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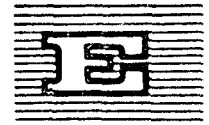
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**UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL**



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E/ICEF/AB/L.133  
12 November 1973

ORIGINAL: ENGLISH

UNITED NATIONS CHILDREN'S FUND  
Committee on Administration and Finance  
1974 session

UNICEF GREETING CARD AND RELATED OPERATIONS

Financial report and accounts for the 1972 campaign  
(Accounting period 1 May 1972 to 30 April 1973)

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## FOREWORD

A total of over 91.6 million greeting cards and 630,000 calendars were sold in the 1972 season, bringing UNICEF net earnings of \$7.0 million. These earnings were \$1,029,000 higher than the previous year.

The Greeting Card Operation not only furnishes UNICEF a sizable source of income but has provided people in many countries with a means of making a direct contribution both to a United Nations activity and to bringing benefits to millions of children in developing countries. Artists of distinction and museums from 35 countries contributed their creative talents and distinguished works of art to the designs for the 1972 campaign. As in past years, UNICEF national committees and other voluntary groups were the main sales agents, and sales and distribution costs were kept to a minimum because of their extensive and generous voluntary help. We greatly appreciate the devoted efforts of the many thousands of persons who contributed to the success of the enterprise.

(Signed) Henry R. LABOUISSSE  
Executive Director

I. A BRIEF ACCOUNT OF THE 1972 CAMPAIGN

1 May 1972 to 30 April 1973

Sales

1. Card sales in the 1972 campaign season amounted to 91,689,000, an increase of 8,537,000 or 10.2 per cent over the preceding year. Calendar sales amounted to 630,445, representing a small increase of 1.4 per cent over the preceding year.

Table 1. Greeting cards and calendars sold  
1972, 1971 and 1970 campaigns

<u>Campaign year</u>	<u>Cards sold</u>	<u>Percentage increase over previous year</u>	<u>Calendars sold</u>	<u>Percentage increase (decrease) over previous year</u>
1970	72,401,000	9.0	572,883	(8.0)
1971	83,152,000	14.8	621,504	8.5
1972	91,689,000	10.2	630,445	1.4

2. Among the promotion materials produced for the 1972 campaign by the Greeting Card Operation and supplied to sales agents were the following:

	<u>Quantity produced</u>
Brochures (26 languages)	13 705 000
Posters (7 versions, 15 languages and blanks for local text)	439 000
Glossy photographs for press reproduction	178 000
Promotion streamers for sales centres (7 languages)	99 000
Promotion kits	57 000
Television promotion spots (film prints and internegatives - 3 languages)	3 390
Matts for press reproduction	14 275
Leaflet mailers and teasers (13 language versions)	4 806 000

3. Table 2 gives a breakdown of card sales by major geographic areas and selling countries. Increases were registered in North America, Europe and Central and South America. Sales in Asia, Africa, the Eastern Mediterranean and in the South-west Pacific declined. The largest increase of 20 per cent was achieved in Europe. North America was next with 5.5 per cent. Sales in Central and South America increased by 3.6 per cent. Sales in Asia decreased by 12.5 per cent. Africa and the Eastern Mediterranean declined by 8.4 per cent and Australia and New Zealand by 9.9 per cent. Comparative information is included in table 2 for the 1971 and 1970 campaign years.

Table 2. Greeting card sales by area and major selling country  
1972 compared with 1971 and 1970

	<u>1972 campaign</u>		<u>1971 campaign</u>		<u>1970 campaign</u>		<u>Percentage of increase (decrease) 1972 over 1971</u>
	<u>Cards sold</u>	<u>Percentage of total sales</u>	<u>Cards sold</u>	<u>Percentage of total sales</u>	<u>Cards sold</u>	<u>Percentage of total sales</u>	
<u>North America</u>							
United States of America	35 942 662	39.2	34 180 825	41.1	31 137 450	43.0	5.2
Canada	6 007 568	6.5	5 585 533	6.7	4 728 108	6.6	7.6
	<u>41 950 230</u>	<u>45.7</u>	<u>39 766 358</u>	<u>47.8</u>	<u>35 865 558</u>	<u>49.6</u>	<u>5.5</u>
<u>Europe</u>							
Germany, Federal Republic of	12 166 232	13.3	11 018 466	13.3	9 087 883	12.6	10.4
France	6 761 233	7.4	5 838 981	7.0	4 804 234	6.6	15.8
Netherlands	2 517 100	2.7	2 040 000	2.5	1 454 470	2.0	23.4
Switzerland	2 397 715	2.6	2 265 860	2.7	1 827 945	2.5	5.8
United Kingdom of Great Britain and Northern Ireland	2 103 393	2.3	1 713 690	2.1	2 016 864	2.8	22.7
Spain	2 063 008	2.3	1 089 178	1.3	769 743	1.0	89.4
Sweden	1 930 508	2.1	1 367 347	1.6	978 037	1.4	41.2
Belgium	1 339 431	1.5	1 265 580	1.5	942 440	1.3	5.8
Finland	1 189 859	1.3	925 976	1.1	627 297	0.9	28.5
Denmark	1 155 505	1.3	1 165 373	1.4	781 957	1.1	( 0.8)
U.S.S.R.	1 000 000	-1.1	-	-	750 000	1.0	-
Italy	967 782	1.0	1 147 027	1.4	802 721	1.1	(15.6)
Norway	962 598	1.0	1 049 779	1.3	1 090 073	1.5	( 8.3)
Austria	829 263	0.9	762 802	0.9	403 292	0.5	8.7
Other European countries	2 105 992	2.3	1 246 069	1.5	977 384	1.4	69.0
	<u>39 489 619</u>	<u>43.1</u>	<u>32 896 128</u>	<u>39.6</u>	<u>27 314 340</u>	<u>37.7</u>	<u>20.0</u>
<u>Central and South America</u>							
Chile	1 734 810	1.9	1 575 840	1.9	1 261 340	1.7	10.1
Argentina	1 657 429	1.8	1 247 676	1.5	1 270 863	1.8	32.8
Brazil	1 644 385	1.8	1 864 250	2.2	1 400 282	1.9	(11.8)
Other Central and South American countries	1 320 088	1.4	1 448 145	1.8	1 273 960	1.8	( 8.8)
	<u>6 356 712</u>	<u>6.9</u>	<u>6 135 911</u>	<u>7.4</u>	<u>5 206 445</u>	<u>7.2</u>	<u>3.6</u>
<u>Asia</u>							
India	831 522	0.9	788 819	0.9	1 001 454	1.4	5.4
Other Asian countries	769 042	0.9	1 040 283	1.3	833 301	1.1	(26.1)
	<u>1 600 564</u>	<u>1.8</u>	<u>1 829 102</u>	<u>2.2</u>	<u>1 834 755</u>	<u>2.5</u>	<u>(12.5)</u>
<u>Australia and New Zealand</u>							
	1 216 006	1.3	1 349 481	1.6	1 309 400	1.8	( 9.9)
<u>Africa and Eastern Mediterranean</u>							
	1 076 236	1.2	1 175 290	1.4	870 820	1.2	( 8.4)
<b>TOTAL</b>	<u><u>91 689 367</u></u>	<u><u>100.0</u></u>	<u><u>83 152 270</u></u>	<u><u>100.0</u></u>	<u><u>72 401 318</u></u>	<u><u>100.0</u></u>	<u><u>10.2</u></u>

1  
5

4. Card sales in major selling countries on the basis of 1,000 population for campaign years 1970 through 1972 are given in table 3.

Table 3. Card sales of major selling countries <sup>a/</sup>  
on a population basis 1972 compared with 1971 and 1970

<u>Country</u>	<u>Card sales per 1,000 of population</u>		
	<u>1972</u>	<u>1971</u>	<u>1970</u>
Luxembourg	467	445	334
Switzerland	380	359	294
Canada	278	245	224
Finland	254	198	86
Norway	247	268	283
Sweden	238	169	123
Denmark	233	234	160
Germany, Federal Republic of	199	186	155
Chile	193	175	132
Netherlands	191	155	113
United States of America	173	165	153
Belgium	138	130	98
France	132	114	95
New Zealand	118	138	134
Austria	111	102	85
Ireland	77	68	50
Argentina	70	53	53
Australia	69	73	75
Spain	60	32	23

<sup>a/</sup> The list includes countries where sales exceeded 100,000 cards and 40 cards per 1,000 of population.



## Income and expenditure

5. Table 4 shows gross income and expenditure and net operating income for the 1972 campaign with comparative figures for the two previous years, and table 5 shows income and expenditure for the 1972 campaign compared with approved estimates (E/ICEF/AB/L.113).

6. Gross income for the 1972 campaign amounted to \$17,648,055 - an increase of \$3,015,267 or 20.6 per cent over that of the previous year. A total of 27 per cent of gross income went for commissions, duties and taxes, while 33 per cent went for production staff and sales costs. The UNICEF Public Information Fund's share of net profit on calendars amounted to \$244,330 in 1972 compared to \$198,906 in 1971. Operational net income rose from \$5,848,347 in 1971 to \$6,876,180 in 1972, an increase of \$1,027,833 or 17.6 per cent. Operational net income constituted 39 per cent of gross income in 1972 compared to 40 per cent in 1971. In 1972 one national committee retained a proportion of gross sales proceeds higher than 25 per cent. Had this not been the case, the net income would have risen to 41 per cent in 1972.

Table 4. Gross and net operating income, 1970 to 1972 sales campaigns  
(in US dollars)

Campaign year	Gross income	Commission, duties and taxes	Commission, duties and taxes as percentage of gross income	Production staff and sales costs	Production staff and sales costs as percentage of gross income	UNICEF Revolving Fund share of net calendar income	UNICEF Revolving Fund share of net calendar income as percentage of gross income	Operational net income	Operational net income as percentage of gross income
1970	12 106 879	3 538 625	29	3 789 545	31	164 406	2	4 614 303	38
1971	14 632 788	3 899 450	27	4 686 085	32	198 906	1	5 848 347	40
1972	17 648 055	4 819 858	27	5 707 687	33	244 330	1	6 876 180	39

Table 5. Income and expenditure for the 1972 campaign compared with original approved estimates  
(In US dollars)

	Estimates approved		Actual		Difference	
	May 1972					
	Dollars	Percentage	Dollars	Percentage	Dollars	Percentage increase or (decrease)
<u>Sales</u>						
Greeting cards	15 400 000	90.6	15 814 095	89.6	414 095	2.7
Engagement calendars	1 500 000	8.8	1 821 638	10.3	321 638	21.4
Fine art prints	100 000	0.6	12 322	0.1	( 87 678)	(87.7)
Total gross sales	17 000 000	100.0	17 648 055	100.0	648 055	3.8
Less:						
Commissions paid	4 250 000	25.0	4 658 842	26.4	408 842	9.6
Duties and taxes	115 000	0.7	161 016	0.9	46 016	40.0
Net sales income	12 635 000	74.3	12 828 197	72.7	193 197	1.5
<u>Budgetary expenditures</u>						
Salaries, wages and common staff costs	938 400	5.5	940 646	5.3	2 246	0.2
Other expenses and office equipment	717 100	4.2	876 096	5.0	158 996	22.2
Production costs	2 896 000	17.0	3 142 252 <sup>a/</sup>	17.8	246 252	8.5
Sales promotion costs	584 000	3.5	748 693	4.2	164 693	28.2
	5 135 500	30.2	5 707 687	32.3	572 187	11.1
<u>Share of net profit on calendars</u>						
Transferred to UNICEF Public Information Revolving Fund	-	-	244 330	1.4	244 330	-
	5 135 500	30.2	5 952 017	33.7	816 517 <sup>b/</sup>	15.9
<u>Operational net income</u>	7 499 500	44.1	6 876 180	39.0	(623 320)	( 8.3)
Miscellaneous	50 000	0.3	118 574	0.6	68 574	137.1
Excess of income over expenditure for the campaign	7 549 500	44.4	6 994 754	39.6	(554 746)	( 7.3)

a/ Includes 100 per cent of calendar costs.

b/ See note on statement II, para. 9.

Designs

7. Reproduction rights were given by one hundred and nineteen artists and museums from thirty-five countries. Eighty-four designs were used for the cards and fifty-three designs were used for the calendar. A list of these artists and countries is set out below. The generosity of these artists and institutions has made possible a continuing high standard of design.

<u>Artists</u>	<u>Name of design</u>	<u>Country</u>
Pamela Adams	Santa's Helpers	United Kingdom
Jacques-Laurent Agasse *	Recreation Place	Switzerland
Howard Alstad	Dove	Canada
Anonymous *	Wiener Werkstatte cards:	Austria
	Bearing Gifts	
	Birds and Flowers	
	Christmas Morning	
	Christmas Tree	
	Couple in Snow	
	Snowy Christmas	
	Village Street	
Anonymous 18C *	French-Canadian Glass and pine door	Canada
Anonymous *	Chinese porcelain dish	China
Anonymous Sui Dynasty *	Figurine	China
Anonymous 19C *	The Hundred Children (detail)	China
Anonymous Ch'ing Dynasty *	Ivory relief vase (detail)	China
Anonymous 6C B.C. *	Bronze statue of Goddess Isis giving suck to her son Horus	Egypt
Anonymous XVIII Dynasty *	King Akhnaton, his wife, Nefertiti and their children	Egypt
Anonymous 5C B.C. *	Detail of a vase	Greece
Anonymous 18C *	Miniature painting, Mewar School of Rajasthani painting	India
Anonymous 11C *	Sculpture from the Bhuvanesvar Temple of Orissa (detail)	India
Anonymous *	Book of Kells: Four Evangelists Resurrection St. John's Gospel Temptation of Christ Virgin and Child	Ireland
Anonymous 2C A.D. *	Carved relief (detail)	Italy
Anonymous 13-9 B.C. *	Fragment from the "Ara Pacis Augustae"	Italy
Anonymous 10C *	Ivory relief "Nativity"	Holy See
Anonymous 19C *	Street Scene, Japan	Japan
Anonymous 600-800 A.D. *	Mayan stone sculpture	Mexico
Anonymous *	Remojadas pottery sculpture	Mexico
Anonymous 17C *	Painting from the Gol Stave Church	Norway
Anonymous 14C *	Illumination from the St. Katherinental Graduel	Switzerland

\* Reproduction rights contributed by museums, or estates of artists.

<u>Artists</u>	<u>Name of design</u>	<u>Country</u>
Anonymous 18C *	The Twins, Georg and Regula Rohn	Switzerland
Anonymous 800 B.C. *	Hittite stone relief from Karatepe	Turkey
Anonymous 16C *	Birth of Sir Henry Unton (detail)	United Kingdom
Anonymous 17C *	Mrs. Elizabeth Freake and Baby Mary (detail)	United States
Anonymous 19C *	School Master and Boys	United States
Anonymous 19C *	Two Children with Christmas Tree	United States
Anonymous 19C *	Winter in the Country	United States
Anonymous *	Colonial Altar Front	Venezuela
Anonymous *	Virgin Enthroned	Yugoslavia
Anonymous *	Mende "Mother and Child"	Zaire
Anonymous *	Yombe "Mother and Child"	Zaire
Urszula Bestecka	Floral Still Life	United States
Francois Boucher *	The Lunch Party	France
Robert Broomfield	Lion	United Kingdom
Gunnar Brusewitz	Curlews	Sweden
	Fox	
	Wild Geese	
Mary Cassatt *	The Boating Party	United States
George Catlin *	Indian Boy	United States
Józef Chelmonski *	The Cranes	Poland
Kappa Kalden Chumbi	Thyanboche Monastery	Nepal
Francois Clouet *	Francois II	France
John Singleton Copley *	Young Lady with Bird and Dog	United States
Ken Danby	Martin's Shop	Canada
Percy Deane	Boy with Kite	Brazil
	Girl in Yellow	
André Demonchy	La Tour St. Jacques	France
Grégoire Deniau	Alpine Holiday	France
Louis-Joseph Dulongpré *	Little Girl Seated	Canada
Alma Duncan	Leaves in Snow	Canada
Albrecht Dürer *	Self Portrait, at 13 years	Austria
Roger Duvoisin	U.N. Building	United States
C.W. Eckersberg *	The Nathanson Family	Denmark
Justus van Egmond *	The Goubeau Children	Belgium
John Elphick	Christmas Galleons	Canada
Leonore Esdar	Villages in Snow	Germany, Federal Republic of
Eskimo Indians	Eckalook Goo "Evening Owl"	Canada
	Etidlooie "Geese Feeding"	
	Lucy "Sun Bird"	
	Pudlo "Umingmuk"	
	Tye "Autumn Bird"	
Mary Faulconer	Victorian Bank	United States
Lola Fielding *	Birds in Tree	United Kingdom
Allan Robb Fleming	Angel	Canada
Jean-Marc Forest	Monarchs of the Forest	Canada
E. Phillips Fox *	The Arbour	Australia
Thomas Gainsborough *	The Painter's Daughters chasing a butterfly	United Kingdom
Paul Gauguin *	The Schuffenecker Family	France
Barbara Gould	Bird with Tree	United States
Francisco Goya *	The Little Giants	Spain

\* Reproduction rights contributed by museums, or estates of artists.

<u>Artists</u>	<u>Name of design</u>	<u>Country</u>
Walter Grieder	Boy and Girl Butterflies Children and Cat	Switzerland
Frans Hals *	Group of Children	Belgium
Pehr Hilleström *	Maiden Buying a Love Ditty (detail)	Sweden
Maestro Hispanoflamenco *	The Marquis of Santillana and his son, the Duke of Infantado	Spain
William Hogarth *	The MacKinnon Children	Ireland
Winslow Homer *	Children on a Fence	United States
Pieter de Hooch *	Interior (detail)	Netherlands
Bent Karl Jacobsen	Carrousel and Animals	Denmark
Cornelius Krieghoff *	Habitant Home (detail)	Canada
Carl Larsson *	The Yard and the Wash House	Sweden
R.G.A. Levinge *	A View of Quebec City 1838	Canada
Ivana Lovkovic	Village in Snow	Yugoslavia
Margarita Lozano	Among the Flowers	Colombia
Elisabeth Lupkes-Franck	Alpine Flowers	Germany, Federal Republic of
Veronica Malata	Bird of Peace	Austria
A. Mantegna *	La Camera degli Sposi	Italy
Henri Matisse *	Torch of Hope	France
J.B. Martínez del Mazo *	The Family of the Artist (detail)	Austria
Cassio M'Boy	Flight into Egypt Manger	Brazil
José María Medina *	Orphanage in Puebla	Mexico
William von Mol Berczy *	The Woolsey Family	Canada
Piet Mondrian *	Composition in Oval	Netherlands
Isaac Oliver *	Miniature of a little girl	United Kingdom
Osmo Cmenamaki	Star Tree	Finland
Danielle Petit	French Village in Snow	France
Prilidiano Pueyrredón *	A Halt in a Camp (detail)	Argentina
George Richmond *	Swinburne and his Sisters	United Kingdom
Rembrandt van Rijn *	Shah Jahan and his little son	Netherlands
Carlo Rosberg	Midnight Sun - Lofoten	Norway
Rina Rotholz	Blue Disc	United States
Henri Rousseau *	Summer	France
Philipp Otto Runge	The Hülsenbeck Children	Germany, Federal Republic of
Paul Sample	Winter in Vermont	United States
Noriko Sannohe	On the Way to School	Japan
Al Abou Sariya	Market Scene	Egypt
Jean Schoumann	Bird with Flower	France
Fritz Seeman	The Big Journey	Germany, Federal Republic of
Roelijati Soewarjono	Bird	Indonesia
Mumtaz Sultan Ali	Girl with Elephant	India
Jiri Svengsbir	Full Sail Ahead Two Postillions	Czechoslovakia
Stefania Szymanowska	Sleighting, Cracow	Poland
Papa Ibra Tall	Wonders of the Bush	Senegal
Terenteyva	Reindeer Caravan	U.S.S.R.
Bart van der Schelling *	Winter in New England	United States
Raymond Victoir	French Village in Snow	France
Ludek Vimr	Children's Carrousel	Czechoslovakia
Yolanda Wagener-Dony	Mother and Baby Owl	Netherlands
Barry Wilkinson	Home Made Candles	United Kingdom
Susan Windsor	Children at Play	United Kingdom
John Melchior Wyrsh *	The Bauffremont Family	Switzerland

\* Reproduction rights contributed by museums, or estates of artists.

II. FINANCIAL STATEMENTS OF THE GREETING CARD AND RELATED  
OPERATIONS FOR THE 1972 SALES CAMPAIGN

(ACCOUNTING PERIOD FROM 1 MAY 1972 TO 30 APRIL 1973)

1. The financial statements comprise the following:
  - (a) Statement I. Income and expenditure for the 1972 campaign year to 30 April 1973;
  - (b) Statement II. Budgetary authorizations and obligations incurred for the year ended 30 April 1973 and unobligated balances of authorizations at 30 April 1973;
  - (c) Notes forming an integral part of statements I and II.

Income and expenditure  
(in US dollars)

STATEMENT I

	<u>1972 Campaign - 1 May 1972 to 30 April 1973</u>		<u>1971 Campaign - 1 May 1971 to 30 April 1972</u>
<u>Sales</u>			
Greeting cards	15 814 094.79		13 126 830.19
Calendars	1 821 637.79		1 498 713.25
Fine art prints	12 322.23		7 244.75
	<u>17 648 054.81</u>		<u>14 632 788.19</u>
<u>Less: Commissions paid</u>	4 658 841.55		3 771 248.62
Duties and taxes	<u>161 016.18</u>	4 819 857.73	<u>128 201.48</u>
		12 828 197.08	3 899 450.10
			10 733 338.09
<u>Cost of sales</u>			
Opening inventory	200.00		200.00
Production costs	<u>3 142 251.74</u>		<u>2 654 205.18</u>
	3 142 451.74		2 654 405.18
<u>Less: Closing inventory</u>	<u>200.00</u>	<u>3 142 251.74</u>	<u>200.00</u>
		9 685 945.34	8 079 132.91
<u>Gross profit on sales</u>			
<u>Less:</u>			
<u>Share of net profit on calendar sales</u>			
Transferred to UNICEF Public Information			198 905.82
Revolving Fund		<u>244 329.70</u>	<u>7 880 227.09</u>
		9 441 615.64	
<u>Other expenditure</u>			
Salaries, wages and common staff costs	940 645.76		718 184.82
Administrative expenses and office equipment	876 096.19		722 126.22
Sales promotion costs	<u>748 693.72</u>	<u>2 565 435.67</u>	<u>591 568.40</u>
<u>Operational net income</u>		6 876 179.97	5 848 347.65
<u>Add:</u>			
<u>Other income</u>		<u>118 573.57</u>	<u>116 910.72</u>
<u>Excess of income over expenditure</u>		<u>6 994 753.54</u>	<u>5 965 258.37</u>

The notes in section C, paragraphs 1-8 form an integral part of this statement and should be read in conjunction therewith.

CERTIFIED CORRECT

APPROVED

(Signed)

W.G. MIDDELMANN  
Comptroller

(Signed)

Henry R. LABOUISSÉ  
Executive Director



Budgetary authorizations and obligations incurred for the year ended 30 April 1973  
and unobligated balances of authorizations at 30 April 1973  
(in US dollars)

STATEMENT II

	<u>Budgetary authorizations</u>			<u>Obligations incurred</u>	<u>Unobligated balance of authorizations</u>	<u>1971 campaign obligations incurred for year to 30 April 1972</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Revised</u>			
<u>Section 1: Salaries, wages and common staff costs</u>						
Established posts	663 500.00	10 800.00	674 300.00	674 195.80	104.20	520 551.01
Consultants	32 000.00	(20 400.00)	11 600.00	11 493.38	106.62	27 552.14
Temporary assistance	53 000.00	36 200.00	89 200.00	89 111.42	88.58	68 443.39
Overtime	2 000.00	1 000.00	3 000.00	2 879.68	120.32	1 365.16
Travel, removal and installation	42 000.00	(13 300.00)	28 700.00	28 599.19	100.81	3 863.21
Separation and repatriation payments	15 000.00	1 000.00	16 000.00	15 983.85	16.15	2 527.20
Contributions, Pension Fund	85 400.00	( 5 500.00)	79 900.00	79 865.74	34.26	61 787.39
Dependency allowances and education grants	19 500.00	( 1 000.00)	18 500.00	18 478.37	21.63	20 529.08
Travel on home leave	8 000.00	( 1 900.00)	6 100.00	5 986.81	113.19	-
Staff welfare	2 500.00	( 600.00)	1 900.00	1 869.43	30.57	1 481.17
Medical insurance and related payments	15 500.00	( 3 300.00)	12 200.00	12 182.09	17.91	10 085.07
Total, Section 1	<u>938 400.00</u>	<u>3 000.00</u>	<u>941 400.00</u>	<u>940 645.76</u>	<u>754.24</u>	<u>718 184.82</u>
<u>Section 2: Other expenses</u>						
Travel on official business	45 200.00	32 400.00	77 600.00	77 552.34	47.66	52 095.13
Freight	248 000.00	67 300.00	315 300.00	315 208.38	91.62	256 625.33
Communications	40 000.00	(11 000.00)	29 000.00	28 942.45	57.55	38 345.71
Rental and maintenance of premises and storage	239 600.00	79 400.00	319 000.00	318 914.65	85.35	225 776.78
Office supplies	12 500.00	5 750.00	18 250.00	18 136.22	113.78	14 353.99
Miscellaneous supplies and services	27 000.00	7 400.00	34 400.00	34 342.29	57.71	28 364.23
Rental and maintenance of office and accounting equipment	67 000.00	(22 150.00)	44 850.00	44 736.53	113.47	68 045.10
External and internal audit costs	24 000.00	-	24 000.00	24 000.00	-	24 281.69
Hospitality	2 000.00	550.00	2 550.00	2 481.10	68.90	1 538.05
Furniture and office equipment	11 800.00	50.00	11 850.00	11 782.23	67.77	12 700.21
Total, Section 2	<u>717 100.00</u>	<u>159 700.00</u>	<u>876 800.00</u>	<u>876 096.19</u>	<u>703.81</u>	<u>722 126.22</u>

Budgetary authorizations and obligations incurred for the year ended 30 April 1973  
and unobligated balances of authorizations at 30 April 1973  
(in US dollars)

STATEMENT II (concluded)

	<u>Budgetary authorizations</u>			<u>obligations incurred</u>	<u>Unobligated balance of authorizations</u>	<u>1971 campaign obligations incurred for year to 30 April 1972</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Revised</u>			
<u>Section 3: Production costs and production and distribution equipment</u>						
Greeting Cards	2 404 000.00	213 550.00	2 617 550.00	2 617 506.71	43.29	2 148 572.41
Calendars	480 000.00 <sup>a/</sup>	26 500.00	506 500.00	506 429.60 <sup>a/</sup>	70.40	435 911.57
Fine art reproductions	6 000.00	( 5 800.00)	200.00	116.12	83.88	108.55
Production and distribution equipment	6 000.00	12 250.00	18 250.00	18 199.31	50.69	69 612.65
Total, Section 3	<u>2 896 000.00</u>	<u>246 500.00</u>	<u>3 142 500.00</u>	<u>3 142 251.74</u>	<u>248.26</u>	<u>2 654 205.18</u>
<u>Section 4: Sales promotion costs</u>						
Brochure printing	424 000.00	128 000.00	552 000.00	551 894.95	105.05	452 190.74
Publicity and promotion	160 000.00	36 900.00	196 900.00	196 798.77	101.23	139 377.66
Total, Section 4	<u>584 000.00</u>	<u>164 900.00</u>	<u>748 900.00</u>	<u>748 693.72</u>	<u>206.28</u>	<u>591 568.40</u>
GRAND TOTAL	<u>5 135 500.00</u>	<u>574 100.00</u>	<u>5 709 600.00</u>	<u>5 707 687.41</u>	<u>1 912.59</u>	<u>4 686 084.62</u>

The notes in section C, paragraph 9-11 form an integral part of this statement and should be read in conjunction therewith.

a/ Including UNICEF Public Information Fund's share of calendar production costs.

CERTIFIED CORRECT

APPROVED

(Signed)

(Signed)

W.G. MIDDELMANN  
Comptroller

Henry R. LABOUISSÉ  
Executive Director

NOTES FORMING AN INTEGRAL PART OF STATEMENTS I AND II

Notes on statement I. Income and expenditure

Sales

1. The United States Committee for UNICEF in their financial report for the year ended 31 March 1973 indicated gross revenues from the sale of greeting cards, calendars and art prints of \$6,163,233. This figure did not include an amount of \$233,625 received from consignees on account of 1972 consignment sales during the period April 1 to July 15, 1973. The additional amount collected has been included in the Greeting Card Operation's reported income for the 1972 campaign.

Inventory at 30 April 1973

2. During the financial year approximately 11.1 million finished cards of old design no longer considered saleable were donated to approved organizations or sold as scrap paper. In addition 10.4 million unfinished cards were also disposed of. At 30 April 1973 greeting card stocks of 1972 and earlier designs held globally totalled 47.7 million boxed cards and 50.9 million cards in an unfinished state. A nominal valuation (\$200) has been placed on the inventory of boxed and unfinished cards. The cost of unused stocks of paper, envelopes, boxes, cartons, etc. on hand at the end of the campaign amounting to \$359,300 has been transferred to the 1973 campaign budget as deferred expense instead of being classified as inventory.

3. The value at cost at time of acquisition of non-expendable equipment still in use at headquarters, but not reported in the accounts as an asset, amounted to \$196,550 as at 30 April 1973.

4. The finished card movement is set forth in table 6.

Table 6. Movement of finished cards 1972 campaign  
(In millions of cards)

	<u>1972 season</u>	<u>1971 season</u>
Opening inventory	34.6	38.3
<u>Add:</u> Prior years' designs boxed	4.3	1.3
<u>Deduct:</u> Prior years' designs decollated to salvage boxes and envelopes	<u>(0.8)</u>	<u>-</u>
Adjusted opening inventory	38.1	39.6
New cards produced for sale	<u>113.8</u> <sup>a/</sup>	<u>96.5</u>
	151.9	136.1
<u>Deduct:</u> Cards sold during campaign	91.7 <sup>a/</sup>	83.1
Cards donated, destroyed and lost during campaign	<u>12.5</u> <sup>b/</sup>	<u>18.4</u>
Closing inventory	<u>47.7</u>	<u>34.6</u>

<sup>a/</sup> Includes 9.0 million unfinished cards transferred to National Committees for sale after imprinting with special greetings for customers.

<sup>b/</sup> Of the 12.5 million, 11.1 million old designs no longer saleable were destroyed. Samples, damages and losses at sales outlets accounted for the remainder 1.4 million.

Share of production cost and gross profit on calendars

5. On the basis of an agreement with the UNICEF Public Information Revolving Fund to share production costs and gross profit on calendars, the latter received an income of \$244,330 from the 1972 campaign. The agreement charges the Public Information Revolving Fund with 30 per cent of production costs and credits the fund with 30 per cent of gross sales, less commissions, duties and taxes.

6. Table 7 shows the total sales and expenditures for calendars as well as the sharing between the Greeting Card Operation and the UNICEF Public Information Revolving Fund.

Table 7. Calendar's income and expenditure and sharing between the Greeting Card Operation and the UNICEF Public Information Revolving Fund

	<u>1972 season</u> (In US dollars)		
	Total	UNICEF Public Information Revolving Fund share	Greeting Card Operation share
<u>Income</u>			
Sale of calendars	1 821 637.79	546 491.33	1 275 146.46
Less:			
<u>Expenditure</u>			
Commissions paid	478 152.38	143 445.71	334 706.67
Duties and taxes	22 623.47	6 787.04	15 836.43
Production costs	<u>506 429.60</u>	<u>151 928.88</u>	<u>354 500.72</u>
Total	1 007 205.45	302 161.63	705 043.82
<u>Income less expenditure</u>	<u>814 432.34</u>	<u>244 329.70</u>	<u>570 102.64</u>

Other income

7. The total of \$118,574 consisted of credits from the staff assessment plan (\$75,608), donations received (\$15,732), discounts allowed by vendors on materials and services purchased (\$13,446), adjustments in rate of exchange (\$4,460) and other miscellaneous income (\$9,328).

Excess of income and expenditure

8. A total of \$6,994,754 from the 1972 campaign was transferred to the general resources in 1973 after the closure of the campaign records. The net income of the 1972 campaign was based on the inclusion of accounts receivable in the sales total of \$8,090,681 compared with \$5,066,234 at 30 April 1972.

Notes on statement II. Budgetary estimates, obligations incurred  
and unobligated balances of estimates for  
the year ended 30 April 1973

9. The Executive Board at its April 1973 session approved budget estimates for the 1973 campaign of \$5,135,500 (E/ICEF/AB/L.113). These estimates included the 30 per cent of the production cost of the engagement calendars which is charged to the Public Information Revolving Fund under the sharing agreement with the latter. Consequently statement II shows under section 3, production costs at 100 per cent of estimates and expenditures.

10. In accordance with the authority given to the Executive Director to spend an additional amount of up to 15 per cent of the gross budget if necessary, to meet costs of expanded production and sales, an additional amount of \$574,100 or 11.2 per cent of the gross budget was requested and approved to cover additional costs in achieving a production level 29 per cent higher than anticipated. The increased production was undertaken since consignees indicated that sales would be higher than the 5 per cent increase originally forecast. In fact numbers of cards sold exceeded the previous year's figures by 10.2 per cent.

11. Obligations incurred against the revised estimate of \$5,709,600 amounted to \$5,707,687. The unobligated balance of \$1,913 has been cancelled.