

INDEXED

Financial Report of the Director
and
Report of the External Auditor
1 January-31 December 1958



Pan American Sanitary Bureau
Regional Office of the World Health Organization
1501 New Hampshire Avenue, N.W.
Washington 6, D. C., U. S. A.

Financial Report of the Director
and
Report of the External Auditor
1 January - 31 December 1958



Pan American Sanitary Bureau
Regional Office of the World Health Organization
1501 New Hampshire Avenue, N.W.
Washington 6, D. C., U. S. A.

CONTENTS

	Page
Letter of Transmittal	1
Financial Report of the Director	3
PAN AMERICAN HEALTH ORGANIZATION	
Notes	8
Exhibit I: Statement of Appropriations, Obligations and Balances for the Year 1958	12
Exhibit II: Statement of Income and Expenditure for the Year 1958 Budget	15
Exhibit III: Statement of Assets and Liabilities as at 31 December 1958	16
Exhibit IV: Consolidated Statement of Income and Expenditure for the Financial Year 1958 and Status of Funds as at 31 December 1958	18
Schedule 1: Investments as at 31 December 1958	20
Schedule 2: Statement of Quota Contributions Due from Member States	21
Schedule 3: Statement of Procurement Services Effected on Behalf of Governments Administrations, Public Institutions, Etc.	23
Schedule 4: Special Malaria Fund - Statement of Income and Expenditure - Year Ended 31 December 1958	24
Schedule 5: Status of Trust Funds as at 31 December 1958	25
Schedule 6: Emergency Procurement Revolving Fund - Statement of Activity in 1958	26
INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA	
Notes	29
Exhibit V: Statement of Appropriations, Obligations and Balances for the Year 1958	30
Exhibit VI: Statement of Income and Expenditure for the 1958 Budget	31
Exhibit VII: Statement of Assets and Liabilities as at 31 December 1958	32
Schedule 7: Statement of Contributions of Member Countries	33
Schedule 8: Statement of Trust Funds as at 31 December 1958	34
ORGANIZATION OF AMERICAN STATES PROGRAM OF TECHNICAL COOPERATION	
Notes	38
Exhibit VIII: Statement of Assets and Liabilities as at 31 December 1958	39
Schedule 9: Statement of Income and Expenditure for the Year Ended 31 December 1958	40
INFORMATIONAL ANNEX SUMMARY AND DISTRIBUTION OF EXPENDITURE	
Summary by Object of Expenditure - All Funds - 1958	42
Summary by Object of Expenditure - PAHO - 1958 Budget	43
Statement of Expenditure by Budget Parts and Individual Project - All Funds - 1958	44
REPORT OF THE EXTERNAL AUDITOR	
Letter of Transmittal	54
Report on the Audit of the Accounts of the Pan American Health Organization (Pan American Sanitary Bureau) for 1958	55

Letter of Transmittal

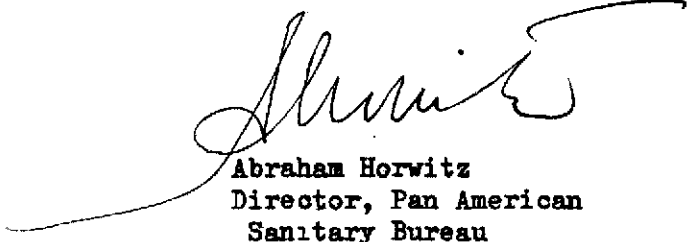
In accordance with the provisions of Article XI of the Financial Regulations, the financial statements of the Pan American Health Organization for the year 1 January through 31 December 1958 are presented herewith, together with the Report of the External Auditor.

It will be noted that the financial statements for 1958 are submitted in a revised format. It is believed that this new format will enable the governing bodies to review more easily the financial condition of the Organization.

The details of the presentation of the financial statements will be found in the Introduction to the Financial Report of the Director.

It will be noted that there was a deficit in 1958 of \$250,979 which had to be advanced from the Working Capital Fund. This was due to the fact that quota collections in 1958, both for current quota contributions and arrears, were markedly reduced. This has prompted the External Auditor to call attention again to the very serious financial situation of the Organization.

The details of this situation will be presented to the 37th Meeting of the Executive Committee and to the XI Meeting of the Directing Council in 1959, in the hope that action will be taken to find a permanent solution to the problem.



Abraham Horwitz
Director, Pan American
Sanitary Bureau

Washington, D. C.
10 April 1959

FINANCIAL REPORT OF THE DIRECTOR

Introduction

In order to achieve maximum clarity and disclosure of financial data the format and presentation of the Financial Report of the Director has been extensively revised. Accordingly, the Report for the year 1 January to 31 December 1958 is presented separately for the following activities of the Organization, under each one of which are listed the principal statements:

Pan American Health Organization

- Exhibit I Statement of Appropriations, Obligations and Balances for the year 1958
- Exhibit II Statement of Income and Expenditure for the 1958 Budget
- Exhibit III Statement of Assets and Liabilities as at 31 December 1958
- Exhibit IV Consolidated Statement of Income and Expenditure for the Financial Year 1958 and Status of Funds as at 31 December 1958

Institute of Nutrition of Central America and Panama

- Exhibit V Statement of Appropriations, Obligations and Balances for the year 1958
- Exhibit VI Statement of Income and Expenditure for the 1958 Budget
- Exhibit VII Statement of Assets and Liabilities as at 31 December 1958

Organization of American States-Technical Cooperation Program

- Exhibit VIII Statement of Assets and Liabilities as at 31 December 1958

Exhibits I and II reflect the Bureau's activities for the year, and Exhibit III shows the financial position of the Bureau as of 31 December 1958. Exhibit IV is a consolidated statement of income and expenditure according to fund.

Exhibits V through VIII present statements of a similar nature covering funds administered for INCAP and OAS/TCP.

In addition to the Financial Report, there is presented, as an informational annex, a summary and distribution of expenditure. This summary comprises two tables showing the activities under all sources of funds by object of expenditure, and a third table giving expenditure by project.

Financial Activities in 1958

The following table will give a summary of the combined expenditures relating to activities of the Pan American Health Organization and the World Health Organization in the year 1958. This table relates only to activities in the Americas and does not reflect disbursement of funds on behalf of other offices principally WHO Headquarters and other Regional Offices. During 1958 an amount of over \$2,000,000 was disbursed, principally in connection with payments for WHO fellows and for procurement of supplies and equipment on behalf of Headquarters and other Regional Offices.

PAHO

PAHO - Regular Budget	\$ 2,823,474
PAHO - Special Malaria Fund	1,815,812
PAHO - Special Appropriations	35,414
Grants and other Contributions to PAHO	163,114
Organization of American States - Technical Cooperation	278,308
INCAP Regular Budget	104,678
Grants and other Contributions to INCAP	<u>220,890</u>
PAHO Subtotal	\$ 5,441,690

WHO

WHO - Regular Budget	1,521,383
WHO - Technical Assistance	<u>1,289,467</u>
WHO Subtotal	\$ 2,810,850
PAHO/WHO Subtotal	\$ <u>8,252,540</u>

Procurement Services in the Americas For Government Administrations, Public Institutions, etc.	357,609
--	---------

GRAND TOTAL \$ 8,610,149

Budget Income

Quota Contributions

It will be noted on Exhibit II that the total received from quota contributions, including arrears, in 1958 was \$2,511,547 which was \$388,453 below the assessed budget of \$2,900,000.

Other Income

Amounts received under other income was \$60,948, which was \$39,052 below the estimate of \$100,000 anticipated from this source. The two major sources of other income, namely interest earned and procurement service charges both fell below 1957. The decrease in income from interest was due to the fact that less funds were available to invest and the interest rate on U.S. Government securities was considerably lower than in 1957. By the end of 1958 the interest rate had begun to go up but too late to affect the income for that year.

It will be noted that the income from procurement services dropped substantially below that of the previous year. By the end of the year, however, it began to be apparent that procurement services in 1959 would reach a higher level.

Budgetary Expenditure

It will be noted in Exhibit I that the total expenditure for the year 1958 was \$176,526 below the authorized budget. During the last quarter of the year, when it became apparent that quota contributions and other income would be considerably below the authorized budget, it was believed that in the interest of prudent management, expenditures should be curtailed wherever possible. This had to be done even though the demands for the Organization's services continued to increase. It will be seen in Exhibit I that expenditures in Budget Parts I and II were reduced by \$50,007 representing 1.7 per cent of the budget for those parts, while expenditures in the Field Program were reduced by \$126,519 representing 4.2 per cent of the budget for Budget Part III. By taking this action the deficit for the year was limited to the amount of \$250,979 which had to be advanced from the Working Capital Fund.

Working Capital Fund

The Working Capital Fund at the end of 1958 amounted to \$974,162. This figure is the lowest in over five years and is \$1,185,838 below the authorized level for 1959. This will create a serious problem for the Organization in meeting its obligations during the first six months of 1959 pending receipt of quota contributions. It is obvious that efforts must be made to find a solution for 1959 and for future years.

There are several possibilities for resolving the problem of the Working Capital Fund. One possibility is to obtain payment of quota contributions in the year in which they are assessed and, as far as possible, in the first six months of that year. A second possibility is to find additional resources for increasing the amount of the Working Capital Fund to the authorized level.

A separate document on this subject is being presented to the 37th Meeting of the Executive Committee (CE37/7) and the subject will be placed before the Directing Council for further consideration.

PAN AMERICAN HEALTH ORGANIZATION

PAN AMERICAN HEALTH ORGANIZATION

Notes

These explanatory notes are given to facilitate the study of various items in the Exhibits for which supporting schedules are not provided or which may not be self-explanatory.

INCOME AND EXPENDITURE (Exhibit II)

Sale of Equipment

Sale of old capital assets amounting to \$3,168, includes sale of obsolete equipment, furniture and an automobile.

Sale of Publications

Sale of publications in the amount of \$1,582, represents sale of PASB Bulletin and various scientific pamphlets published by the Pan American Health Organization.

Miscellaneous Income

Consists of income from the sale of waste paper, commission on receipts from public telephone in Headquarters Buildings and various types of refunds as follows:

Personal Services and Allowances	\$	2,000
Fellowship Stipends		188
Insurance claims		197
Sundry		287
		<hr/>
	\$	2,672
		<hr/> <hr/>

ASSETS AND LIABILITIES (Exhibit III)

Cash

Total cash in banks and on hand consisted of:

US Dollar currency	\$	1,254,368
Other currencies		63,634
		<hr/>
	\$	1,318,002
		<hr/> <hr/>

Accounts Receivable

This is self-explanatory except for sundry debtors, which is broken down as follows:

Emergency Procurement Revolving Fund	\$	14,659
Miscellaneous Debtors		23,257
Personal Accounts:		
For Travel	\$	8,788
For Salaries		4,130
Other		<u>5,365</u>
		<u>18,283</u>
	\$	<u>56,199</u>

Capital Assets

The amount of \$526,565 represents the recorded book value of land and buildings of the Headquarters of the Pan American Health Organization in Washington, D. C.

Accounts Payable

Unliquidated obligations amounting to \$291,885 represent the estimated amount required to liquidate outstanding liabilities pertaining to the 1958 Budget and Special Funds.

Other accounts payable include contribution from staff members and the Organization to be transmitted to the United Nations Joint Pension Fund, advances from governments, institutions and individuals for procurement, credit balances of staff members personal accounts, and from liabilities of the organization represented by invoices for goods supplied and services rendered to the organization for which payment had not been made prior to 31 December 1958.

Accrued Repatriation Entitlements

Under the Staff Rules staff members serving at official stations outside their home countries accumulate repatriation benefits payable on termination.

A reserve has been established for this contingent liability. During 1958 no transfers were made to this fund because consideration was being given to its liquidation.

Accrued Service Benefits

Under the Staff Rules, effective 1 January 1958, staff members employed under certain conditions are entitled to a service benefit payable on termination. A reserve has been established for this contingent liability.

Insurance Equalization Account

This account has been established in order to distribute evenly the expenses for various types of insurance over a period of years. An amount of \$4,125.00 was charged to the 1958 budget of the Organization and credited to this account.

Building Fund

This fund increased \$6,258 during 1958 representing interest earned on investments.

Trust Funds

Grants represent funds made available by grantors for programs as shown in schedule 5.

Contributions - The Government of Argentina, under the host country agreement provides a contribution toward the maintenance and operation of the Pan American Zoonoses Center. The Government of Venezuela in accordance with an agreement with the Organization makes a contribution toward the operation of the Zone Office in Caracas.

PAN AMERICAN HEALTH

STATEMENT OF APPROPRIATIONS, OBLIGATIONS

(Expressed in

Purpose of Appropriations	Balance from 1957	Appropriations	
		Original	Transfers
REGULAR BUDGET FOR 1958			
PART I PAN AMERICAN HEALTH ORGANIZATION		221,945	-
PART II PAN AMERICAN SANITARY BUREAU - HEADQUARTERS		1,279,250	-
PART III PAN AMERICAN SANITARY BUREAU - FIELD AND OTHER PROGRAMS		1,498,805	-
TOTAL, APPROPRIATION FOR 1958 BUDGET		3,000,000	-
SPECIAL APPROPRIATIONS: (See Note)			
For Smallpox Eradication	30,068	-	-
For Anti-Malaria Activities	12,486	-	-
For Initial Architectural Expenses For Headquarters Building	23,524	-	-
TOTAL, SPECIAL APPROPRIATIONS	66,078	-	-

Note : The special appropriations are against surplus funds of prior years. See Resolution XIII for smallpox eradication program and Resolution XLIII for anti-malaria activities, passed at XIV Meeting of PASC, and Resolution VII for initial architectural expenses for headquarters building passed at IX Meeting of Directing Council.

ORGANIZATION
AND BALANCES FOR THE YEAR 1958
U.S. Dollars)

Effective	Obligations			Unobligated Balances 31 December 1958	
	Liquidated	Unliquidated	Total	Expired	Available in 1959
221,945	198,949	2,510	201,459	20,486	
1,279,250	1,193,240	56,489	1,249,729	29,521	
1,498,805	1,261,772	110,514	1,372,286	126,519	
3,000,000	2,653,961	169,513	2,823,474	176,526	
30,068	15,906	7,022	22,928	-	7,140
12,486	12,486	-	12,486	-	-
23,524	-	-	-	-	23,524
66,078	28,392	7,022	35,414	-	30,664

For the Director
Pan American Sanitary Bureau

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

D. F. Simpson
D. F. Simpson, Chief
Division of Administration

Uno Bruns
Uno Bruns
External Auditor

PAN AMERICAN HEALTH ORGANIZATION
 STATEMENT OF INCOME AND EXPENDITURE FOR THE 1958 BUDGET
 (Expressed in U.S. Dollars)

INCOME

Contributions from Member States: (Schedule 2)		
Receipts in respect to 1958 assessments	2,269,380	
Receipts in respect to prior years' assessments	<u>242,167</u>	2,511,547
Contributions from France, Netherlands and United Kingdom		20,714
Other Income		
Interest and discounts earned	21,717	
Service fees for procurements made for Governments, Institutions and Individuals	9,093	
Sale of equipment	3,168	
Sale of publications	1,582	
Miscellaneous	<u>2,672</u>	
Total Other Income		38,232
Excess of Reserve for Unliquidated Obligations 1957		<u>2,002</u>
Total Income		<u>2,572,495</u>

EXPENDITURE

Personal Services and Allowances	1,936,227	
Travel	299,970	
Space and Equipment Services	59,284	
Other Services	118,352	
Supplies and Equipment	219,317	
Fixed Charges and Claims	7,204	
Fellowships	126,005	
Participants in Seminars	7,416	
Trainees	2,277	
Grants	<u>47,422</u>	
Total Expenditure		<u>2,823,474</u>

BALANCE - DEFICIT ADVANCED FROM WORKING CAPITAL FUND	US\$ <u>250,979</u>
--	---------------------

For the Director
 Pan American Sanitary Bureau

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

D. F. Simpson
 D. F. Simpson, Chief
 Division of Administration

Uno Brunskog
 Uno Brunskog
 External Auditor

PAN AMERICAN HEALTH
STATEMENT OF ASSETS AND LIABILITIES
(Expressed in

ASSETS

CASH

In Banks and on Hand		1,318,002
----------------------	--	-----------

INVESTMENTS

Securities at Cost (Schedule 1)		1,997,945
---------------------------------	--	-----------

ACCOUNTS RECEIVABLE

Governments, Institutions and Individuals, for Procurements (Schedule 3)	13,422		
Less: Reserve for Doubtful Accounts	<u>12,436</u>	986	
Government of Chile, for Purchase of Equipment, etc., XIV PASC		13,113	
Government of Venezuela, for Reimbursable Expenditures		28,290	
Organization of American States, Technical Cooperation Program, for Reimbursable Expenditures		1,549	
World Health Organization, for Reimbursable Expenditures		6,771	
Sundry Debtors		56,199	
Quota Contributions Receivable (Schedule 2)	875,261		
Less: Reserves for Non- Collected Contributions	<u>875,261</u>	<u>-</u>	106,908

CAPITAL ASSETS

Buildings in Washington	526,565		
Less: Equity in Buildings	<u>526,565</u>	-	

OTHER ASSETS

Accrued Interest	13,247		
Prepaid Expense	<u>375</u>	13,622	

TOTAL

US\$3,436,477

ORGANIZATION

AS AT 31 DECEMBER 1958

U.S. Dollars)

LIABILITIES

QUOTA CONTRIBUTION RECEIVED IN ADVANCE

Government of Ecuador		2,892
-----------------------	--	-------

ACCOUNTS PAYABLE

Unliquidated Obligations in Respect to:			
Appropriations for Budget 1958	169,513		
Special Appropriations	7,022		
Special Malaria Fund	110,113		
Trust Funds	<u>5,237</u>	291,885	
World Health Organization in Respect to			
Pension and Insurance Contributions		6,275	
Institute of Nutrition of Central America			
and Panama, for Reimbursable			
Expenditures		12,742	
Advances from Governments, Institutions and			
Individuals for Procurement (Schedule 3)		147,100	
Other Accounts Payable		<u>10,700</u>	468,702

WORKING CAPITAL FUND

Balance as at 31 December 1957	1,225,141	
Less: Advance to 1958 Budget	<u>250,979</u>	974,162

ACCRUED REPATRIATION ENTITLEMENTS

71,038

ACCRUED SERVICE BENEFITS

37,473

INSURANCE EQUALIZATION ACCOUNT

4,138

SPECIAL FUNDS

Special Appropriations (Exhibit I)	30,664	
Emergency Procurement Revolving Fund (Schedule 6)	50,000	
Building Fund (Exhibit IV)	215,053	
Special Malaria Fund (Schedule 4)	1,519,973	
Trust Funds (Schedule 5)	<u>62,382</u>	1,878,072


TOTAL		<u>US\$3,436,477</u>
-------	--	----------------------

For the Director
Pan American Sanitary Bureau

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



D. F. Simpson, Chief
Division of Administration



Uno Brunskog
External Auditor

PAN AMERICAN HEALTH
 CONSOLIDATED STATEMENT OF INCOME AND
 AND STATUS OF FUNDS AS
 (Expressed in

	Budget for 1958	Special Appropriations
BALANCES AS AT 31 DECEMBER 1957	-	66,078
INCOME		
Contributions from Member States	2,511,547	
Contributions from France, Netherlands and United Kingdom	20,714	
Voluntary Contributions Received		
Grants		
Other Income	38,232	
Excess of Reserve for Unliquidated Obligations 1957	2,002	
	2,572,495	66,078
EXPENDITURE	(2,823,474)	(35,414)
TRANSFER TO COVER 1958 BUDGET	250,979	
BALANCES AS AT 31 DECEMBER 1958	-	30,664

EXHIBIT IV

ORGANIZATION

EXPENDITURE FOR THE FINANCIAL YEAR 1958

AT 31 DECEMBER 1958

U.S. Dollars)

Working Capital Fund	Emergency Procurement Revolving Fund	Building Fund	Special Malaria Fund	Trust Funds	Total
1,225,141	50,000	208,795	3,023,906	66,246	4,640,166
					2,511,547
			105,000	13,329	20,714
		6,258	76,633	145,921	118,329
			130,246		145,921
					121,123
					132,248
1,225,141	50,000	215,053	3,335,785	225,496	7,690,048
(250,979)			(1,815,812)	(163,114)	(4,837,814)
974,162	50,000	215,053	1,519,973	62,382	2,852,234

For the Director
Pan American Sanitary Bureau

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

D. F. Simpson
D. F. Simpson, Chief
Division of Administration

Uno Brunskog
Uno Brunskog
External Auditor

SCHEDULE 1

PAN AMERICAN HEALTH ORGANIZATION
 INVESTMENTS AS AT 31 DECEMBER 1958
 (Expressed in U.S. Dollars)

	Par Value	Cost	Market Value as at 31 December 1958
WORKING CAPITAL FUND:			
Mexican Telephone Stock Mexican Pesos 22,500 at 12.49	1,801	1,744	1,414
U.S. of America Treasury Bills Maturing 19 March 1959	100,000	99,266	99,457
U.S. of America Treasury Certificates of Indebtedness, 2 ½ % Maturing 14 February 1959	500,000	503,437	500,000
TOTAL	601,801	604,447	600,871
BUILDING FUND:			
U.S. of America Treasury Bonds, 3 % Maturing 15 February 1995	100,000	97,500	86,500
U.S. of America Treasury Bonds, 3 ¼ % Maturing 15 June 1983	100,000	98,344	98,813
TOTAL	200,000	195,844	177,313
SPECIAL MALARIA FUND:			
U.S. of America Treasury Bills Maturing 19 February 1959	700,000	695,310	697,655
U.S. of America Treasury Certificates of Indebtedness, 2 ½ % Maturing 14 February 1959	500,000	502,344	500,000
TOTAL	1,200,000	1,197,654	1,197,655
TOTAL INVESTMENTS	2,001,801	1,997,945	1,975,839

PAN AMERICAN HEALTH ORGANIZATION
 STATEMENT OF QUOTA CONTRIBUTIONS DUE FROM MEMBER STATES
 1958 BUDGET AND PRIOR YEARS
 (Expressed in U.S. Dollars)

Member States	Year	1958 Budget			Prior Years			Total balance due 31 Dec. 1958
		Assessments	Collected	Balance due 31 Dec. 1958	Balance due 31 Dec. 1957	Collected during 1958	Balance due 31 Dec. 1958	
Argentina	1958	215,760	123,730	92,030	-	-	-	92,030
	1957	-	-	-	24,270	24,270	-	
Bolivia	1958	8,990	-	8,990	-	-	-	69,669
	1957	-	-	-	7,130	-	7,130	
	1956	-	-	-	6,510	-	6,510	
	1955	-	-	-	7,000	-	7,000	
	1954	-	-	-	7,400	-	7,400	
	1953	-	-	-	7,000	-	7,000	
	1952	-	-	-	9,524	-	9,524	
	1951	-	-	-	10,690	-	10,690	
Brazil	1958	218,660	-	218,660	-	-	-	218,660
	1957	-	-	-	42,734	-	42,734	103,054
Chile	1958	60,320	-	60,320	-	-	-	14,910
	1957	-	-	-	32,965	32,965	-	
Colombia	1958	74,820	59,910	14,910	-	-	-	710
	1957	-	-	-	-	-	-	
Costa Rica	1958	7,250	6,540	710	-	-	-	64,396
	1957	-	-	-	43,240	33,654	9,586	
Cuba	1956	-	-	-	38,220	38,220	-	8,200
	1955	-	-	-	2,541	2,541	-	
	1958	8,990	8,990	-	-	-	-	
Dominican Republic	1958	8,990	8,990	-	-	-	-	2,280
	1957	-	-	-	970	970	-	
Ecuador	1958	11,020	8,740	2,280	-	-	-	-
	1957	-	-	-	-	-	-	
El Salvador	1958	12,760	12,760	-	-	-	-	-
	1957	-	-	-	-	-	-	
Guatemala	1958	7,250	7,250	-	-	-	-	-
	1957	-	-	-	-	-	-	
Haiti	1958	7,250	-	7,250	-	-	-	8,200
	1957	-	-	-	950	-	950	
Honduras	1958	7,250	-	7,250	-	-	-	8,200
	1957	-	-	-	950	-	950	

SCHEDULE 2 (continued)

Member States	Year	1958 Budget			Prior Years			Total balance due 31 Dec. 1958
		Assessments	Collected	Balance due 31 Dec. 1958	Balance due 31 Dec. 1957	Collected during 1958	Balance due 31 Dec. 1958	
Mexico	1958	140,360	110,860	29,500	-	-	-	29,500
Nicaragua	1958	7,250	5,750	1,500	-	-	-	1,500
	1957	-	-	-	240	240	-	
Panama	1958	8,990	1,860	7,130	-	-	-	7,130
	1957	-	-	-	7,130	7,130	-	
Paraguay	1958	7,250	-	7,250	-	-	-	13,000
	1957	-	-	-	5,750	-	5,750	
	1956	-	-	-	-	5,040	-	
	1955	-	-	-	4,800	4,800	-	
Peru	1958	29,290	-	29,290	-	-	-	55,969
	1957	-	-	-	23,000	-	23,000	
	1956	-	-	-	3,679	-	3,679	
United States of America	1958	1,914,000	1,914,000	-	-	-	-	
Uruguay	1958	29,580	-	29,580	-	-	-	117,310
	1957	-	-	-	24,840	-	24,840	
	1956	-	-	-	22,890	-	22,890	
	1955	-	-	-	19,800	-	19,800	
	1954	-	-	-	20,200	-	20,200	
	1953	-	-	-	19,800	19,800	-	
	1952	-	-	-	15,938	15,938	-	
	1951	-	-	-	4,619	4,619	-	
Venezuela	1958	66,410	-	66,410	-	-	-	66,410
	1957	-	-	-	51,980	51,980	-	
TOTAL		2,900,000	2,269,380	630,620	476,275	242,167	234,108	864,728

STATEMENT OF QUOTA CONTRIBUTIONS DUE FROM
FRANCE, NETHERLANDS AND UNITED KINGDOM

France	1958	6,965	-	6,965	-	-	-	6,965
Netherlands	1958	3,568	-	3,568	-	-	-	3,568
United Kingdom	1958	20,714	20,714	-	-	-	-	-
TOTAL		31,247	20,714	10,533	-	-	-	10,533

PROCUREMENT FUND

STATEMENT OF PROCUREMENT SERVICES EFFECTED
ON BEHALF OF GOVERNMENT ADMINISTRATIONS,
PUBLIC INSTITUTIONS, ETC.

(Expressed in U.S. Dollars)

	Balance as at		Deposits with PASB	Amounts Received or Transferred During 1958	Payments for Supplies, etc. Made during 1958	Balance	
	31 December 1957	31 December 1958				Amounts Due to PASB	Deposits with PASB
Argentina	17	20,847	2,822	5,314	17	18,355	
Bolivia	8,664	-	-	-	8,664	-	
Brazil	483	42,040	132,350	139,807	483	34,583	
British West Indies	-	2,324	7,039	7,442	23	1,944	
Chile	5	29,501	25,152	12,621	5	42,032	
Colombia	86	227	4,580	4,839	118	-	
Costa Rica	1	-	47	-	-	46	
Cuba	2,642	-	-	-	2,642	-	
Dominican Republic	-	276	84,281	83,764	4	797	
Ecuador	214	3,545	20,611	10,214	269	13,997	
El Salvador	-	9,573	2,901	5,671	-	6,803	
Guatemala	685	391	1,437	1,181	686	648	
Haiti	93	1,732	12,774	12,164	54	2,303	
Mexico	-	6	1,627	1,570	13	76	
Nicaragua	-	84	8,185	8,152	-	117	
Panama	-	5,533	38,754	24,278	33	20,042	
Paraguay	-	10,037	5,188	14,624	-	601	
Peru	-	6,336	2,363	7,962	-	737	
Uruguay	-	10	-	-	-	10	
Venezuela	-	4,894	4,521	6,056	10	3,369	
Employees	84	10,827	1,446	11,950	401	640	
TOTAL	12,974	148,183	356,078	357,609	13,422	147,100	

PAN AMERICAN HEALTH ORGANIZATION
SPECIAL MALARIA FUND
STATEMENT OF INCOME AND EXPENDITURE
YEAR ENDED 31 DECEMBER 1958
(Expressed in U.S. Dollars)

BALANCE AS AT 31 DECEMBER 1957		3,023,906 ^{1/}
INCOME		
Voluntary Contributions		
Government of the Dominican Republic	100,000	
Government of Haiti	<u>5,000</u>	105,000
Other Income		
Interest and Discounts Earned	72,432	
Miscellaneous Income	<u>4,201</u>	76,633
Excess of Reserve for Unliquidated Obligations 1957		<u>130,246</u>
Total		3,335,785
EXPENDITURE		
Personal Services and Allowances	649,165	
Travel	277,300	
Space and Equipment	20,484	
Other Services	68,422	
Supplies and Equipment	231,620	
Fixed Charges and Claims	641	
Fellowships	201,011	
Participants in Seminars	28,925	
Trainees	150,128	
Grants	<u>188,116</u>	
Total Expenditure		<u>1,815,812^{2/}</u>
BALANCE AS AT 31 DECEMBER 1958		<u>US\$1,519,973</u>

^{1/} Representing net balance remaining from 1957 voluntary contributions received from:

Government of the Dominican Republic	\$ 100,000	
Government of the United States of America	3,500,000	
Government of Venezuela	299,400	3,899,400

^{2/} Amount consisted of:

Disbursements	1,705,699
Unliquidated obligations	<u>110,113</u>
	US\$ <u>1,815,812</u>

SCHEDULE 5

PAN AMERICAN HEALTH ORGANIZATION
 STATUS OF TRUST FUNDS AS AT 31 DECEMBER 1958
 (Expressed in U.S. Dollars)

Particulars	Balance 31 December 1957	Received During 1958	Total	Disbursed During 1958	Balance 31 December 1958		Total
					Unliquidated	Unobligated	
GRANTS							
American Cyanamid Company	-	75,000	75,000	40,105	4,819	30,076	34,895
Live Polio Virus Vaccine Studies Kellogg Foundation	-	6,000	6,000	-	-	6,000	6,000
Dental Health Education	-	3,000	3,000	3,000	-	-	-
Liebig's Extract of Meat Company	-	1,248	1,248	1,096	-	144	144
Pan American Zoonoses Center	-	1,300	1,300	982	-	318	318
Local Live Stock Association of Nuevas Casas Grandes	-	9,700	9,700	5,344	418	3,938	4,356
Rabies Control	-						
Rockefeller Foundation	-						
Yaws Eradication and Syphilis Control (Caribbean)	-						
Zoonoses Technical Advisory Group	-						
Shell Chemical Corporation	37,913	19,955	57,868	57,868	-	-	-
Field Studies and Dieldrin and Other Insecticides							
CONTRIBUTIONS							
Government of Argentina	28,333	29,726	58,059	36,153	-	21,906	21,906
Pan American Zoonoses Center							
Government of Venezuela	-	13,329	13,329	13,329	-	-	-
Operation of Zone I Office	-	159,250	225,496	157,877	5,237	62,382	67,619
TOTAL GRANTS AND CONTRIBUTIONS	66,246	159,250	225,496	157,877	5,237	62,382	67,619

EMERGENCY PROCUREMENT REVOLVING FUND
 STATEMENT OF ACTIVITY IN 1958
 (Expressed in U.S. Dollars)

Country	Balance due 31 December 1957	Purchases during 1958	Collected during 1958	Balance due 31 December 1958
Argentina	9,816	-	-	9,816
Grenada	723	-	223	500
Nicaragua	1,467	2,881	2,445	1,903
Trinidad	-	96	-	96
Venezuela	-	2,344	-	2,344
Jamaica	11	-	11	-
St. Thomas	191	--	191	-
TOTAL	12,208	5,321	(2,870)	14,659
CASH IN BANK	37,792	(5,321)	2,870	35,341
AUTHORIZED AMOUNT	50,000	-	-	50,000

**INSTITUTE OF NUTRITION OF CENTRAL AMERICA
AND PANAMA**

INSTITUTE OF NUTRITION OF CENTRAL
AMERICA AND PANAMA

Notes

The various items in the INCAP exhibits and schedules are believed to be self-explanatory except for the following:

Cash

Total cash in banks and on hand consisted of:

US Dollar currency	\$ 105,321
Other currencies	7,089
	<hr/>
	\$ 112,410
	<hr/> <hr/>

INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
ADMINISTERED BY PAN AMERICAN SANITARY BUREAU
STATEMENT OF APPROPRIATIONS, OBLIGATIONS AND BALANCES FOR THE YEAR 1958
(Expressed in U.S. Dollars)

Purpose of Appropriations	Appropriations	Obligations			Unobligated Balances 31 December 1958	
	Original	Liquidated	Unliquidated	Total	Expired	Available in 1959
REGULAR BUDGET FOR 1958:						
Budgetary Provisions	105,000	102,247	2,431	104,678	322	-
SPECIAL APPROPRIATION (See Note)						
To Finance Publication of Supplement No. 3 of the Boletin of the PASB	5,000	-	-	-	-	5,000

Note: The special appropriation is a transfer from Contingency Reserve Fund. See Resolution IX Document INCAP 9/18 passed at the IX Meeting of the Council of INCAP.

For the Director
Pan American Sanitary Bureau

D. F. Simpson
D. F. Simpson, Chief
Division of Administration

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

Uno Brunskog
Uno Brunskog
External Auditor

INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
 ADMINISTERED BY PAN AMERICAN SANITARY BUREAU
 STATEMENT OF INCOME AND EXPENDITURE FOR THE 1958 BUDGET
 (Expressed in U.S. Dollars)

INCOME

Quota Contributions Received: (Schedule 7)

In Respect to 1958 Assessments	87,500	
In Respect to Prior Years' Assessments	<u>10,000</u>	97,500

Other Income

Interest and Discounts Earned	1,156	
Miscellaneous	<u>660</u>	1,816

Excess of Reserve for Unliquidated Obligations 1957		<u>21</u>
---	--	-----------

TOTAL INCOME		<u>99,337</u>
--------------	--	---------------

EXPENDITURE

Personal Services and Allowances	81,794	
Travel	2,300	
Space and Equipment Services	5,200	
Other Services	4,034	
Supplies and Equipment	8,783	
Fixed Charges and Claims	<u>2,567</u>	

TOTAL EXPENDITURE		<u>104,678</u>
-------------------	--	----------------

BALANCE - Deficit Advanced from Contingency Reserve Fund		US\$ <u>5,341</u>
--	--	-------------------

For the Director
Pan American Sanitary Bureau

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

D. F. Simpson
 D. F. Simpson, Chief
 Division of Administration

Uno Brunskog
 Uno Brunskog
 External Auditor

INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
ADMINISTERED BY PAN AMERICAN SANITARY BUREAU
STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 1958
(Expressed in U. S. Dollars)

ASSETS		LIABILITIES
CASH		
In Banks and on Hand	112,410	2,431
ACCOUNTS RECEIVABLE		<u>9,573</u>
Pan American Health Organization for Reimbursable Expenditures	12,742	45,886
Sundry Debtors	5,430	
Quota Contributions Receivable (Schedule 7)	22,500	<u>10,341</u>
Less: Reserves for Non-Collected Contributions	<u>22,500</u>	35,545
	18,172	41,232
		5,000
	<u>US\$ 130,582</u>	<u>36,263</u>
TOTAL		<u>US\$ 130,582</u>

Note: In addition to the assets shown above, the Institute owns shares in the Municipalidad de la Ciudad de Guatemala, costing \$3,000 for the purchase of 10 "pejas de agua". Market valuation of \$3,500 as at 31 December 1958.

For the Director
Pan American Sanitary Bureau

D. F. Simpson
D. F. Simpson, Chief
Division of Administration

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

Uno Brunskog
Uno Brunskog
External Auditor

SCHEDULE 7

INSTITUTE OF NUTRITION
 OF CENTRAL AMERICA AND PANAMA
 STATEMENT OF CONTRIBUTIONS OF MEMBER COUNTRIES
 AS AT 31 DECEMBER 1958
 (Expressed in U.S. Dollars)

Member Countries	Balance due 31 December 1957	Assessments 1958	Collected During 1958	Balance due 31 December 1958
Costa Rica	5,000	17,500	22,500	-
El Salvador	-	17,500	17,500	-
Guatemala	-	17,500	17,500	-
Honduras	5,000	17,500	-	22,500
Nicaragua	-	17,500	17,500	-
Panama	5,000	17,500	22,500	-
	15,000	105,000	97,500	22,500



**ORGANIZATION OF AMERICAN STATES
PROGRAM OF TECHNICAL COOPERATION**

ORGANIZATION OF AMERICAN STATES
PROGRAM OF TECHNICAL COOPERATION

Notes

The various items in the OAS/TCP exhibits and schedules are believed to be self-explanatory except for the following:

Cash

Total cash in banks and on hand consisted of:

US Dollar currency	\$ 57,320
Other currencies	20,995
	<hr/>
	\$ 78,315
	<hr/> <hr/>

EXHIBIT VIII

ORGANIZATION OF AMERICAN STATES
PROGRAM OF TECHNICAL COOPERATION,
ADMINISTERED BY PAN AMERICAN HEALTH ORGANIZATION
STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 1958
(Expressed in U.S. Dollars)

ASSETS

CASH			
In Banks and on Hand	78,315		
ACCOUNTS RECEIVABLE			
Sundry Debtors	1,395	43,098	
Less: Reserve for doubtful accounts	<u>268</u>	<u>1,549</u>	
	1,127	<u>2,206</u>	46,853
			6,068
			20,621
			<u>5,900</u>
TOTAL	US\$ 79,442		US\$ 79,442

LIABILITIES

ACCOUNTS PAYABLE	
Unliquidated Obligations in respect to Allocations for 1958	43,098
Pan American Health Organization for Reimbursable Expenditures	- 1,549
Pan American Health Organization for Pension and Insurance Contributions	<u>2,206</u>
ACCRUED SERVICE BENEFITS	6,068
ALLOCATION FOR PROJECT AMRO-1B2 - TRAINING COURSE IN NUTRITIONAL AND DIETARY SURVEYS	20,621
UNOBLIGATED FUNDS	<u>5,900</u>
TOTAL	US\$ 79,442

For the Director
Pan American Sanitary Bureau

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

D. F. Simpson
D. F. Simpson, Chief
Division of Administration

Ure Brumskog
Ure Brumskog
External Auditor

ORGANIZATION OF AMERICAN STATES
PROGRAM OF TECHNICAL COOPERATION, ADMINISTERED
BY PAN AMERICAN HEALTH ORGANIZATION
STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 1958
(Expressed in U.S. Dollars)

BALANCE AS AT 31 DECEMBER 1957	39,168	
Less: Recalls in respect to project AMRO-77:		
1957 Allocations	432	
1958 Allocations	<u>38,736</u>	39,168 -
 INCOME		
Allocation of Funds by Organization of American States, Program of Technical Cooperation for:		
Continuation of Project AMRO-77 for Pan American Foot and Mouth Disease Center	281,000	
Operation of Project AMRO-182 for Training Course in Nutritional and Dietary Surveys	<u>20,621</u>	301,621
Interest on Bank Account		228
Excess of Reserves for Unliquidated Obligations 1957		<u>2,980</u>
TOTAL		304,829
 EXPENDITURE		
Personal Services and Allowances	159,455	
Travel	16,806	
Space and Equipment Services	1,643	
Other Services	19,585	
Supplies and Equipment	72,331	
Fixed Charges and Claims	953	
Fellowships	<u>7,535</u>	
TOTAL EXPENDITURE		<u>278,308^{1/}</u>
BALANCE AS AT 31 DECEMBER 1958		US\$ <u>26,521^{2/}</u>

^{1/} Consisted of:

Disbursements	235,210	
Unliquidated Obligations	<u>43,098</u>	
Total, as above	<u>278,308</u>	

^{2/} Consisted of:

Allocation for project AMRO-182 available in 1959	20,621	
Unobligated Funds:		
1957 Allocation	2,980	
1958 Allocation	<u>2,920</u>	
Total, as above	<u>26,521</u>	

INFORMATIONAL ANNEX

SUMMARY AND DISTRIBUTION OF EXPENDITURE

SUMMARY BY OBJECT OF EXPENDITURE
 ALL FUNDS - 1958
 (Expressed in U.S. Dollars)

Object of Expenditure	Total	PAHO	PAHO SMF	Pan American Health Organization - Other				WEO	WEO/TA
				Special Funds	Grant Funds	OAS/TCP	INCAP		
Personal Services and Allowances	4,638,322	1,936,227	649,165	1,086	87,708	159,455	200,698	753,322	850,661
Travel	995,285	299,970	277,300	1,913	21,529	16,806	14,154	161,265	202,348
Space and Equipment Services	118,674	59,284	20,484	-	6,981	1,643	7,448	19,672	3,162
Other Services	318,735	118,352	68,422	3,077	19,464	19,585	26,797	50,975	12,063
Supplies and Equipment	799,276	219,317	231,620	29,338	26,718	72,331	64,003	101,572	54,377
Fixed Charges and Claims	13,074	7,204	641	-	189	953	2,667	1,213	207
Fellowships	890,275	126,005	201,011	-	-	7,535	9,801	394,274	151,649
Participants in Seminars	59,025	7,416	28,925	-	-	-	-	22,684	-
Trainees	152,405	2,277	150,128	-	-	-	-	-	-
Grants	267,469	47,422	188,116	-	525	-	-	16,406	15,000
TOTAL	8,252,540	2,823,474	1,815,812	35,414	163,114	278,308	325,568	1,521,383	1,289,467
						802,404			

PAN AMERICAN HEALTH ORGANIZATION
 SUMMARY BY OBJECT OF EXPENDITURE
 1958 BUDGET
 (Expressed in U.S. Dollars)

Object of Expenditure	PART I	PART II	PART III	Total
	PAHO	PASB Headquarters	PASB Field and Other Programs	
Personal Services and Allowances	134,227	1,028,892	773,108	1,936,227
Travel	33,120	75,321	191,529	299,970
Space and Equipment Services	645	42,170	16,469	59,284
Other Services	3,696	49,465	65,191	118,352
Supplies and Equipment	29,765	49,288	140,264	219,317
Fixed Charges and Claims	6	4,593	2,605	7,204
Fellowships	-	-	126,005	126,005
Participants in Seminars	-	-	7,416	7,416
Trainees	-	-	2,277	2,277
Grants	-	-	47,422	47,422
TOTAL	201,459	1,249,729	1,372,286	2,823,474

STATEMENT OF EXPENDITURE
BY BUDGET PARTS
AND INDIVIDUAL PROJECT
ALL FUNDS - 1958
(Expressed in U.S. Dollars)

	PAHO	PAHO SMF	PAHO OTHER	WHO	WHO/TA
PART I - Organizational Meetings and Conference Services	201,459	-	-	25,846	8,765
PART II - Headquarters	1,249,729	161,278	-	549,594	66,578
PART III - Field and Other Programs					
ZONE OFFICES					
Zone I (Caracas)	94,416	2,444	^{1/} 13,329	1,812	-
Zone II (Mexico City)	102,864	4,068	-	27,943	-
Zone III (Guatemala City)	117,321	3,216	-	15,878	-
Zone IV (Lima)	131,769	2,143	-	3,820	-
Zone V (Rio de Janeiro)	71,501	-	-	13,223	-
Zone VI (Buenos Aires)	101,036	-	-	1,902	-
Total Zone Offices	618,907	11,871	13,329	64,578	-
PROJECTS					
ARGENTINA					
3 - Nursing Education	2,518	-	-	-	24,754
4 - National Institute of Microbiology	-	-	-	10	-
6 - P.H.A. Fellowships	-	-	-	44,767	-
7 - Public Health Services	-	-	-	-	44,197
8 - Malaria Eradication	-	9,487	-	-	-
12 - Survey of Health Services	12,071	-	-	-	-
13 - P.H.A. Fellowships	1,750	-	-	-	-
16 - Polio Rehabilitation	859	-	-	6,277	-
17 - School of Public Health	-	-	-	8,816	-
18 - Medical Education	-	-	-	1,697	-
23 - Nursing Education	7,732	-	-	-	-
51 - Aedes aegypti Eradication	45,140	-	-	-	-

	PAHO	PAHO SMF	PAHO OTHER	WHO	WHO/TA
BAHAMAS					
2 - Tuberculosis Survey	679	-	-	-	-
BARBADOS					
2 - Local Health Services	-	-	-	-	3,362
BOLIVIA					
4 - Malaria Eradication	-	57,117	-	-	15,926
5 - Nursing Education	-	-	-	19,436	-
10 - Public Health Services	15,233	-	-	-	-
11 - Joint Field Mission on Indigenous Populations	-	-	-	-	12,524
13 - P.H.A. Fellowships	-	-	-	-	4,495
BRAZIL					
3 - Public Health Services	-	-	-	10,570	-
18 - National Food and Drug Service	-	-	-	11,998	-
19 - School of Public Health	-	-	-	15,675	-
22 - Nursing Education	-	-	-	-	8,078
24 - Malaria Eradication	-	159,829	-	-	-
28 - P.H.A. Fellowships	946	-	-	-	-
30 - Plague Investigation	-	-	-	-	2,770
31 - Rehabilitation Training	-	-	-	-	5,254
35 - School of Public Health	-	-	-	14,388	-
40 - Verification of Aedes aegypti Eradication	21,222	-	-	-	-
41 - Malaria Eradication	-	20,832	-	-	-
51 - Yellow Fever Laboratory	4,786	-	-	-	-
BRITISH GUIANA AND WEST INDIES					
1 - Aedes aegypti Eradication	-	-	-	-	45,778
4 - P.H.A. Fellowships	2,852	-	-	-	-
5 - P.H.A. Fellowships	-	-	-	17,913	-
BRITISH HONDURAS					
1 - Malaria Eradication	-	3,350	-	-	-
5 - Public Health Services	-	-	-	13,137	-
6 - P.H.A. Fellowships	145	-	-	-	-
CHILE					
18 - P.H.A. Fellowships	-	-	-	-	11,210
19 - Food and Drug Control	-	-	-	-	620
20 - Midwifery Education	-	-	-	10,459	-
25 - P.H.A. Fellowships	-	-	-	18,066	-
26 - P.H.A. Fellowships	5,344	-	-	-	-
29 - Advanced Nursing Education	-	-	-	16,126	-
31 - School of Public Health	-	-	-	5,820	-

	PAHO	PAHO SMF	PAHO OTHER	WHO	WHO/TA
COLOMBIA					
4 - Public Health Services	-	-	-	-	85,046
5 - Malaria Eradication	-	60,134	-	-	17,031
17 - Smallpox Eradication	12,746	-	-	-	-
19 - Leprosy Control	-	-	-	-	11,122
21 - P.H.A. Fellowships	10,810	-	-	-	-
22 - Aedes aegypti Eradication	-	-	-	-	20,050
52 - Yellow Fever - Carlos Finlay Institute	31,600	-	-	-	-
COSTA RICA					
2 - Malaria Eradication	-	19,218	-	-	-
15 - P.H.A. Fellowships	6,791	-	-	-	-
17 - Evaluation of Public Health Program	11,046	-	-	-	-
CUBA					
1 - Aedes aegypti Eradication	33,117	-	-	-	-
5 - Malaria Eradication	-	3,521	-	-	-
6 - P.H.A. Fellowships	408	-	-	-	-
DOMINICAN REPUBLIC					
2 - Malaria Eradication	-	49,994	-	-	-
3 - Nursing Education	-	-	-	3,773	-
4 - Reorganization of Local Health Services	40,679	-	-	-	-
8 - Aedes aegypti Eradication	-	-	-	-	28,188
9 - P.H.A. Fellowships	-	-	-	4,570	-
52 - Venereal Disease Control	31,068	-	-	-	-
ECUADOR					
4 - Public Health Services	-	-	-	33,239	-
14 - Malaria Eradication	-	22,613	-	-	22,973
16 - Nursing Education	-	-	-	21,271	-
20 - Smallpox Eradication	3,357	-	-	-	19,943
53 - National Institute of Nutrition	-	-	-	-	15,947
EL SALVADOR					
2 - Malaria Eradication	-	32,391	-	-	20,446
5 - Health Demonstration Area	-	-	-	-	30,506
FRENCH ANTILLES AND GUIANA					
1 - P.H.A. Fellowships	-	-	-	-	3,921
2 - Aedes aegypti Eradication	2,615	-	-	-	9,379

	PAHO	PAHO SMF	PAHO OTHER	WHO	WHO/TA
GUADELOUPE					
1 - Malaria Eradication	-	1,226	-	-	-
GUATEMALA					
1 - Malaria Eradication	-	33,726	-	-	10,151
6 - Training of Nursing Auxiliaries	-	-	-	12,262	-
8 - Public Health Services	-	-	-	50,388	-
11 - Tuberculosis Control	-	-	-	-	10,666
12 - P.H.A. Fellowships	2,375	-	-	-	-
HAITI					
1 - Yaws and Smallpox Eradication	12,968	-	-	37,303	-
4 - Malaria Eradication	-	223,786	-	-	18,007
9 - Public Health Laboratory	5,598	-	-	-	-
12 - P.H.A. Fellowships	4,565	-	-	-	-
14 - Aedes aegypti Eradication	-	-	-	-	27,885
15 - P.H.A. Fellowships	-	-	-	16,465	-
16 - Public Health Services	6,706	-	-	-	-
HONDURAS					
1 - Malaria Eradication	-	7,471	-	-	11,084
4 - Public Health Services	10,505	-	-	-	56,391
5 - BCG Vaccination	-	-	-	-	7,873
6 - P.H.A. Fellowships	3,065	-	-	-	-
7 - P.H.A. Fellowships	-	-	-	3,025	-
JAMAICA					
2 - Malaria Eradication	-	48,926	-	-	-
8 - P.H.A. Fellowships	1,266	-	-	-	-
9 - Health Insurance for Hospital and Medical Care	1,645	-	-	-	-
10 - Mental Health	827	-	-	-	-
LEEWARD ISLANDS					
1 - Tuberculosis Control	1,285	-	-	-	-
MEXICO					
14 - Nursing Education	3,076	-	-	-	-
18 - P.H.A. Fellowships	-	-	-	14,681	-
22 - Integrated Health Services	-	-	-	49,156	-
23 - National Institute of Nutrition	-	-	-	-	4,515
25 - P.H.A. Fellowships	11,601	-	-	-	-
28 - Public Health Laboratory	4,660	-	-	-	-
30 - School of Public Health	-	-	-	2,390	-
32 - Medical Education	-	-	-	2,482	-
33 - Diethyltin Toxicity Studies	-	10,966	-	-	-
53 - Malaria Eradication	-	9,934	-	-	50,991

	PAHO	PAHO SMF	PAHO OTHER	WHO	WHO/TA
NETHERLANDS ANTILLES AND SURINAM					
1 - Aedes aegypti Eradication	-	-	-	-	9,813
NICARAGUA					
1 - Malaria Eradication	-	11,198	-	-	6,192
3 - Public Health Services	-	-	-	-	4,143
5 - Nursing Education	-	-	-	14,380	-
7 - P.H.A. Fellowships	1,168	-	-	-	-
PANAMA					
1 - Public Health Services	-	-	-	-	67,386
2 - Malaria Eradication	-	21,084	-	-	17,423
7 - P.H.A. Fellowships	-	-	-	10,156	-
8 - P.H.A. Fellowships	5,463	-	-	-	-
PARAGUAY					
1 - Malaria Eradication	-	22,721	-	-	11,634
9 - Leprosy Control	-	-	-	3,330	-
10 - Public Health Services	-	-	-	-	84,211
13 - P.H.A. Fellowships	6,435	-	-	-	-
16 - Administrative Methods and Practices in Public Health	3,965	-	-	-	-
PERU					
5 - Malaria Eradication	-	63,478	-	-	19,162
21 - P.H.A. Fellowships	-	-	-	29,093	-
22 - Public Health Services	-	-	-	-	67,569
23 - Joint Field Mission on Indigenous Populations	-	-	-	-	325
25 - P.H.A. Fellowships	6,561	-	-	-	-
51 - Smallpox Eradication	5,820	-	-	-	-
SURINAM					
1 - Malaria Eradication	-	36,770	-	-	-
TRINIDAD					
3 - Malaria Eradication	-	1,585	-	-	-
6 - Public Health Legislation	-	-	-	3,939	-
UNITED STATES					
7 - Field Trials in Rabies Treatment	-	-	-	1,228	-
10 - Influenza Centers	-	-	-	5,099	-

	PAHO	PAHO SMF	PAHO OTHER	WHO	WHO/TA
URUGUAY					
5 - Public Health Services	-	-	-	-	39,790
8 - P.H.A. Fellowships	-	-	-	8,088	-
10 - P.H.A. Fellowships	3,560	-	-	-	-
15 - Waterworks Operators School	-	-	-	2,532	-
VENEZUELA					
1 - Local Health Services	-	-	-	-	20,042
7 - Malaria Eradication	-	1,776	-	-	-
10 - P.H.A. Fellowships	-	-	-	2,659	-
16 - Aedes aegypti Eradication	16,076	-	-	-	-
WINDWARD ISLANDS					
2 - Malaria Eradication	-	20,117	-	-	-
INTER-COUNTRY AND INTER-ZONE PROJECTS					
AMRO:					
1 - Environmental Sanitation	-	-	-	62,162	-
7 - Aedes aegypti Eradication (Central America and Panama)	-	-	-	-	38,950
8 - Aedes aegypti Eradication (Caribbean)	-	-	-	-	18,128
10 - Inter-American Program for Education in Biostatistics	-	-	-	-	57,969
16 - Assistance to Schools of Public Health	-	-	-	13,276	-
17.4 - Waterworks Training Course	-	-	-	15,614	-
18 - Medical Education	-	-	-	40,306	-
28 - Advanced Nursing Education	-	-	-	12,979	-
29 - Cultural Anthropology	-	-	-	4,055	-
35 - Fellowships (Unspecified)	37,003	-	-	-	-
39 - Environmental Sanitation	3,591	-	-	-	-
45 - Laboratory Services	-	-	-	8,861	-
46.5 - Workshop on Nursing Education	-	-	-	15,696	-
47 - Yaws Eradication and Public Health Laboratory Services (Caribbean)	-	-	$\frac{2}{3}$ 982	-	18,422
54 - Collaboration with INCAP	37,570	-	$\frac{3}{3}$ 325,568	-	-
57 - Yellow Fever Studies	10,077	-	-	-	-
60 - Smallpox Eradication	367	-	$\frac{4}{5}$ 22,928	-	-
61 - Rabies Control	-	-	1,096	30,599	-
63 - Assistance to Schools of Nursing	-	-	-	4,177	-
67 - Veterinary Medicine Education	-	-	-	4,046	-
76 - Vaccine Testing	-	-	-	4,406	-
77 - Pan American Foot and Mouth Disease Center	-	-	$\frac{6}{7}$ 278,308	-	-
81 - Pan American Zoonoses Center	24,563	-	44,915	-	53,552

	PAHO	PAHO SMF	PAHO OTHER	WHO	WHO/TA
85 - Latin American Center for Classification of Diseases	-	-	-	18,746	-
86 - Health Statistics	-	-	-	16,679	-
88 - Aedes aegypti Eradication	19,072	-	-	-	-
90 - Malaria Technical Advisory Services	29,632	65,257	-	-	-
92 - Poliomyelitis	17,648	-	-	-	-
93 - Health Education	-	-	-	16,543	-
94 - Diarrheal Diseases in Childhood	24,061	-	-	-	-
95 - Environmental Sanitation	-	-	-	-	18,330
98 - Working Group on Medical Certification	7,416	-	-	-	-
102 - Assistance to Pediatric Education	-	-	-	7,956	-
105 - Field Studies of Dieldrin and Other Insecticides (Mexico)	-	18,931	$\frac{8}{4}$ 57,868	-	-
109 - Malaria Eradication	-	-	$\frac{4}{4}$ 12,486	-	-
114 - Training Center for Malaria Eradication	-	41,862	-	-	-
117 - Malaria Technical Advisory Services	-	63,759	-	-	-
118 - Malaria Technical Advisory Services	-	48,326	-	-	-
119 - Malaria Eradication Advisory Services	-	31,256	-	-	-
121 - Malaria Eradication Evaluation Teams	-	42,810	-	-	-
124 - Field Trial of the Pinotti Method	-	1,708	-	-	-
126 - Seminar on Susceptibility and Resistance of Anopheles	-	36,986	-	-	-
127 - Course on Administrative Methods and Practices in Malaria	-	2,307	-	-	-
128.1 - Workshop on Vehicle Management and Maintenance in Malaria Eradication (Peru)	-	5,446	-	-	-
128.2 - Workshop on Vehicle Management and Maintenance in Malaria Eradication (Honduras)	-	1,900	-	-	-
128.3 - Workshop on Vehicle Management and Maintenance in Malaria Eradication (Trinidad)	-	4,522	-	-	-
134 - Training Center for Malaria Eradication (Kingston)	-	71,561	-	-	-
135 - Malaria Eradication Trainees	-	150,128	-	-	-
136 - Field Studies on the Ecology of Anopheles Albimanus (Panama)	-	2,994	-	-	-
137 - Training Center for Malaria Eradication (São Paulo)	-	28,409	-	-	-

	PAHO	PAHO SMF	PAHO OTHER	WHO	WHO/TA
138 - Studies on Malaria Chemotherapy	-	55,000	-	-	-
139 - Malaria Technical Advisory Services	-	5,649	-	-	-
141 - Health Education	-	-	-	393	-
142.1 - Health Aspects of Nuclear Energy	10,728	-	-	-	-
143 - Health Statistics	-	-	-	2,889	-
144 - Health Statistics	-	-	-	15,580	-
149 - Leprosy Control	-	-	-	39,738	-
163 - Epidemiology	12,777	-	-	-	-
165 - Nutrition Advisory Service	6,583	-	-	-	-
181 - Live Polio Virus Vaccine Studies	-	-	9/ 44,924	-	-
192 - Course for Auxiliary Entomology Personnel Field Office (El Paso)	- 31,550	6,521 -	- -	- -	- -
Total, Projects	697,334	1,638,582	789,075	881,365	1,214,124
PUBLICATIONS					
PASB Bulletin	37,919	-	-	-	-
Statistical Publications and Reports	4,923	-	-	-	-
Special Publications	13,203	-	-	-	-
Malaria Special Publications	-	4,081	-	-	-
Total, Publications	56,045	4,081	-	-	-
TOTAL, PART III	1,372,286	1,654,534	802,404	945,943	1,214,124
GRAND TOTAL, PARTS I, II and III	2,823,474	1,815,812	802,404	1,521,383	1,289,467

- 1/ Contribution from the Government of Venezuela
- 2/ Grant Funds - The Rockefeller Foundation
- 3/ INCAP
- 4/ Special Appropriation from Surplus
- 5/ Grant Funds - Local Live Stock Association
of Nuevas Casas Grandes
- 6/ OAS/TCP
- 7/ (Contribution from the Government of Argentina
(Grant Funds - The Rockefeller Foundation
(Grant Funds - Liebig's Extract of Meat Company
- 8/ Grant Funds - Shell Chemical Corporation
- 9/ Grant Funds - American Cyanamid Company

REPORT OF THE EXTERNAL AUDITOR

Washington, D. C.
10 April 1959

Sir,

I have the honour to transmit the financial statements of the Pan American Health Organization in respect of the year 1 January to 31 December 1958, which were submitted by the Director, Pan American Sanitary Bureau.

In accordance with the Financial Regulations, I have the honour to present my report with regard to the above-mentioned period.

I have the honour to be, Sir,

Your obedient Servant,



Uno Brunskog
External Auditor

The Chairman of the
Directing Council of the
Pan American Health Organization

REPORT OF THE EXTERNAL AUDITOR
ON THE AUDIT OF THE ACCOUNTS OF THE
PAN AMERICAN HEALTH ORGANIZATION
(PAN AMERICAN SANITARY BUREAU)
FOR 1958

Introduction

1. In Resolution XXVI the XV Pan American Sanitary Conference resolved in October 1958 to change the name "Pan American Sanitary Organization" to "Pan American Health Organization." Accordingly, the new name has been used throughout the text.
2. The audit of the accounts of the Organization for the financial year 1958 has been carried out in accordance with the terms of my appointment as the External Auditor and Article XII of the Financial Regulations of the Pan American Sanitary Bureau.

There has been no material change in either the scope or the character of the audit compared with those of earlier years. Transactions, accounts and inventories were examined to the extent necessary to satisfy myself as to the correctness of the accounts and the financial statements submitted to me for audit certification. I have also examined the reports of the internal auditors and have been able to review their work which has given me complete satisfaction.

3. In June and July 1958 I visited the Zone Offices in Central and South America (with the exception of the Zone Office in Caracas established in June 1958), the Institute of Nutrition of Central America and Panama, and the Aftosa and Zoonoses Centers.

My general impressions and findings from these visits are presented below:

- i. The decentralization of administrative functions from Headquarters to the Zone Offices, which took place in the fall of 1957, created a number of transitional problems as the officials of the Zone Offices did not have sufficient time to become familiar with their new functions. I noticed that these problems were still existing during the first months of 1958 in some Zone Offices. However, at the time of my visits, I could see that a real improvement had taken place in that respect.

In July 1958 administrative officers from the Zone Offices were called to a briefing course in Washington. In my opinion, this course might usefully have taken

place before the decentralization of the administrative functions, thus avoiding difficulties. I have learned that the decentralization now is going on more smoothly, and that the aim of the decentralization has been substantially realized.

- ii. In conjunction with the decentralization of administrative functions it must be kept in mind that important fiscal, personnel and other administrative records formerly maintained at Headquarters will now have to be kept in Zone Offices. These are important not only to serve as official records of administrative transactions but also for historical purposes. Additional space will be needed to store records. I understand that the Headquarters is now studying this problem to determine which records are essential and which can be destroyed.
 - iii. Another general question relates to insurance. Each Zone Office has its own pattern of different kinds of insurance. In one case the insurance coverage was totally inadequate in respect of the risk involved. This particular problem has now been taken care of and Headquarters is giving further study to the question of insurance.
 - iv. I have discussed with the Chief of the Division of Administration of the Bureau findings of minor importance regarding the Zone Offices, and they will be taken care of.
 - v. Generally, I have a good impression of the administrative activities of the different Zone Offices, the Centers and the Institute. Indeed, some of them were very good and effective in handling administrative matters.
4. The Director has presented the accounts for 1958 in different form to that of the preceding years. The new presentation, in my opinion, is a definite improvement for the following reasons:
- i. With the progressive increase in number and complexity of funds administered by the Organization, it has become necessary to review and revise the presentation of the accounts.
 - ii. The real financial situation of the Organization can be more readily understood and judged.
 - iii. The new presentation gives a better view of the transactions during the year.

- iv. Most of the members of the Pan American Health Organization are also members of the World Health Organization. As the presentation of the accounts of the two organizations now is comparable as far as practicable, it will be easier for the delegates to judge the situation of the Pan American Health Organization, as they are accustomed to the presentation of the accounts of the World Health Organization.

Budgetary Expenditures

5. Against the total appropriated budget of \$3,000,000 an amount of \$2,823,474 has been expended, leaving an unobligated balance of \$176,526. In the year 1957, the corresponding unobligated figure was \$34,667. In that year however, there was a cash surplus, whereas in 1958 the Organization suffered a deficit. Taking into account that the financial resources were inadequate in 1958, the Organization prudently reduced expenditures.
6. The budgetary expenditures for 1958 compared with those of the year 1957 were as follows:

	<u>1957</u>		<u>1958</u>	
	Thousands	%	Thousands	%
	\$		\$	
I Pan American Health Organization	161	7	201	7
II Pan American Sanitary Bureau - Headquarters	1,116	47	1,250	44
III Pan American Sanitary Bureau - Field and Other Programs	1,088	46	1,372	49
Total	2,365	100	2,823	100

The increase in amount of the Headquarters related mainly to statutory staff costs. However, the percentage which Headquarters bears to the total budget has gone down during 1958.

Budgetary Income

7. Revenues during 1958, compared with those of 1957, were as follows:

	<u>1957</u>	<u>1958</u>
Gross income budget	\$2,400,000	\$3,000,000
Contributions for the current year collected from Member States	2,034,801	2,269,380
Arrears of contributions collected from Member States	354,497	242,167
Contributions on behalf of the territories of France, the Netherlands and the United Kingdom	28,340	20,714
3% Procurement charges	33,754	9,093
Interest earned	44,121	21,717
Unused budgetary provisions for previous years	10,436	2,002
Other income	9,605	7,422
	<hr/>	<hr/>
Total budgetary income	\$2,515,554	\$2,572,495
Percentage of income budget	104.81%	85.75%

8. The collected contributions for the year 1958 was 78.25 per cent of the assessed contributions, which was the lowest percentage in the 1950's. The corresponding figure for collections in 1957 was 88.47 per cent.

As the biggest contributor pays 66 per cent of the assessed contributions, the collection of contributions during 1958 indicates that of the remaining 34 per cent relating to all of the other Member States, only some 12 per cent have been collected, viz., approximately one-third of the assessments for their countries.

9. It is obvious that the present situation, involving delayed collections of contributions cannot continue without putting the Organization in such a financial position as to seriously hamper the fulfillment of its aims.

An analysis of the collections of the contributions during the last 8 years reveals the following difficulties with which the Member States have been faced:

- i. The budget estimates of the national budget have been established at such a time that the future amount of the contributions to the Organization was not known, and hence, the old contribution was taken as an estimate, thus leaving a balance in arrears of the difference between the current and the previous year's assessment.

A solution to this problem might be that the Council make a long-term estimate of the development of the activities of the Organization, thus giving an indication of the contributions expected to be borne by the different Member States.

- ii. Some Member States are constantly one year in arrears, probably because the expected appropriation for contribution to the Organization has been introduced in their respective budgets too late to be paid in the year of assessment.

The only means of solving this problem is for the countries to provide in one year for an appropriation in their national budget to cover two year's contributions, so as to pay both the past and current assessment at one time.

- iii. Shortage of U.S. Dollars is a continuing problem with some Member States. I have discussed this with the Director with a view to analyzing the situation in each country and seeking a solution which will safeguard the financial status of the Organization.

10. Uncollected arrears of contributions as at 31 December 1958 amounted to \$864,728, as can be seen from the following table:

	<u>1957</u>	<u>1958</u>
Unpaid balance of arrears of contributions as at 1 January	\$565,573	\$476,275
Arrears collected during year	354,497	242,167
	<hr/>	
Balance of arrears	211,076	234,108
Add: Uncollected arrears for current year	265,199	630,620
	<hr/>	
Unpaid balance of contributions for current and previous years as at 31 December	\$476,275	\$864,728 ^{1/}
	<hr/>	

The table shows that the amount of outstanding arrears nearly doubled during 1958 and that the final situation with the arrears deteriorated. I refer to my statements in paragraph 9.iii.

11. Of the outstanding contributions, the following Member States are more than two years in arrears, viz:

Bolivia - 9 years:	an amount of \$69,669
Uruguay - 5 years:	an amount of \$117,310
Peru - 3 years:	an amount of \$55,969

12. During 1958 the income from the 3% procurement charges decreased by \$37,962. The decrease in purchases on behalf of government administrations and public institutions from \$1,568,500 in 1957 to \$303,100 in 1958 explains the difference. The following table indicates the movement of purchases in 1957 and 1958:

^{1/} At the time of issue of this report a sum of \$297,392 had been collected.

	<u>1957</u>	<u>1958</u>
Purchases on behalf of government administrations and public institutions	\$1,568,500	\$303,100
Employees, etc.	32,001	11,950
Shipment, freight, and insurance costs, etc.	112,820	33,466
3% Procurement charges	47,055 ^{1/}	9,093
	<hr/>	
Total	\$1,760,376	\$357,609

Procurement charges are made only on purchases for government administrations and public institutions and only on the net purchase price, excluding freight, loading, insurance cost, etc. Procurement in connection with the field activities or of the Organization itself, or on behalf of the World Health Organization are not included in the above table.

Cash Deficit

13. In 1958 there was a cash deficit (i.e. the difference between the obligations incurred and the budgetary income in cash in respect of the financial year 1958) amounting to \$250,979. This deficit was covered by withdrawal from the Working Capital Fund. This amount was repaid in February 1959 when additional 1958 contributions were received.

In 1957 there was a cash surplus of \$150,221.

Working Capital Fund

14. In my reports on the audit of the accounts for the years 1956 and 1957 I have dealt with the financial situation of the Organization with particular regard to the actual size of the Working Capital Fund. So far, my recommendations have borne very limited results. Now, when the financial situation is worse than ever, I deem it necessary to mention the matter again.

^{1/} This gross amount was reduced by \$13,301, resulting in net income of \$33,754, as explained in my report for the year 1957 -reference paragraph 12.

There are three possibilities to meet the cash demands of the Organization:

- i. Earlier timing of and better collection of contributions;
- ii. Introducing in the budget during subsequent years a new appropriation in order to increase the Working Capital Fund;
- iii. Authorizing the Director to borrow funds on a permanent basis, in accordance with Article VI, paragraph 6.9 of the Financial Regulations.

Since neither of the first two possibilities would provide an immediate solution, the Organization probably will have to borrow for temporary periods, in accordance with Article VI, paragraph 6.9 of the Financial Regulations, until the cash situation has improved. The possibility under iii, above, is not recommended.

Other Matters

15. Repatriation and Service Benefit Grants - The staff rules adopted by resolution CE13/R XIV established that a "repatriation grant" is payable under certain conditions to staff members serving at official stations outside their home countries. The provision for this long-term obligation appeared on the year-end statements in 1956 and in 1957 under Trust Funds as "Accrued Repatriation Entitlements".

In 1958, as a result of the adoption of amendments to the staff rules, certain short-term staff members became entitled to a Service Benefit upon termination. To account for this benefit a Service Benefit fund was established, which is built up monthly on the basis of the current salaries.

The "Repatriation Grant" fund and the "Service Benefit" fund are therefore shown as parallel items on the Statement of Assets and Liabilities.

No change was made in the "Repatriation Grant" fund during 1958, due to the fact that consideration was being given to its liquidation. Introduction of the "Service Benefit" fund has changed the situation. If the "Repatriation Grant" fund is to be maintained, it should be gradually increased to reflect the Organization's complete liability.

16. Inventory - There is very little change to report from the inventory status in the previous year. Some office furniture and reproduction equipment were purchased in 1958. On the other hand, one car and some old typewriters have been disposed of. The net result is a decrease of some \$1,150 in the value of the inventory, which now stands at \$173,624.

17. Institute of Nutrition of Central America and Panama - When I visited the Institute I looked into the staff Provident Fund of the Institute. The rules governing this Fund were adopted by the VI Meeting of the Council. Paragraph 5.1 of these rules reads as follows:

"Funds deposited by INCAP and its staff members to the credit of the Staff Provident Fund of INCAP shall be maintained under the custody of the Pan American Sanitary Bureau and shall bear no interest."

As a provident fund, owned by its participants, the INCAP Provident Fund should be invested and the interest earned distributed to the credit of said participants, instead of being credited to the Contingency Reserve Fund. It is understood that this matter will be taken up at the next meeting of the Council.

18. In accordance with a decision by the VIII Meeting of the Council the Director utilized \$2,500 from the Contingency Reserve Fund in 1956 in order to obtain the necessary water supply. The remaining amount of \$500 was charged to the budget of the Institute. These water titles, with a cost price of \$3,000 have now a market value much superior to the cost price. The approximate value of the titles has been included as a footnote on the Statement of Assets and Liabilities in 1958.
19. Zoonoses Center - Under the heading "Trust Funds" in the Statement of Assets and Liabilities (Exhibit III) is included a balance of \$21,906, see Schedule 5, Status of Trust Funds as at 31 December 1958. This balance represents only grants received from the Government of Argentina. However, I will point out that, as a result of my visit to the Center, I found that the agreement in force stipulates that the Government shall contribute a sum to be fixed by mutual agreement each year. This sum shall be fixed on the basis of the budget presented by the Pan American Health Organization and the World Health Organization to the Government.

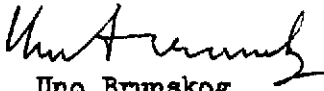
At the end of 1958 the situation was as follows:

	Arg.\$	Arg.\$
Budget accorded for 1957		3,000,000
Contributions paid in 1957	1,095,000	
Contributions paid in 1958 in respect of 1957 budget	1,750,000	2,845,000
Arrears relating to 1957		155,000
Budget accorded for 1958		<u>3,000,000</u>
Contributions and arrears not collected as at 31 December 1958		3,155,000

I have been informed that negotiations are going on in order to settle the balance due.

* * * * *

20. The audit was facilitated by the officers of the Bureau, and I am pleased to state that the necessary help was given in the most obliging manner, for which I express my appreciation.


Uno Brunskog
External Auditor

Washington, D.C.
10 April 1959