with suppliers	961,972.12
Accounts receivable, advances, deposits, etc.	3,030,011.40
Contributions receivable from Governments	5,931,933.09
	<hr/>
	47,599,272.55
	<hr/> <hr/>

CERTIFIED CORRECT:

(Signed) Stanley SROKA
Comptroller

A U D I T

The above statement of assets and liabilities has been examined in accordance with our directions. We have our opinion, the above statement is correct.

as at 31 December 1962

dollar equivalent)

LIABILITIES	\$
Accounts payable and other unliquidated obligations (including obligations in respect of administrative costs and operational services of \$94,655.72)	4,294,356.61
Trust funds—Governments (schedule B)	2,459,131.57
UNRWA procurement account	1,184,725.22
Greeting Card Fund	569,441.57
Reserve for insurance	198,782.87
Approved allocations ^a	38,833,003.35
Unallocated funds	59,831.36
	<hr/>
	47,599,272.55
	<hr/> <hr/>

^a In addition, allocations approved by the Executive Board, effective 1 January 1963, amounted to \$13,678,775, and formal commitments against future income to \$17,109,975.

APPROVED:
(Signed) Maurice PATE
Executive Director

C E R T I F I C A T E

obtained all the information and explanations that we have required, and we certify, as a result of the audit, that, in

(Signed) L. GÖTZEN, *Netherlands*
A. ALJURE, *Colombia*
Mushtaq AHMAD, *Pakistan*

**II. Statement of income and expenditure for the year ended
31 December 1962**

	\$	\$
INCOME		
Contributions from Governments, including receivables (schedule C).....	23,586,902.70	
Private contributions (including organized campaigns).....	3,750,784.69	
Income from investments.....	1,100,104.17	
Staff assessment plan.....	441,209.33	
Agency procurement commission.....	75,000.00	
Miscellaneous income.....	1,309,813.57	
	<hr/>	
	30,263,814.46	
Less: Difference in exchange.....	566,471.10	29,697,343.36
	<hr/>	
EXPENDITURE (schedule D)		
Supplies and equipment.....	23,274,471.67	
Fellowships.....	915,038.91	
Project personnel.....	660,424.51	
Other non-supply assistance.....	413,810.26	
Operational services.....	3,117,132.12	
	<hr/>	
	28,380,877.47	
Administrative costs.....	2,048,012.55	30,428,890.02
	<hr/>	
EXCESS OF EXPENDITURE OVER INCOME.....		731,546.66
		<hr/>

CERTIFIED CORRECT:
(Signed) Stanley SROKA
Comptroller

APPROVED:
(Signed) Maurice PATE
Executive Director

AUDIT CERTIFICATE

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

(Signed) L. GÖTZEN, Netherlands
A. ALJURE, Colombia
Mushtaq AHMAD, Pakistan

Statement of budgetary authorizations, obligations incurred, etc., follows overleaf

III. Statement of budgetary authorizations, obligations incurred and operational services for the

Section	Budgetary authorizations			
	Original appropriation \$	Supplementary appropriation \$	Subsequent section transfers \$	Revised appropriation \$
I. New York Headquarters				
Salaries and wages	1,410,400.00	146,100.00	74,680.00	1,631,180.00
Common staff costs	301,000.00	26,600.00	3,000.00	330,600.00
Other expenses	200,800.00	—	(4,080.00)	196,720.00
Permanent equipment	8,500.00	—	200.00	8,700.00
	<u>1,920,700.00</u>	<u>172,700.00</u>	<u>73,800.00</u>	<u>2,167,200.00</u>
II. Field offices				
(a) Asia (excluding India, Afghanistan and Ceylon)				
Salaries and wages	277,000.00	46,000.00	(15,000.00)	308,000.00
Common staff costs	124,050.00	11,400.00	(18,750.00)	116,700.00
Other expenses	49,750.00	—	(10,700.00)	39,050.00
Permanent equipment	7,500.00	—	(1,300.00)	6,200.00
	<u>458,300.00</u>	<u>57,400.00</u>	<u>(45,750.00)</u>	<u>469,950.00</u>
(b) India, Afghanistan and Ceylon				
Salaries and wages	174,300.00	34,800.00	(21,200.00)	187,900.00
Common staff costs	82,100.00	9,900.00	(18,350.00)	73,650.00
Other expenses	8,900.00	—	3,600.00	12,500.00
Permanent equipment	2,500.00	—	800.00	3,300.00
	<u>267,800.00</u>	<u>44,700.00</u>	<u>(35,150.00)</u>	<u>277,350.00</u>
(c) Europe and North Africa				
Salaries and wages	460,200.00	53,800.00	(14,000.00)	500,000.00
Common staff costs	124,300.00	9,150.00	(13,650.00)	119,800.00
Other expenses	120,600.00	20,000.00	(9,000.00)	131,600.00
Permanent equipment	6,500.00	—	200.00	6,700.00
	<u>711,600.00</u>	<u>82,950.00</u>	<u>(36,450.00)</u>	<u>758,100.00</u>
(d) Africa, South of the Sahara				
Salaries and wages	337,500.00	31,750.00	12,300.00	381,550.00
Common staff costs	120,500.00	27,650.00	(7,550.00)	140,600.00
Other expenses	97,000.00	10,000.00	17,950.00	124,950.00
Permanent equipment	12,300.00	—	19,100.00	31,400.00
	<u>567,300.00</u>	<u>69,400.00</u>	<u>41,800.00</u>	<u>678,500.00</u>
(e) The Americas				
Salaries and wages	346,100.00	41,950.00	(12,080.00)	375,970.00
Common staff costs	105,500.00	11,500.00	23,020.00	140,020.00
Other expenses	56,200.00	10,000.00	(3,700.00)	62,500.00
Permanent equipment	7,500.00	—	(2,180.00)	5,320.00
	<u>515,300.00</u>	<u>63,450.00</u>	<u>5,060.00</u>	<u>583,810.00</u>

unobligated balances of authorizations—administrative costs and costs of year ended 31 December 1962

Obligations incurred

<i>Administration</i>			<i>Operational services</i>			<i>TOTAL</i>	<i>Unobligated balance of revised authorizations</i>
<i>Liquidated by disbursements</i>	<i>Unliquidated</i>	<i>Total</i>	<i>Liquidated by disbursements</i>	<i>Unliquidated</i>	<i>Total</i>		
\$	\$	\$	\$	\$	\$	\$	\$
1,022,519.44	8,152.85	1,030,672.29	576,975.78	2,769.06	579,744.84	1,610,417.13	20,762.87
203,278.22	1,389.56	204,667.78	115,528.89	1,025.56	116,554.45	321,222.23	9,377.77
80,367.29	8,167.25	88,534.54	96,403.08	8,065.62	104,468.70	193,003.24	3,716.76
3,465.69	—	3,465.69	5,041.17	—	5,041.17	8,506.86	193.14
<u>1,309,630.64</u>	<u>17,709.66</u>	<u>1,327,340.30</u>	<u>793,948.92</u>	<u>11,860.24</u>	<u>805,809.16</u>	<u>2,133,149.46</u>	<u>34,050.54</u>
167,176.07	2,955.50	170,131.57	131,482.43	—	131,482.43	301,614.00	6,386.00
56,662.45	7,880.76	64,543.21	49,421.72	2.00	49,423.72	113,966.93	2,733.07
27,021.11	3,255.59	30,276.70	8,110.28	14.10	8,124.38	38,401.08	648.92
2,821.23	—	2,821.23	3,283.07	—	3,283.07	6,104.30	95.70
<u>253,680.86</u>	<u>14,091.85</u>	<u>267,772.71</u>	<u>192,297.50</u>	<u>16.10</u>	<u>192,313.60</u>	<u>460,086.31</u>	<u>9,863.69</u>
—	—	—	173,873.96	—	173,873.96	173,873.96	14,026.04
—	—	—	68,472.13	681.86	69,153.99	69,153.99	4,496.01
—	—	—	10,939.98	208.04	11,148.02	11,148.02	1,351.98
—	—	—	2,755.09	420.00	3,175.09	3,175.09	124.91
<u>—</u>	<u>—</u>	<u>—</u>	<u>256,041.16</u>	<u>1,309.90</u>	<u>257,351.06</u>	<u>257,351.06</u>	<u>19,998.94</u>
188,513.18	1,242.97	189,756.15	302,375.32	2,052.84	304,428.16	494,184.31	5,815.69
50,098.36	619.40	50,717.76	66,066.91	156.03	66,222.94	116,940.70	2,859.30
48,939.13	13,475.47	62,414.60	63,119.50	5,687.60	68,807.10	131,221.70	378.30
3,208.54	355.10	3,563.64	2,495.45	532.65	3,028.10	6,591.74	108.26
<u>290,759.21</u>	<u>15,692.94</u>	<u>306,452.15</u>	<u>434,057.18</u>	<u>8,429.12</u>	<u>442,486.30</u>	<u>748,938.45</u>	<u>9,161.55</u>
—	—	—	329,824.73	162.86	329,987.59	329,987.59	51,562.41
—	—	—	128,315.89	3,861.79	132,177.68	132,177.68	8,422.32
—	—	—	110,007.33	10,062.35	120,069.68	120,069.68	4,880.32
—	—	—	27,558.36	1,084.30	28,642.66	28,642.66	2,757.34
<u>—</u>	<u>—</u>	<u>—</u>	<u>595,706.31</u>	<u>15,171.30</u>	<u>610,877.61</u>	<u>610,877.61</u>	<u>67,622.39</u>
103,749.45	—	103,749.45	262,525.58	—	262,525.58	366,275.03	9,694.97
29,026.14	1,675.89	30,702.03	105,832.21	517.82	106,350.03	137,052.06	2,967.94
10,400.03	721.72	11,121.75	45,267.11	1,071.83	46,338.94	57,460.69	5,039.31
874.16	—	874.16	1,541.36	2,583.07	4,124.43	4,998.59	321.41
<u>144,049.78</u>	<u>2,397.61</u>	<u>146,447.39</u>	<u>415,166.26</u>	<u>4,172.72</u>	<u>419,338.98</u>	<u>565,786.37</u>	<u>18,023.63</u>

III. Statement of budgetary authorizations, obligations incurred and operational services for the

Section	Budgetary authorizations			
	Original appropriation \$	Supplementary appropriation \$	Subsequent section transfers \$	Revised appropriation \$
II. Field offices (continued)				
(f) Eastern Mediterranean				
Salaries and wages	207,150.00	24,000.00	6,800.00	237,950.00
Common staff costs	73,150.00	7,850.00	120.00	81,120.00
Other expenses	48,800.00	10,000.00	(15,900.00)	42,900.00
Permanent equipment	6,600.00	—	3,900.00	10,500.00
	<u>335,700.00</u>	<u>41,850.00</u>	<u>(5,080.00)</u>	<u>372,470.00</u>
(g) Southwest Pacific Office				
Salaries and wages	18,600.00	1,100.00	240.00	19,940.00
Common staff costs	3,600.00	450.00	420.00	4,470.00
Other expenses	4,900.00	—	650.00	5,550.00
Permanent equipment	100.00	—	460.00	560.00
	<u>27,200.00</u>	<u>1,550.00</u>	<u>1,770.00</u>	<u>30,520.00</u>
TOTALS Section II				
Salaries and wages	1,820,850.00	233,400.00	(42,940.00)	2,011,310.00
Common staff costs	633,200.00	77,900.00	(34,740.00)	676,360.00
Other expenses	386,150.00	50,000.00	(17,100.00)	419,050.00
Permanent equipment	43,000.00	—	20,980.00	63,980.00
	<u>2,883,200.00</u>	<u>361,300.00</u>	<u>(73,800.00)</u>	<u>3,170,700.00</u>
TOTALS Sections I and II				
Salaries and wages	3,231,250.00	379,500.00	31,740.00	3,642,490.00
Common staff costs	934,200.00	104,500.00	(31,740.00)	1,006,960.00
Other expenses	586,950.00	50,000.00	(21,180.00)	615,770.00
Permanent equipment	51,500.00	—	21,180.00	72,680.00
	<u>4,803,900.00</u>	<u>534,000.00</u>	<u>—</u>	<u>5,337,900.00</u>
Contingencies	50,000.00	—	—	50,000.00
	<u>4,853,900.00</u>	<u>534,000.00</u>	<u>—</u>	<u>5,387,900.00</u>
GRAND TOTAL	<u>4,853,900.00</u>	<u>534,000.00</u>	<u>—</u>	<u>5,387,900.00</u>

CERTIFIED CORRECT:

(Signed) Stanley SROKA
Comptroller

A U D I T

The above statement of budgetary authorizations, obligations incurred and unobligated balances of authorizations have required, and we certify, as a result of the audit, that, in our opinion, the above statement is correct.

unobligated balances of authorizations—administrative costs and costs of year ended 31 December 1962 (continued)

<i>Administration</i>			<i>Obligations incurred</i>			<i>TOTAL</i>	<i>Unobligated balance of revised authorizations</i>
<i>Liquidated by disbursements</i>	<i>Unliquidated</i>	<i>Total</i>	<i>Operational services</i>				
<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>Liquidated by disbursements</i>	<i>Unliquidated</i>	<i>Total</i>	<i>\$</i>	<i>\$</i>
			<i>\$</i>	<i>\$</i>	<i>\$</i>		
—	—	—	231,866.22	140.00	232,006.22	232,006.22	5,943.78
—	—	—	75,488.74	1,647.89	77,136.63	77,136.63	3,983.37
—	—	—	39,180.79	1,301.39	40,482.18	40,482.18	2,417.82
—	—	—	10,172.45	—	10,172.45	10,172.45	327.55
—	—	—	356,708.20	3,089.28	359,797.48	359,797.48	12,672.52
—	—	—	19,042.96	—	19,042.96	19,042.96	897.04
—	—	—	4,202.89	—	4,202.89	4,202.89	267.11
—	—	—	4,650.96	715.00	5,365.96	5,365.96	184.04
—	—	—	546.12	—	546.12	546.12	13.88
—	—	—	28,442.93	715.00	29,157.93	29,157.93	1,362.07
459,438.70	4,198.47	463,637.17	1,450,991.20	2,355.70	1,453,346.90	1,916,984.07	94,325.93
135,786.95	10,176.05	145,963.00	497,800.49	6,867.39	504,667.88	650,630.88	25,729.12
86,360.27	17,452.78	103,813.05	281,275.95	19,060.31	300,336.26	404,149.31	14,900.69
6,903.93	355.10	7,259.03	48,351.90	4,620.02	52,971.92	60,230.95	3,749.05
688,489.85	32,182.40	720,672.25	2,278,419.54	32,903.42	2,311,322.96	3,031,995.21	138,704.79
1,481,958.14	12,351.32	1,494,309.46	2,027,966.98	5,124.76	2,033,091.74	3,527,401.20	115,088.80
339,065.17	11,565.61	350,630.78	613,329.38	7,892.95	621,222.33	971,853.11	35,106.89
166,727.56	25,620.03	192,347.59	377,679.03	27,125.93	404,804.96	597,152.55	18,617.45
10,369.62	355.10	10,724.72	53,393.07	4,620.02	58,013.09	68,737.81	3,942.19
1,998,120.49	49,892.06	2,048,012.55	3,072,368.46	44,763.66	3,117,132.12	5,165,144.67	172,755.33
—	—	—	—	—	—	—	50,000.00
1,998,120.49	49,892.06	2,048,012.55	3,072,368.46	44,763.66	3,117,132.12	5,165,144.67	222,755.33

APPROVED:
(Signed) Maurice PATE
Executive Director

CERTIFICATE

has been examined in accordance with our directions. We have obtained all the information and explanations that we

(Signed) L. GÖTZEN, *Netherlands*
A. ALJURE, *Colombia*
Mushtaq AHMAD, *Pakistan*

SCHEDULE A
Investments as at 31 December 1962

<i>Designation</i>	<i>Nominal value</i> \$	<i>Book value as adjusted by amortization (\$12,783.91)</i> \$	<i>Yield per cent</i>	<i>Market value as at 31/12/1962</i> \$
A. Securities				
<i>US dollar investments</i>				
United States Treasury, 4 per cent Notes, due 15 May 1963	2,100,000.00	2,099,354.92	4.09	2,110,500.00
Federal National Mortgage Association, 4½ per cent Debentures, due 12 Nov. 1963 ..	1,000,000.00	997,734.07	4.43	1,008,750.00
United States Treasury, 4¾ per cent Notes, due 15 November 1963	400,000.00	402,757.43	4.04	406,375.00
Federal Land Banks, 4½ per cent Bonds, due 20 April 1964	2,700,000.00	2,715,587.41	4.02	2,742,187.50
Federal Land Banks, 4 per cent Bonds, due 20 October 1964	300,000.00	299,646.73	4.07	303,562.50
Federal Land Banks, 4 per cent Bonds, due 20 December 1965	500,000.00	496,697.53	4.26	506,562.50
Federal Land Banks, 3⅝ per cent Bonds, due 21 February 1966	500,000.00	494,198.02	4.00	501,250.00
Federal Land Banks, 4¼ per cent Bonds, due 20 July 1966	2,500,000.00	2,519,662.84	4.00	2,556,250.00
Federal Land Banks, 4 per cent Bonds, due 22 May 1967	225,000.00	226,221.68	3.85	228,093.75
TOTAL US DOLLAR INVESTMENTS	10,225,000.00	10,251,860.63	4.08	10,363,531.25
<i>Sterling investments</i>				
United Kingdom Treasury bills, due 21 March 1963 (£20,000)	56,000.00	55,566.57	3.53	55,566.57
TOTAL SECURITIES	10,281,000.00	10,307,427.20	4.08	10,419,097.82
B. Time deposits with banks (due from January to June 1963)				
<i>Deposits in US dollars</i>				
Irving Trust Company, New York	\$6,100,000.00			
Chase Manhattan Bank, New York	5,500,000.00			
Dime Savings Bank of Brooklyn, New York	2,003,750.00			
Chemical Bank—New York Trust Company, New York	1,654,225.03			
Bankers Trust Company, New York	1,624,102.03	16,882,077.06	16,882,077.06	16,882,077.06
<i>Deposits in other currencies</i>				
<i>US \$ equivalent</i>				
Central Bank of India Ltd., New Delhi	\$1,743,000.00			
Bankers Trust Company, London	1,184,338.32			
Chase Manhattan Bank, Paris	408,163.26			
Banque Ottomane, Ankara ...	166,666.67			
Commonwealth Trading Bank of Australia, Sydney	47,040.00			
Creditanstalt Bankverein, Vienna	30,769.23	3,579,977.48	3,579,977.48	3,579,977.48
TOTAL TIME DEPOSITS WITH BANKS	20,462,054.54	20,462,054.54	3.52	20,462,054.54
TOTAL INVESTMENTS	30,743,054.54	30,769,481.74	3.70	30,881,152.36

SCHEDULE B

Trust funds—Governments—as at 31 December 1962

(expressed in US dollar equivalent)

	Cash contributions		
	To UNICEF-aided projects \$	To the local administrative and other costs of UNICEF field offices \$	Total \$
Balances 1 January 1962.....	660,389.40	118,786.35	779,175.75
<i>Receipts:</i>			
Funds received during year.....	3,164,418.77	505,444.65	3,669,863.42
TOTAL RECEIPTS	<u>3,824,808.17</u>	<u>624,231.00</u>	<u>4,449,039.17</u>
<i>Disbursements:</i>			
Expenditures	1,467,733.34	519,287.97	1,987,021.31
Funds returned	2,886.29	—	2,886.29
TOTAL DISBURSEMENTS	<u>1,470,619.63</u>	<u>519,287.97</u>	<u>1,989,907.60</u>
Balances 31 December 1962.....	<u>2,354,188.54</u>	<u>104,943.03</u>	<u>2,459,131.57</u>

SCHEDULE C

Contributions from Governments to the central account (including contributions receivable) during the year ended 31 December 1962

Governments	Currency paid or pledged	US dollar equivalent
Afghanistan	US dollars (receivable)	10,000.00
Argentina	Pesos (receivable)	45,454.55
Australia	Pounds	537,600.00
Austria	Schillings	57,918.79
Belgium	Francs (receivable)	160,000.00
Brazil	Cruzeiros	232,878.77
	Cruzeiros (receivable)	54,495.91
British Caribbean Territories		
Antigua	Pounds sterling	116.67
Grenada	US dollars	1,166.67
St. Lucia	US dollars	1,744.16
British Honduras	Guatemalan quetzales	348.50
Brunei	Pounds sterling (receivable)	3,266.67
Bulgaria	Leva	4,273.50
Burma	Pounds sterling (receivable)	56,000.00
Byelorussian Soviet Socialist Republic	Rubles	62,500.00
Cambodia	US dollars	3,000.00
Cameroon	Francs (CFA)	8,163.26
Canada	US dollars (receivable)	742,552.62
Central African Republic	Francs (CFA) (receivable)	3,810.86
Ceylon	Pounds sterling	14,725.52
Chile	US dollars (receivable)	80,000.00
China	N.T. dollars (receivable)	10,000.00
	US dollars (receivable)	5,000.00
Colombia	US dollars (receivable)	150,000.00
Congo (Brazzaville)	Francs (CFA)	7,734.49

SCHEDULE C (continued)

Contributions from Governments to the central account (including contributions receivable) during the year ended 31 December 1962

<i>Governments</i>	<i>Currency paid or pledged</i>	<i>US dollar equivalent</i>	
Congo (Leopoldville)	US dollars	11,996.00	
	US dollars (receivable)	5,004.00	17,000.00
Costa Rica	US dollars (receivable)		30,000.00
Cuba	Contribution in kind (sugar)		70,000.00
Cyprus	US dollars		1,000.00
Czechoslovakia	Koruny		52,083.33
Dahomey	Francs (CFA)		5,000.00
Denmark	Kroner		173,760.00
Dominican Republic	US dollars (receivable)		20,000.00
Ecuador	US dollars	4,322.84	
	US dollars (receivable)	5,677.16	10,000.00
El Salvador	Guatemalan quetzales (receivable)		20,000.00
Ethiopia	Dollars		18,000.00
Federal Republic of Germany	Marks		1,375,000.00
Federation of Malaya	Pounds sterling		24,500.00
Finland	Markkaas		50,937.50
France	Francs	1,022,448.98	
	Francs (receivable)	86,734.70	1,109,183.68
Gabon	Francs (CFA)		10,204.08
Gambia	Pounds sterling		560.00
Ghana	Pounds sterling (receivable)		16,800.00
Greece	US dollars		57,000.00
Guatemala	Quetzales (receivable)		30,000.00
Holy See	US dollars		1,000.00
Hong Kong	Pounds sterling		3,500.00
Hungary	Forints (receivable)		12,875.54
Iceland	Kronur		10,651.16
India	Rupees	504,000.00	
	Pounds sterling	125,781.25	629,781.25
Indonesia	US dollars (receivable)		100,000.00
Iran	US dollars		270,000.00
Iraq	US dollars (receivable)		41,942.50
Ireland	Pounds		10,000.00
Israel	US dollars (receivable) ^a		35,000.00
Italy			^a
Ivory Coast	Francs (CFA)		10,204.08
Jamaica	US dollars		8,385.00
Japan	Yen		170,000.00
Jordan	Pounds sterling		2,797.20
Kenya	East African shillings		280.11
Korea, Republic of	US dollars		3,500.00
Kuwait	US dollars (receivable)		5,000.00
Lebanon	Pounds		12,993.25
Libya	US dollars		4,500.00
Liechtenstein	US dollars		1,000.00
Luxembourg	Belgian francs		6,000.00
Madagascar	Francs (CFA)		5,102.04
Mali	Francs (CFA) (receivable)		5,000.00
Mexico	US dollars		500,000.00

SCHEDULE C (continued)

Contributions from Governments to the central account (including contributions receivable) during the year ended 31 December 1962

<i>Governments</i>	<i>Currency paid or pledged</i>	<i>US dollar equivalent</i>	
			2,040.82
Monaco	French francs		
Morocco	US dollars	5,000.00	
	US dollars (receivable)	20,000.00	25,000.00
Netherlands	Guilders		82,872.93
New Zealand	Pounds		210,000.00
Nicaragua	US dollars (receivable)		10,000.00
Niger	Francs (CFA)		4,081.63
Nigeria	Pounds sterling		42,000.00
North Borneo	Thai bahts		3,266.67
Norway	Kroner		136,500.00
Pakistan	Rupees	58,800.00	
	Pounds sterling	37,734.38	96,534.38
Panama	US dollars		10,000.00
Peru	Soles	67,289.72	
	Soles (receivable)	22,429.91	89,719.63
Philippines	Pesos		205,000.00
Poland	Zlotych		60,150.00
Romania	Lei (receivable)		25,000.00
Sarawak	Pounds sterling		8,166.67
Saudi Arabia	US dollars (receivable)		10,000.00
Sierra Leone	Pounds sterling		280.00
Singapore	Pounds sterling		6,533.33
South Africa	Rands		30,084.18
Spain	Pesetas		66,666.67
Sudan	US dollars		10,000.00
Sweden	Kronor		500,000.00
Switzerland	Francs		348,837.21
Syria	Pounds (receivable)		11,204.48
Thailand	Contribution in kind (rice)		139,111.14
Togo	US dollars		4,500.00
Trinidad & Tobago	US dollars		7,000.00
Tunisia	US dollars		11,345.63
Turkey	Liras		194,444.44
Ukrainian Soviet Socialist Republic	Rubles		125,000.00
Union of Soviet Socialist Republics	Rubles		675,000.00
United Arab Republic	Pounds		94,710.00
United Kingdom of Great Britain and Northern Ireland	Pounds sterling		938,000.00
United States of America	Dollars	8,603,227.00	
	Dollars (receivable)	3,396,773.00	12,000,000.00
Upper Volta	Francs (CFA)		3,061.23
Viet-Nam, Republic of	US dollars		7,500.00
Yugoslavia	Dinars		200,000.00
			TOTAL 23,586,902.70

* The statement made by the representative of Italy at the session of the UNICEF Executive Board in September 1959, concerning the prospect that Italy would increase its contribution from \$96,000 to \$288,000, subject to parliamentary approval, has been implemented by parliamentary action to the effect that the contribution has been increased from \$96,000 to \$192,000 beginning with 1962. Thus actual payments made by Italy in respect of contributions for 1959, 1960 and 1961 were \$96,000 for each of these years.

Statement of allocations, expenditures and balances of

	Allocations			
	Balances 1 Jan. 1962	Authorized effective 1962	Total for 1962 and after	Supplies and equipment
	(1)	(2)	(3)	(4)
	\$	\$	\$	\$
AREA AND COUNTRY ASSISTANCE				
<i>Africa</i>				
Algeria	1,221.86	1,024,200.00	1,025,421.86	509,915.37
Basutoland	137,545.98	45,300.00	182,845.98	60,847.61
Burundi		51,294.00	51,294.00	32,151.45
Cameroon	210,264.66	(61,288.24)	148,976.42	13,608.86
Central African Republic	22,102.62	73,000.00	95,102.62	20,641.44
Chad	120,813.99	10,608.00	131,421.99	58,632.28
Comoro Islands		13,000.00	13,000.00	5,472.08
Congo (Brazzaville)	17,938.90	24,000.00	41,938.90	8,613.57
Congo (Leopoldville)	226,344.69	328,400.00	554,744.69	(17,590.20)
Dahomey	129,994.03	(58,646.70)	71,347.33	21,036.96
French West Africa, Cameroons and Togoland ^a	575.00		575.00	
Gabon	27,750.35	72,500.00	100,250.35	11,557.77
Gambia	28,032.01	2,400.00	30,432.01	23,493.19
Ghana	214,672.09	71,300.00	285,972.09	77,046.06
Guinea	147,154.37	60,000.00	207,154.37	75,406.90
Ivory Coast	287,359.27	185,200.00	472,559.27	98,123.89
Kenya	928,233.97	112,700.00	1,040,933.97	440,053.98
Liberia	130,155.22	(68,476.30)	61,678.92	8,352.01
Madagascar	81,845.74	132,900.00	214,745.74	43,952.58
Mali	100,295.33	78,635.00	178,930.33	51,491.03
Mauritania	91,824.96	59,419.00	151,243.96	35,135.24
Mauritius	23,268.99	8,950.33	32,219.32	8,104.54
Morocco	199,691.35	107,149.00	306,840.35	96,664.73
Niger	46,063.72	82,357.00	128,420.72	24,943.24
Nigeria	454,884.31	572,632.08	1,027,516.39	177,243.38
Nyasaland	35,091.35	3,970.00	39,061.35	26,619.94
Rhodesia and Nyasaland, Federa- tion of		43,000.00	43,000.00	
Ruanda-Urundi ^b	95,000.00	(95,000.00)		
Rwanda		53,362.00	53,362.00	36,047.10
St. Helena	367.13	1,936.25	2,303.38	1,655.67
Senegal	141,872.06	281,720.11	423,592.17	111,051.47
Seychelles	13,651.63	4,332.00	17,983.63	13,428.57
Sierra Leone	117,658.92	18,900.00	136,558.92	62,151.66
Swaziland	66,070.44	34,216.00	100,286.44	20,376.39
Tanganyika	125,293.70	16,120.81	141,414.51	28,549.69
Togo	155,542.68	(11,334.09)	144,208.59	82,628.53
Tunisia	454,004.62	230,810.08	684,814.70	135,906.92
Uganda	161,803.19	217,759.14	379,562.33	74,260.33
Upper Volta	134,186.52	142,288.44	276,474.96	54,073.36
Zanzibar	67,008.96	1,716.00	68,724.96	55,458.30
Regional	641,055.53	32,883.41	673,938.94	39,121.01
AREA TOTAL	5,836,640.14	3,904,213.32	9,740,853.46	2,626,226.90
<i>Asia</i>				
Afghanistan	258,990.78	513,391.03	772,381.81	314,611.43
Burma	167,638.09	162,157.72	329,795.81	232,734.86
Cambodia	40,421.55	37,301.00	77,722.55	34,238.36
Ceylon	222,936.82	21,769.80	244,706.62	77,747.27
China	271,627.06	667,140.00	938,767.06	403,043.39
Federation of Malaya	300,932.29	193,500.00	494,432.29	221,525.22
Hong Kong	53,092.05	53,793.20	106,885.25	3,614.49
India	6,668,811.52	4,323,521.50	10,992,333.02	3,638,454.78
Indonesia	1,015,168.61	1,629,923.13	2,645,091.74	1,440,140.94
Japan	56,529.91	(22,193.42)	34,336.49	28,064.53
Korea, Republic of		391,000.00	391,000.00	1,084.86

D

allocations for the year ended 31 December 1962

<i>Expenditures</i>				<i>Balances of allocations 31 Dec. 1962</i>	<i>Allocations effective 1 Jan. 1963</i>
<i>Fellowships</i> (5)	<i>Project personnel</i> (6)	<i>Other services</i> (7)	<i>Total</i> (8)	(9)	(10)
\$	\$	\$	\$	\$	\$
			509,915.37	515,506.49	
4,000.00		1,500.00	66,347.61	116,498.37	
			32,151.45	19,142.55	
			13,608.86	135,367.56	
4,081.63			20,641.44	74,461.18	
			62,713.91	68,708.08	
1,217.00			5,472.08	7,527.92	
7,000.00	34,000.00		9,830.57	32,108.33	
			23,409.80	531,334.89	300,000.00
			21,036.96	50,310.37	21,000.00
				575.00	
12,000.00			23,557.77	76,692.58	
			23,493.19	6,938.82	
	653.24		77,699.30	208,272.79	100,000.00
10,332.00			85,738.90	121,415.47	100,000.00
11,575.51	4,325.00		114,024.40	358,534.87	50,000.00
34,273.09	2,870.44		477,197.51	563,736.46	
			8,352.01	53,326.91	
			43,952.58	170,793.16	
	250.90		51,741.93	127,188.40	
4,081.63			39,216.87	112,027.09	
			8,104.54	24,114.78	
41,084.43	17,488.27		155,237.43	151,602.92	212,000.00
			24,943.24	103,477.48	
719.24			177,962.62	849,553.77	150,000.00
4,967.30			31,587.24	7,474.11	
4,412.81			4,412.81	38,587.19	
			36,047.10	17,314.90	
			1,655.67	647.71	
1,224.49			112,275.96	311,316.21	
			13,428.57	4,555.06	
1,500.00			63,651.66	72,907.26	
			20,376.39	79,910.05	
12,103.17	4,126.29		44,779.15	96,635.36	
			82,628.53	61,580.06	
2,478.36	5,253.01	3,320.00	146,958.29	537,856.41	125,000.00
11,896.28	14,931.12		101,087.73	278,474.60	
			54,073.36	222,401.60	
			55,458.30	13,266.66	
45,120.23	145,809.70		230,050.94	443,888.00	845,000.00
<u>214,067.17</u>	<u>229,707.97</u>	<u>4,820.00</u>	<u>3,074,822.04</u>	<u>6,666,031.42</u>	<u>1,903,000.00</u>
			314,611.43	457,770.38	
7,752.33			240,487.19	89,308.62	444,500.00
	377.60		34,615.96	43,106.59	
210.00	10,690.91		88,648.18	156,058.44	
4,739.63	2,210.20	2,682.43	412,675.65	526,091.41	677,500.00
			221,525.22	272,907.07	
			9,069.55	97,815.70	
79,575.15	5,455.06	3,908.96	3,764,589.29	7,227,743.73	2,949,000.00
8,649.11	42,650.40		1,453,524.61	1,191,567.13	109,000.00
	4,734.56		28,064.53	6,271.96	
			1,084.86	389,915.14	

Statement of allocations, expenditures and balances of

	Allocations			
	Balances 1 Jan. 1962	Authorized effective 1962	Total for 1962 and after	Supplies and equipment
	(1) \$	(2) \$	(3) \$	(4) \$
<i>Asia (continued)</i>				
Laos	7,973.48	46,042.00	54,015.48	10,170.72
North Borneo	104,804.11	80,721.17	185,525.28	113,670.99
Pakistan	1,399,576.40	1,414,910.33	2,813,486.73	1,122,950.57
Philippines	451,738.87	1,031,082.40	1,482,821.27	609,136.11
Republic of Viet-Nam	70,228.23	195,628.00	265,856.23	98,865.09
Sarawak	28,508.86	(16,192.00)	12,316.86	10,868.03
Singapore	46,915.31	44,700.00	91,615.31	34,608.81
Solomon Islands	(605.69)	700.00	94.31	94.31
Thailand	480,279.15	655,805.92	1,136,085.07	386,057.40
Tonga	7,983.40	82,000.00	89,983.40	59,874.52
West New Guinea (West Irian)	47,973.16	65,453.45	113,426.61	91,479.70
Western Samoa		16,500.00	16,500.00	9,627.99
Pacific Island Territories		50,000.00	50,000.00	
Regional	(4,395.01)	25,000.00	20,604.99	(25,203.48)
AREA TOTAL	11,696,128.95	11,663,655.23	23,359,784.18	8,917,460.89
<i>Eastern Mediterranean</i>				
Aden	29,370.44	52,400.00	81,770.44	13,479.67
Cyprus		182,574.00	182,574.00	31,248.66
Ethiopia	431,736.73	447,647.69	879,384.42	227,987.46
Iran	546,782.97	1,229,355.46	1,776,138.43	352,189.99
Iraq	341,111.03	191,598.02	532,709.05	276,021.19
Israel	156,518.61	54,963.82	211,482.43	293.42
Jordan	411,863.77	279,096.65	690,960.42	201,621.48
Lebanon	7,161.80	106,000.00	113,161.80	8,299.76
Libya	181,472.76	(30,284.73)	151,188.03	28,947.49
Saudi Arabia		73,000.00	73,000.00	9,936.71
Somalia	65,193.35	95,030.77	160,224.12	88,846.61
Sudan	57,448.12	39,589.10	97,037.22	9,045.15
Syria	336,973.84	18,508.00	355,481.84	178,296.26
Turkey	656,571.63	690,657.79	1,347,229.42	682,489.18
United Arab Republic	198,612.04	343,369.76	541,981.80	176,557.61
Yemen		28,000.00	28,000.00	
Regional	9,258.47	(9,258.47)		
AREA TOTAL	3,430,075.56	3,792,247.86	7,222,323.42	2,285,260.64
<i>Europe</i>				
Greece	310,451.31		310,451.31	40,442.46
Italy	46,295.23	(8,360.02)	37,935.21	
Poland	539,675.31	154,707.91	694,383.22	126,956.25
Spain	478,879.30	61,000.00	539,879.30	250,866.00
Yugoslavia	554,492.90	268,000.00	822,492.90	234,041.91
AREA TOTAL	1,929,794.05	475,347.89	2,405,141.94	652,306.62
<i>The Americas</i>				
Argentina	408,575.98	227,700.00	636,275.98	283,959.78
Bolivia	322,722.80	196,300.00	519,022.80	183,463.60
Brazil	968,043.43	1,297,717.12	2,265,760.55	813,768.52
British Guiana	168,902.81	13,150.00	182,052.81	84,721.43
British Honduras	130,187.74	11,918.10	142,105.84	76,654.17
British Virgin Islands	2,585.57	(2,585.57)		
Chile	584,139.53	758,576.89	1,342,716.42	522,408.50
Colombia	688,932.72	932,752.89	1,621,685.61	536,484.84
Costa Rica	75,584.61	76,000.00	151,584.61	77,011.99
Cuba	44,520.06		44,520.06	7.76
Dominican Republic	122,328.02	365,000.00	487,328.02	177,799.85

D (continued)

allocations for the year ended 31 December 1962

<i>Expenditures</i>				<i>Balances of allocations 31 Dec. 1962</i>	<i>Allocations effective 1 Jan. 1963</i>
<i>Fellowships</i>	<i>Project personnel</i>	<i>Other services</i>	<i>Total</i>	<i>(9)</i>	<i>(10)</i>
(5)	(6)	(7)	(8)		
\$	\$	\$	\$	\$	\$
2,203.13			12,373.85	41,641.63	
			113,670.99	71,854.29	
8,393.46	2,393.05		1,133,737.08	1,679,749.65	606,000.00
19,272.86	6,683.78	695.29	635,788.04	847,033.23	
3,141.12	415.09		102,421.30	163,434.93	
			10,868.03	1,448.83	
			34,608.81	57,006.50	
			94.31		
30,374.16	10,880.04		427,311.60	708,773.47	560,000.00
			59,874.52	30,108.88	
	1,486.80		92,966.50	20,460.11	
			9,627.99	6,872.01	
			(14,801.20)	50,000.00	
10,402.28				35,406.19	
<u>174,713.23</u>	<u>87,977.49</u>	<u>7,286.68</u>	<u>9,187,438.29</u>	<u>14,172,345.89</u>	<u>5,346,000.00</u>
4,935.60			18,415.27	63,355.17	
			31,248.66	151,325.34	
17,340.39	9,846.06	141.31	255,315.22	624,069.20	224,000.00
28,164.79	3,634.87		383,989.65	1,392,148.78	119,000.00
			276,021.19	256,687.86	
292.80			586.22	210,896.21	
	3,824.60		205,446.08	485,514.34	
8,349.60	3,251.67		19,901.03	93,260.77	
5,121.15	724.29		34,792.93	116,395.10	75,000.00
			9,936.71	63,063.29	
4,717.20	4,922.45		98,486.26	61,737.86	30,000.00
	2,967.79		12,012.94	85,024.28	
	1,602.99	6,748.36	186,647.61	168,834.23	
27,701.36	6,327.01	238.89	716,756.44	630,472.98	
1,937.82	3,786.88		182,282.31	359,699.49	
				28,000.00	
<u>98,560.71</u>	<u>40,888.61</u>	<u>7,128.56</u>	<u>2,431,838.52</u>	<u>4,790,484.90</u>	<u>448,000.00</u>
1,895.52			40,442.46	270,008.85	185,000.00
42.25			1,895.52	36,039.69	
3,946.29	13,800.00	3,574.30	130,572.80	563,810.42	
	2,677.00	237.50	268,612.29	271,267.01	
			236,956.41	585,536.49	
<u>5,884.06</u>	<u>16,477.00</u>	<u>3,811.80</u>	<u>678,479.48</u>	<u>1,726,662.46</u>	<u>185,000.00</u>
11,016.59			294,976.37	341,299.61	
6,732.82			190,196.42	328,826.38	96,000.00
3,738.66	17,141.89		834,649.07	1,431,111.48	
			84,721.43	97,331.38	
			76,654.17	65,451.67	
24,739.15	2,741.62	6,377.14	556,266.41	786,450.01	79,000.00
34,618.97	3,752.89		574,856.70	1,046,828.91	
4,465.55	2,531.93		84,009.47	67,575.14	
			7.76	44,512.30	
22,959.94			200,759.79	286,568.23	

Statement of allocations, expenditures and balances of

	Allocations			Supplies and equipment (4) \$
	Balances 1 Jan. 1962 (1) \$	Authorized effective 1962 (2) \$	Total for 1962 and after (3) \$	
<i>The Americas (continued)</i>				
Ecuador	515,466.78	437,112.84	952,579.62	337,563.85
El Salvador	284,781.54	258,034.22	542,815.76	234,311.36
French Guiana (Department of France)	2,087.59	(2,087.59)		
Guatemala	412,648.36	250,028.03	662,676.39	271,325.88
Haiti	362,569.64	500,215.53	862,785.17	337,996.39
Honduras	507,191.43	142,267.41	649,458.84	234,372.84
Jamaica	193,684.06	(131,700.00)	61,984.06	17,488.84
Mexico	2,145,133.49	475,000.00	2,620,133.49	1,559,302.11
Nicaragua	142,002.07	205,301.67	347,303.74	225,469.46
Panama	564,061.01	341,300.00	905,361.01	431,882.37
Paraguay	348,802.04	211,302.22	560,104.26	116,833.75
Peru	862,862.89	676,900.00	1,539,762.89	511,516.74
Surinam	29,912.94	52,800.00	82,712.94	27,359.93
Trinidad and Tobago	101,535.53		101,535.53	18,213.93
Uruguay	148,091.69	30,000.00	178,091.69	63,519.75
Venezuela		286,000.00	286,000.00	
<i>British Caribbean Territories:</i>				
Antigua	756.16	7,700.00	8,456.16	7,092.67
Barbados	3,025.56	18,000.00	21,025.56	625.15
Dominica	3,348.48	43,309.48	46,657.96	5,016.11
Grenada	10,145.61	5,900.00	16,045.61	2,720.23
Montserrat	688.59	43,550.00	44,238.59	1,024.25
St. Kitts-Nevis-Anguilla	3,905.20	21,400.00	25,305.20	7,568.20
St. Lucia	4,971.35	21,700.00	26,671.35	4,191.24
St. Vincent	3,957.87	7,300.00	11,257.87	3,994.13
Turks and Caicos Islands	51.80	400.00	451.80	986.36
Regional	5,570.65	285,000.00	290,570.65	19,580.27
AREA TOTAL	10,173,775.60	8,063,263.24	18,237,038.84	7,196,236.25
Undistributed charges	(1,198,946.65)		(1,198,946.65)	1,546,237.84
TOTAL FOR ALL AREAS	31,867,467.65	27,898,727.54	59,766,195.19	23,223,729.14
<i>GENERAL ASSISTANCE</i>				
Freight (insurance reserve)	1,691.41		1,691.41	
Development of protein-rich foods for children	116,672.92	150,000.00	266,672.92	49,357.95
Fellowships—Calcutta Training Centre	44,549.57		44,549.57	
Nutrition personnel, surveys and conference on malnutrition	1,019,746.22	387,029.88	1,406,776.10	1,384.58
Training survey, country planning and programme development	133,075.48	152,432.70	285,508.18	
International Children's Centre, Paris and Paediatric Training (U.K.)	400,000.00		400,000.00	
Nutrition and dairy training		20,000.00	20,000.00	
Vitamin capsules, companion drugs for treatment of tuberculosis, freight on milk	3,096,500.00	(1,421,500.00)	1,675,000.00	
Emergencies		7,600.00	7,600.00	
Operational services	1,491,419.76	1,743,180.24	3,234,600.00	
ADMINISTRATIVE COSTS	995,932.79	1,157,367.21	2,153,300.00	
TOTALS	39,167,055.80	30,094,837.57	69,261,893.37	23,274,471.67

^a Allocations made prior to independence.

D (continued)

allocations for the year ended 31 December 1962

<i>Expenditures</i>				<i>Balances of allocations 31 Dec. 1962</i>	<i>Allocations effective 1 Jan. 1963</i>
<i>Fellowships</i> (5)	<i>Project personnel</i> (6)	<i>Other services</i> (7)	<i>Total</i> (8)	(9)	(10)
\$	\$	\$	\$	\$	\$
847.00	3,112.84 11,840.70		340,676.69 246,999.06	611,902.93 295,816.70	
11,237.00	8,458.53 3,538.14		291,021.41 341,534.53	371,654.98 521,250.64	
5,110.00	1,340.00	7,802.07	248,624.91 17,488.84	400,833.93 44,495.22	74,000.00
93,661.28	12,832.00		1,665,795.39	954,338.10	1,482,000.00
3,390.35	827.75		229,687.56	117,616.18	
33,152.89	1,400.00		466,435.26	438,925.75	130,000.00
16,228.10	11,158.41		144,220.26	415,884.00	
38,272.87			549,789.61	989,973.28	
			27,359.93	55,353.01	
2,401.13			20,615.06	80,920.47	
			63,519.75	114,571.94	
				286,000.00	
			7,092.67	1,363.49	
			625.15	20,400.41	
			5,016.11	41,641.85	6,000.00
			2,720.23	13,325.38	
			1,024.25	43,214.34	
			7,568.20	17,737.00	
1,323.13			5,514.37	21,156.98	
			3,994.13	7,263.74	
			986.36	(534.56)	
(802.41)	5,566.15		24,344.01	266,226.64	45,000.00
313,093.02	86,242.85	14,179.21	7,609,751.33	10,627,287.51	1,912,000.00
9,668.20	8,292.65	(3,719.29)	1,560,479.40	(2,759,426.05)	
815,986.39	469,586.57	33,506.96	24,542,809.06	35,223,386.13	9,794,000.00
				1,691.41	
26,901.31		30,303.30	106,562.56	160,110.36	
23,827.00			23,827.00	20,722.57	
45,350.81	158,683.13		205,418.52	1,201,357.58	
	32,154.81		32,154.81	253,353.37	
2,973.40		350,000.00	352,973.40	47,026.60 20,000.00	400,000.00 128,000.00
				1,675,000.00	350,000.00
				7,600.00	
		3,117,132.12	3,117,132.12	117,467.88	1,858,400.00
		2,048,012.55	2,048,012.55	105,287.45	1,148,375.00
915,038.91	660,424.51	5,578,954.93	30,428,890.02	38,833,003.35	13,678,775.00

^b Allocations made prior to independence divided between Rwanda and Burundi.

Part II
UNICEF GREETING CARD FUND

FINANCIAL REPORT FOR THE PERIOD 1 FEBRUARY 1961 TO 31 AUGUST 1962

Summary

1. The financial statements of the UNICEF Greeting Card Fund for the financial period 1 February 1961 to 31 August 1962 are presented herewith. They comprise the following statements:

- I. Statement of assets and liabilities as at 31 August 1962;
- II. Statement of income and expenditure for the financial period from 1 February 1961 to 31 August 1962;
- III. Statement of budgetary authorizations, obligations incurred, and unobligated balances of authorizations for the financial period ended 31 August 1962.

2. The Greeting Card Fund offers seasonal greeting cards designed by outstanding contemporary artists. It not only acquaints people in many lands with UNICEF but, simultaneously, raises revenue for the Fund. Artists are selected on the basis of their national or international reputation, and designs are representative of international themes. Sales of greeting cards are effected through the medium of brochures mailed to individuals, through the efforts of national committees and other voluntary agencies and through publicity in national publications, the press, radio and television. In the campaign under review, fifteen new designs by ten artists were offered for sale. The production of note cards (without greetings) enables the Fund to promote and sell cards throughout the year. Sales of the book, *The Children Come Running*, published in 1960, have continued during the campaign under review. This book contains reproductions of various Greeting Card designs sold over the years and the text, in verse and in prose, written and contributed by the well known author, Miss Elizabeth Coatsworth.

3. At its December 1961 session, the Committee on Administrative Budget of the Executive Board, on the recommendation of the Chairman of the Board of Auditors, approved a change in the financial year of the Greeting Card Fund so that it would end each year on 31 August rather than on 31 January.¹ The Board of Auditors suggested that the end of the financial year should not coincide with the busiest quarter of operations and that more time should be available for the receipt of the results of all financial transactions from local voluntary committees in various countries. In order to achieve a transition to the new financial year, the Committee approved the extension of the accounting period of the Greeting Card Fund from 31 January 1962 to 31 August 1962. Accordingly the financial statements of the Greeting Card Fund presented herewith cover the nineteen-month period from 1 February 1961 to 31 August 1962. During the 1961 campaign, 21.7 million cards were sold (compared with 17.4 million in 1960) bringing a net income to UNICEF of \$1.1 million (compared with \$1 million in 1960). Preliminary estimates for the 1962 campaign indicate that 26 million cards were sold which would bring a net income to UNICEF of approximately \$1.6 million.

4. The following tabulation shows the volume of sales, gross income, costs and net income of the Greeting Card Fund over the past three years:

Table 1

<i>Campaign year</i>	<i>Cards sold</i>	<i>Gross income</i> \$	<i>Costs</i> \$	<i>Net income</i> \$
1959	14,166,000	1,258,906	489,014	769,892
1960	17,408,000	1,560,652 ^a	541,555 ^b	1,019,097
1961	21,651,000	1,954,552 ^c	837,949 ^d	1,116,603

^a Includes gross income of \$49,692 in respect of the book, *The Children Come Running*.

^b Includes production costs of \$26,234 in respect of the above book.

^c Includes gross income of \$10,713 in respect of the book, *The Children Come Running*.

^d Costs for nineteen months.

5. As in previous years the distribution of cards has been widened geographically. The following table shows the percentage of sales as between countries with highest sales and other countries and areas; percentage of increase in sales 1961 over 1960 is also shown:

¹ E/ICEF/AB/L.15, paras. 4-6.

Table 2

Country	1959		1960		1961		Percentage of increase 1961 over 1960
	Cards sold	Percentage of total sales	Cards sold	Percentage of total sales	Cards sold	Percentage of total sales	
United States of America	6,270,895	44.2	7,154,630	41.1	9,609,035	44.4	34.3
United Kingdom of Great Britain and Northern Ireland	2,012,664	14.2	2,074,600	11.9	2,484,416	11.5	19.8
Federal Republic of Germany	655,499	4.6	846,083	4.9	1,291,011	6.0	52.6
France	533,200	3.8	692,780	4.0	848,950	3.9	22.5
Netherlands	425,000	3.0	550,000	3.1	700,000	3.2	27.3
Denmark	294,242	2.1	384,598	2.2	652,691	3.0	69.7
Sweden	323,076	2.3	344,019	2.0	547,830	2.5	59.2
Norway	371,915	2.6	550,010	3.2	505,092	2.3	(8.2)
Other European countries	566,666	4.0	929,242	5.3	1,117,864	5.2	20.3
Canada	1,200,000	8.5	1,826,890	10.5	1,800,000	8.3	(1.5)
Australia and New Zealand	500,630	3.5	643,050	3.7	691,111	3.2	7.5
Asia	576,871	4.1	803,866	4.6	632,265	3.0	(21.3)
Middle and South America	294,247	2.1	391,975	2.3	489,238	2.2	24.8
Africa and Eastern Mediterranean	140,779	1.0	216,507	1.2	281,784	1.3	30.2
TOTAL	14,165,684	100.0	17,408,250	100.0	21,651,287	100.0	24.4

Assets and liabilities

ASSETS

6. Funds with banks amounted to \$35,125.
7. Investments consisted of a deposit of \$1,050,000 in a bank account bearing interest at 3½ per cent per annum.
8. Accounts receivable totalled \$211,508 of which \$207,252 had actually been collected by April 1963.
9. Prepaid expenses of \$514,813 relating to the 1962/1963 campaign consisted of production costs of cards \$380,312, production costs of a calendar² \$31,270, printing of brochures \$71,592, duties and taxes \$6,533 and other miscellaneous costs (freight, postage, packing, mailing services, etc.) \$25,106.

LIABILITIES

10. Accounts payable and other unliquidated obligations totalling \$23,617 comprised the following items:
 - (a) Obligations outstanding in respect of administrative costs \$16,298;
 - (b) Amounts due to staff members under the Tax Equalization Fund \$6,650;
 - (c) Amounts due to sundry creditors \$669.
11. Surplus of assets over liabilities amounted to \$1,787,828 and consisted of the working capital of \$671,225 brought forward from the 1960 campaign, and of the net profit of \$1,116,603 earned in the campaign under review. Under the authority of the Executive Director a sum of \$1,100,000 was transferred in September 1962 to the general resources of UNICEF, the remaining balance of \$687,828 to be used as working capital for the 1962 campaign.

Working capital and transfers to the general resources of UNICEF

12. The Executive Board at its September 1959 session on the recommendation of the Committee on Administrative Budget, authorized the Executive Director to finance the approved Greeting Card Fund budget from the net income of the prior year's campaign and to transfer to the general resources of UNICEF any surplus of income which remains over and above the authorized budgetary estimates; the Board also agreed that this procedure was to be followed in subsequent years.³

² UNICEF published in 1962 an engagement calendar showing a selection from different children's series of cards published in the last 10 years: 185,000 copies were sold during the 1962 campaign.

³ E/ICEF/391/Rev.1, para. 197.

13. The tabulation given hereunder shows: working capital at the beginning of the financial year, net income, transfers to the general resources of UNICEF and working capital for the subsequent campaign:

Table 3

Campaign year	Working capital at the beginning of the financial year	Net income	Surplus of assets over liabilities at the end of the financial year (Total columns (1) and (2))	Transfer to general resources of UNICEF ^a	Working capital for the following year
	(1) \$	(2) \$	(3) \$	(4) \$	(5) \$
1959	524,986	769,892	1,294,878	742,578	552,300
1960	552,300	1,019,097	1,571,397	900,172	671,225
1961	671,225	1,116,603	1,787,828	1,100,000	687,828
1962	687,828				

^a These amounts are shown in UNICEF accounts under "miscellaneous income" in the subsequent calendar year.

Income and expenditure

INCOME

14. *Sales of greeting cards*: During the 1961 campaign sales in all countries realized \$1,903,656 for a total of 21,651,287 cards sold. The highest sales were in the United States (9,609,035 cards), and in the United Kingdom (2,484,416 cards). An increase in sales was achieved also in other countries and areas (as tabulated in paragraph 5 above). As in the previous years, sales of greeting cards in the United States were the responsibility of the United States Committee for UNICEF, and the campaign in Canada (1,800,000 cards sold) was conducted by the Canadian United Nations Association. Net proceeds from the Canadian campaign amounted to \$86,023. In other countries there are various arrangements; in some, sales being made by National Committees on a commission basis, in others by the Greeting Card Fund directly. The able co-operation of national committees and countless voluntary organizations all over the world contributes greatly to the success of the campaigns.

15. *Other income* (\$50,896) was derived from the following sources:

- (a) The sale of the book *The Children Come Running* (\$10,713);
- (b) Investments (\$23,778);
- (c) Miscellaneous income (\$16,405) consisting of staff assessment plan (\$11,162); profit on imprinting of cards (\$3,364); cancelled administrative obligations of the previous campaign (\$1,828) and sundry receipts and refunds (\$51).

EXPENDITURE

16. Expenditure during the 1961 campaign amounted to \$837,949 as shown in the statement of income and expenditure on page 46. Table 4 below gives a comparison of expenditure for the three years: 1959, 1960 and 1961. As the 1961 campaign's financial period under review is for nineteen months, figures for 1961 campaign with regard to staff costs and sales promotion costs and other expenses are shown in the table at 12/19 of actual expenditure; production costs are shown in full. In 1961 the total number of cards printed (excluding cards produced by the Canadian committee) was 22,982,373 (of which approximately 80 per cent in the United States and 20 per cent in Denmark) compared with 16,052,426 in 1960.

Table 4

	1961 campaign (19,851,287 cards sold ^a)		1960 campaign (15,581,360 cards sold ^a)		1959 campaign (13,502,392 cards sold ^a)	
	Total expenditure \$	Cost per card cents	Total expenditure \$	Cost per card cents	Total expenditure \$	Cost per card cents
Staff costs	122,507 ^b	0.62	91,776	0.59	90,698	0.67
Production costs	393,249	1.98	261,269 ^c	1.68	261,366	1.94
Sales promotion costs and other expenses ^d	158,356 ^e	0.80	162,276	1.04	136,950	1.01
TOTAL COSTS	674,112	3.40	515,321^b	3.31	489,014	3.62

^a Excluding Canadian sales.

^b 12/19 of the actual expenditure \$193,969.

^c After deduction of production costs totalling \$26,234 incurred in respect of the book *The Children Come Running*.

^d Includes freight, brochure printing, etc.

^e 12/19 of the actual expenditure \$250,731.

Inventory

17. As may be seen from tables 1 and 2, sales have shown a substantial increase over the years. A wider distribution in more countries, combined with an ever-increasing number of sales outlets results in large stocks spread throughout the world. As at 31 August 1962, the total inventory amounted to 13,176,645 cards (as compared with inventory as at 31 January 1961 of 10,539,346 cards) the major portion of which was held in Europe and the United States. Losses in transit, shortages and free issues (samples) totalled 343,030 cards (approximately 1 per cent of the total cards to be accounted for); 150,757 cards of old designs which were unmarketable owing to deterioration—were destroyed. Stocks on hand as at 31 August 1962 mentioned above are valued at \$121,000. This valuation is based on average production costs less depreciation. Stock of 9,000 copies of the book *The Children Come Running* is valued at \$2,000 representing actual production costs less depreciation. The above amount of \$123,000 in respect of stocks is shown in a footnote to the statement of assets and liabilities.

Statement of budgetary authorizations, obligations incurred and unobligated balances of authorizations

18. The Committee on Administrative Budget at its September/October 1960 session⁴ approved the budget estimates of the Greeting Card Fund for the twelve-month period 1 February 1961 to 31 January 1962 totalling \$671,225 (gross) and at its May 1961 session⁵ authorized an increase in the total budget to \$751,225 (gross) to meet the increased costs of larger production (from 20 million to 24 million cards) and related expenses. Due to the change in the financial year for the 1961 campaign, namely extension from the twelve-month to the nineteen-month period (see paragraph 3 above), the Committee at its December 1961 session⁶ approved an additional \$129,175 for a further seven months, thus bringing to \$880,400 (gross) the revised budget for the nineteen-month period 1 February 1961 to 31 August 1962. Obligations incurred during the revised financial period amounted to \$837,949 and unobligated balances of authorizations to \$42,451. This surplus of \$42,451 has been cancelled.

19. The permanent staff of the Greeting Card Fund consisted of thirteen persons, five in New York, and eight in Europe (London and Paris). During the sales season, temporary staff are employed in Europe and other offices overseas where the volume of sales warrants such clerical assistance.

13 May 1963

(Signed) Maurice PATE
Executive Director

⁴ E/ICEF/L.1241, para. 47.

⁵ E/ICEF/AB/L.10, para. 38.

⁶ E/ICEF/AB/L.15, paras. 7 and 8.

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 1962

I. Statement of assets and liabilities

(Expressed in US

ASSETS		\$
Cash on hand and at banks		35,124.75
Investments		1,050,000.00
Accounts receivable:	\$	
UNICEF	116,340.45	
UNICEF national committees	87,431.04	
Miscellaneous	7,736.94	211,508.43
Prepayment on account of following year's expenditure		514,812.57
		<u>1,811,445.75</u>

NOTE: Stocks of cards and books on hand valued at \$123,000 are not included in the assets above.

CERTIFIED CORRECT:

(Signed) Stanley SROKA
Comptroller

A U D I T

The above statement of assets and liabilities has been examined in accordance with our directions. We have our opinion, the above statement is correct.

as at 31 August 1962

dollar equivalent)

LIABILITIES

		\$
Accounts payable and other unliquidated obligations		23,617.44
Surplus of assets over liabilities:		
Balance as at 1 February 1961	\$ 1,571,397.27	
Less: Transfer to UNICEF	900,172.27	
	<u>671,225.00</u>	
Add: Excess of income over expenditure for the financial period ended 31 August 1962 per statement of income and expenditure	1,116,603.31	1,787,828.31
		<u><u>1,811,445.75</u></u>

APPROVED:

(Signed) Maurice PATE
Executive Director

C E R T I F I C A T E

obtained all the information and explanations that we have required, and we certify, as a result of the audit, that, in

(Signed) L. GÖTZEN, *Netherlands*

A. ALJURE, *Colombia*

Mushtaq AHMAD, *Pakistan*

**II. Statement of income and expenditure
for the financial period 1 February 1961 to 31 August 1962**

	\$	\$
INCOME		
<i>Sales of greeting cards:</i>		
In the United States of America	913,972.79	
Outside of the United States of America	1,018,681.01	
	1,932,653.80	
<i>Less:</i> Duties and taxes	28,997.96	1,903,655.84
<i>Other income:</i>		
Book sales	10,713.07	
Interest on investments	23,778.76	
Miscellaneous	16,404.90	50,896.73
		1,954,552.57
EXPENDITURE		
Staff costs	193,969.50	
Production costs	393,249.26	
Sales promotion costs and other expenses	250,730.50	837,949.26
		1,116,603.31
EXCESS OF INCOME OVER EXPENDITURE		1,116,603.31

CERTIFIED CORRECT:
(Signed) Stanley SROKA
Comptroller

APPROVED:
(Signed) Maurice PATE
Executive Director

AUDIT CERTIFICATE

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

(Signed) L. GÖTZEN, *Netherlands*
A. ALJURE, *Colombia*
Mushtaq AHMAD, *Pakistan*

III. Statement of budgetary authorizations, obligations incurred and unobligated balances of authorizations for the financial period ended 31 August 1962

	<i>Budgetary authorizations</i>	<i>Obligations incurred</i>	<i>Unobligated balances of authorizations</i>
	\$	\$	\$
<i>Chapter I. Staff costs</i>			
Salaries and wages	173,100.00	172,966.32	133.68
Contributions Staff Pension Fund	14,550.00	14,530.03	19.97
Dependency allowances	3,300.00	3,282.02	17.98
Contributions medical and social insurance	3,250.00	3,191.13	58.87
	<hr/>	<hr/>	<hr/>
	194,200.00	193,969.50	230.50
	<hr/>	<hr/>	<hr/>
<i>Chapter II. Production costs</i>			
Boxes	84,800.00	84,715.33	84.67
Collating	67,000.00	66,655.95	344.05
Envelopes	72,000.00	71,904.50	95.50
Paper	85,000.00	84,851.55	148.45
Printing	105,500.00	85,121.93	20,378.07
	<hr/>	<hr/>	<hr/>
	414,300.00	393,249.26	21,050.74
	<hr/>	<hr/>	<hr/>
<i>Chapter III. Sales promotion costs and other expenses</i>			
Addressing services	1,000.00	647.13	352.87
Brochures printing	79,550.00	76,789.05	2,760.95
External and internal audit costs	5,200.00	5,200.00	—
Freight	70,400.00	69,030.55	1,369.45
Miscellaneous	2,600.00	2,358.23	241.77
Office equipment	3,500.00	3,283.73	216.27
Packing and mailing services	19,100.00	14,048.60	5,051.40
Postage	13,700.00	13,408.75	291.25
Publicity and promotion	25,500.00	22,174.62	3,325.38
Rental of premises	20,500.00	18,565.05	1,934.95
Stationery and office supplies	6,800.00	6,601.41	198.59
Storage	11,000.00	10,965.37	34.63
Telephone and cables	2,550.00	1,800.27	749.73
Travel on official business	10,500.00	5,857.74	4,642.26
	<hr/>	<hr/>	<hr/>
	271,900.00	250,730.50	21,169.50
	<hr/>	<hr/>	<hr/>
GRAND TOTAL	880,400.00	837,949.26	42,450.74
	<hr/>	<hr/>	<hr/>

CERTIFIED CORRECT:

(Signed) Stanley SROKA
Comptroller

APPROVED:

(Signed) Maurice PATE
Executive Director

AUDIT CERTIFICATE

The above statement of budgetary authorizations, obligations incurred and unobligated balances of authorizations has been examined in accordance with our directions. We have obtained all the information and explanations that we have required, and we certify, as a result of the audit, that, in our opinion, the above statement is correct.

(Signed) L. GÖTZEN, *Netherlands*
A. ALJURE, *Colombia*
Mushtaq AHMAD, *Pakistan*

Part III
REPORTS OF THE BOARD OF AUDITORS

A. REPORT OF THE BOARD OF AUDITORS TO THE GENERAL ASSEMBLY ON THE AUDIT OF ACCOUNTS OF THE UNITED NATIONS CHILDREN'S FUND FOR THE YEAR ENDED 31 DECEMBER 1962

1. The Executive Director of the United Nations Children's Fund submitted the following statements together with associated schedules to the Board of Auditors for certification:

- I. Statement of assets and liabilities as of 31 December 1962;
- II. Statement of income and expenditure for the year ended 31 December 1962;
- III. Statement of budgetary authorizations, obligations incurred and unobligated balances of authorizations, administrative costs and costs of operational services for the year ended 31 December 1962.

2. Examination of transactions, accounts and inventories was conducted to the extent considered necessary to satisfy the Board as to the accuracy of the accounts and of the financial statements and schedules submitted for certifying and to report thereon to the General Assembly.

3. Referring to paragraph 3 of last year's report¹ it may be noted that the current accounting period of the Greeting Card Fund ran from 1 February 1961 to 31 August 1962.

4. All information required was provided including copies of the reports by UNICEF internal auditors on their examination of accounts in the field

5. A comparison of the relation of administrative costs and costs of operational services to total expenditure, as between 1962 and the two previous years is shown below:

	1960 <i>Per cent</i>	1961 <i>Per cent</i>	1962 <i>Per cent</i>
Administrative costs	7.25	7.68	6.28
Operational services	9.03	9.35	9.24

6. No *ex gratia* payments were noted during the year under review.

7. As shown in statement I of assets and liabilities as of 31 December 1962, in addition to the approved allocations of \$38,833,003.35, allocations approved by the Executive Board, effective 1 January 1963, amounted to \$13,678,775, and formal commitments against future income to \$17,109,975.

8. The Board has drawn the attention of the Advisory Committee to certain matters relating to the Internal Audit Service.

9. The Board wishes to record its appreciation for the co-operation and assistance rendered during the audit by officers of UNICEF at New York Headquarters and at the Paris Office.

(Signed) L. GÖTZEN, *Netherlands*

(Signed) A. ALJURE, *Colombia*

(Signed) Mushtaq AHMAD, *Pakistan*

23 May 1963

B. REPORT OF THE BOARD OF AUDITORS TO THE GENERAL ASSEMBLY ON THE AUDIT OF ACCOUNTS OF THE UNICEF GREETING CARD FUND FOR THE PERIOD 1 FEBRUARY 1961 TO 31 AUGUST 1962

1. The Executive Director of the United Nations Children's Fund Greeting Card Fund submitted the following statements to the Board of Auditors for certification:

- I. Statement of assets and liabilities as of 31 August 1962;
- II. Statement of income and expenditure for the financial period 1 February 1961 to 31 August 1962;
- III. Statement of budgetary authorizations, obligations incurred and unobligated balances of authorizations for the financial period ended 31 August 1962.

¹ *Official Records of the General Assembly, Seventeenth Session, Supplement No. 6A (A/5206/Add.1).*

2. The above statements are certified by the Board as being in accordance with the books and records.

3. The annual accounts were submitted as of 31 August 1962 instead of 31 January 1962 due to the change of the closing of the financial year from that date to 31 August thus resulting for this time in a financial period of 19 months.

4. The audit examination was made in accordance with generally accepted auditing standards and therefore included such tests of the accounting records as were considered necessary under the circumstances.

5. The Greeting Card Fund is a self-liquidating project; funds are not required from the general resources of UNICEF to finance it. The Committee on Administrative Budget approved the annual budget estimates in the amount of \$880,400 which was sub-divided for practical purposes into three main chapters.

6. In accordance with the established practice, a memorandum is being addressed to the Advisory Committee, dealing with matters in connexion with the administrative and accounting procedure.

(Signed) L. GÖTZEN, *Netherlands*

(Signed) A. ALJURE, *Colombia*

(Signed) Mushtaq AHMAD, *Pakistan*

23 May 1963