

UN-Secretariat matters A-S: UN-Secretariat matters A-S - 22

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U.N. Secretariat matters 1953

Joint Staff Pension Fund

Watson Sellar - report of the Board of Auditors
- to D.H., 9 April 1953

L 179:92

#57
Hammann-Kyoto

UNITED NATIONS



NATIONS UNIES

New York,
9 April 1953.

Letter to Mr. Little et al. sent
forward. N.S.

Dear Sir:

The Regulations of the General Assembly applicable to the United Nations Joint Staff Pension Fund now provide that a copy of the report of the Board of Auditors be included in the annual report of the Joint Staff Pension Board. Consequently, the copy now attached is solely for information purposes.

Yours sincerely,

Watson Sellar
Watson Sellar,
for Board of Auditors.

The Secretary-General of the United Nations.

REPORT OF THE BOARD OF AUDITORS TO THE

UNITED NATIONS JOINT STAFF PENSION BOARD

1. In accordance with the provisions of Article XXXIX of the United Nations Joint Staff Pension Fund Regulations, an examination was made of the accounts to the extent considered necessary in order to certify the Statement of Assets and Liabilities as at 31 December 1952 and associated Statement of Income and Expenditure. The certificate given is subject to the following observation:

The Assets item of \$207,105 for contributions receivable does not include \$62,276 payable by the Food and Agriculture Organization on account of December 1952 contributions. The Administrative Rules stipulate that:

9.4 (a) Each participating organization shall forward within fourteen days after the end of each month a statement showing:

- (i) Total contributions deducted from the salaries of participants paid during that month;
- (ii) Total contributions payable by the participating organization corresponding to the participants' contributions.

(b) Together with this statement the participating organization shall forward a cheque covering the contributions as in (i) and (ii) of paragraph 9.4 (a) above.

The \$62,276 has since been received.

2. Article XXV of the Regulations provides that

the investment of the assets of the Fund shall be decided upon by the Secretary-General of the United Nations, after consultation with an Investments Committee and after having heard any observations or suggestions by the Joint Staff Pension Board concerning the investments policy.

During 1952 it was decided that up to 5 per centum of the monthly income might be invested in shares of certain categories of corporations. As at 31 December 1952, such investments had a book value of \$924,369.

When the Joint Staff Pension Board prepares its next financial statements, it is suggested that consideration be given to using two schedules; one giving face, cost and current market values of investments in bonds and debentures, and the other the cost and current market value of shares. It is believed the financial statements would thereby be more informative. To illustrate, the present Statement of Assets lists the total of investments as being \$28,730,196, with a market value, as at 31 December 1952, of \$28,054,824. The present style of presentation does not disclose that the \$675,372 difference is due to the fact that the market value of bonds and debentures as at that date was \$720,915 less than cost, while, on the other hand, shares had a market value of \$45,543 in excess of cost.

3. The Board of Auditors was provided with all information required for the purposes of the audit, and the co-operation

3.

extended by the Secretary and his staff is acknowledged with appreciation.

Lawrence Sella..... Canada

Vanne Varaniss..... Colombia

Olaf Henck..... Denmark

9 April 1953.

UNITED NATIONS JOINT STAFF PENSION FUND

Statement of Assets and Liabilities as at 31 December 1952Assets

Cash at bank, and on hand	\$ 73,687
Contributions receivable	207,105
Interest accrued on investments	145,120
Investments at cost, adjusted for amortization of premiums and discounts per Schedule "A" (market value: \$28,054,824)	<u>28,730,196</u>
	<u>\$29,156,108</u>

Liabilities and principal of Fund

Sundry creditors	\$ 2,142
Principal of Fund:	
Balance as at 1 January 1952	\$21,323,440
Add: Excess of income over expenditure for the year ended 31 December 1952	<u>7,830,526</u>
	<u>\$29,153,966</u>
	<u>\$29,156,108</u>

Certified correct.

(Signed) Bannerman Clark

Secretary.

Approved:

(Signed) Marc Schreiber

(Signed) H.C. Andersen

Audit Certificate

The above Statement of Assets and Liabilities of the United Nations Joint Staff Pension Fund has been examined in accordance with our directions. We have obtained all the information and explanations that we have required, and we certify, as a result of the audit, that, in our opinion, the above statement and the related Statement of Income and Expenditure are correct.

Dorothy Selman Canada
Amir Aramilev Colombia
Olaf F. Rasmussen Denmark

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UNITED NATIONS JOINT STAFF PENSION FUND

STATEMENT OF ASSETS AND LIABILITIES
AS AT 31 DECEMBER 1952

Secretary's note:

The Board of Auditors of the United Nations has not yet signed the attached statement as that Board will not meet until 8 April in New York. It is expected that the statement duly signed by the Board of Auditors will reach the Chairman of the Joint Staff Pension Board during the session in Rome.

Bannerman Clark,
Secretary

53-07178

UNITED NATIONS JOINT STAFF PENSION FUND

Statement of Income and Expenditure for the year ended 31 December 1952

Income

Contributions by staff members of participating organizations:

Regular 7 per cent of pensionable remuneration \$2,522,590

Voluntary contributions for purchase of additional benefits 119,653

Voluntary contributions to make past service pensionable 80,018

Transfers from Provident Funds 411

\$2,722,672

Contributions by participating organizations:

Regular 14 per cent of pensionable remuneration \$4,990,255

Contributions to make past service pensionable 160,036

Payment to complement staff members' balances transferred from Provident Funds 308

\$5,150,599

Income from investments, etc.

\$ 683,988

\$8,557,259

Expenditure

Benefits paid:

Withdrawal \$634,744

Retirement 58,591

Disability 8,772

Widows and designated beneficiaries 16,128

Children and orphans 8,498

\$726,733

Excess of income over expenditure \$7,830,526

Note: Administrative expenses are borne by the United Nations, in accordance with Article 27 of the Regulations for the Fund approved by the General Assembly.

SCHEDULE A

UNITED NATIONS JOINT STAFF PENSION FUND

Investments as at 31 December 1952

United States Dollars - Bond Section

	<u>Rate</u>	<u>Maturity</u>	<u>Cost</u>
United States of America Government Bonds			
United States of America Savings Bonds			
Registered Series F, dated 1 Nov. 1946		1 Nov. 1958	\$ 116,728.13
United States of America Savings Bonds			
Registered Series F, dated 1 Jan. 1947		1 Jan. 1959	116,238.98
United States of America Savings Bonds			
Registered Series F, dated 1 Dec. 1947		1 Dec. 1959	113,597.10
United States of America Savings Bonds			
Registered Series F, dated 1 Apr. 1948		1 Apr. 1960	225,303.77
United States of America Savings Bonds			
Registered Series F, dated 1 July 1948		1 July 1960	1,602,360.11
United States of America Savings Bonds			
Registered Series F, dated 1 Jan. 1949		1 Jan. 1961	110,549.54
United States of America Savings Bonds			
Registered Series F, dated 1 Jan. 1950		1 Jan. 1962	107,810.15
United States of America Savings Bonds			
Registered Series F, dated 1 Apr. 1950		1 Apr. 1962	107,138.05
United States of America Savings Bonds			
Registered Series F, dated 1 Oct. 1950		1 Oct. 1962	1,058,101.08
United States of America Savings Bonds			
Registered Series F, dated 1 Jan. 1951		1 Jan. 1963	105,138.60
United States of America Savings Bonds			
Registered Series F, dated 1 Jan. 1952		1 Jan. 1964	102,533.25
United States of America Treasury Bonds			
of 1959/62	2 1/4%	15 June 1962	703,404.19
United States of America Treasury Bonds			
of 1962/67	2 1/2%	15 June 1967	995,174.46
United States of America Treasury Bonds			
of 1963/68	2 1/2%	15 Dec. 1968	989,574.01
United States of America Treasury Bonds			
of 1964/69	2 1/2%	15 June 1969	1,249,148.76
United States of America Treasury Bonds			
of 1965/70	2 1/2%	15 Mar. 1970	1,182,324.17
United States of America Treasury Bonds			
of 1966/71	2 1/2%	15 Mar. 1971	1,189,341.19
United States of America Treasury Bonds			
of 1967/72	2 1/2%	15 Dec. 1972	1,073,114.79
United States of America Treasury Bonds			
Registered Investment B-1975/80	2 3/4%	1 Apr. 1980	1,009,445.13
Total Government Bonds			\$ 12,157,025.46

Public Utility Bonds	Rate	Maturity	Cost
American Telephone and Telegraph Company Convertible Debenture	2 3/4%	15 Dec. 1961	\$ 206,783.32
American Telephone and Telegraph Company Debenture	2 3/4%	1 Oct. 1975	95,230.93
Atlantic City Electric Company First Mortgage, Series A	2 7/8%	1 Nov. 1980	255,221.23
Boston Edison Company First Mortgage, Series A	2 3/4%	1 Dec. 1970	120,794.40
Buffalo Niagara Electric Corporation First Mortgage	2 3/4%	1 Nov. 1975	250,617.01
Cincinnati Gas and Electric Company First Mortgage	2 3/4%	1 Oct. 1975	147,739.63
Cleveland Electric Illuminating Company First Mortgage	3 %	1 July 1970	145,691.91
Commonwealth Edison Company First Mortgage, Series L	3 %	1 Feb. 1977	205,012.81
Commonwealth Edison Company First Mortgage, Series N	3 %	1 June 1978	157,060.81
Consolidated Edison Company of New York Incorporated First and Refunding Mortgage, Series C	2 3/4%	1 June 1972	249,240.50
Consolidated Natural Gas Company Debenture	2 3/4%	1 Apr. 1968	217,201.18
Consolidated Natural Gas Company Debenture	3 1/4%	1 May 1976	152,098.89
Consumers Power Company First Mortgage	2 7/8%	1 Sept. 1975	351,545.20
Delaware Power and Light Company First Mortgage and Collateral Trust	2 7/8%	1 July 1979	258,546.07
Detroit Edison Company General and Refunding Mortgage, Series H	3 %	1 Dec. 1970	253,327.84
Duke Power Company First and Refunding Mortgage	2 7/8%	1 Feb. 1979	290,982.77
Duquesne Light Company First Mortgage	3 1/4%	1 Sept. 1982	153,564.83
Gulf States Utilities Company First Mortgage	3 3/8%	1 Nov. 1981	306,881.51
Illinois Bell Telephone Company First Mortgage, Series B	3 %	1 June 1978	137,272.74
Niagara Mohawk Power Corporation General Mortgage	3 3/8%	1 Dec. 1981	305,218.30
Northern States Power Company First Mortgage	2 3/4%	1 Oct. 1975	253,147.66
Ohio Power Company First Mortgage	3 1/4%	1 Oct. 1968	311,902.27
Pacific Gas and Electric Company First and Refunding Mortgage, Series L	3 %	1 June 1974	258,142.17
Pacific Telephone and Telegraph Company Debenture	3 1/4%	1 Mar. 1978	137,987.90
Philadelphia Electric Company First and Refunding Mortgage	2 3/4%	1 Nov. 1967	389,543.10

	Rate	Maturity	Cost
Public Utility Bonds (cont'd)			
Public Service Electric and Gas Company First and Refunding Mortgage	3 1/4%	1 July 1968	\$ 11,560.79
Public Service Electric and Gas Company First and Refunding Mortgage	2 3/4%	1 May 1980	233,354.34
Southern California Edison Company Limited First and Refunding Mortgage	3 %	1 Sept. 1965	409,515.71
Tampa Electric Company First Mortgage	2 5/8%	1 Aug. 1976	246,841.95
Virginia Electric and Power Company First and Refunding Mortgage, Series E	2 3/4%	1 Mar. 1975	126,449.98
Virginia Electric and Power Company First and Refunding Mortgage, Series J	3 1/4%	1 Oct. 1982	203,060.62
Total Public Utilities			\$ 6,841,538.37

Railroad Bonds

Chesapeake and Ohio Railway Company Equipment Trust of 1951	2 1/2%	1 Aug. 1963	74,158.62
Chesapeake and Ohio Railway Company Fourth Equipment Trust of 1950 Guaranteed	2 1/2%	15 May 1965	24,616.62
Chesapeake and Ohio Railway Company Equipment Trust of 1951	2 1/2%	1 Aug. 1965	9,820.46
Chesapeake and Ohio Railway Company Fourth Equipment Trust of 1950 Guaranteed	2 1/2%	15 Nov. 1965	98,414.57
Chesapeake and Ohio Railway Company Equipment Trust of 1951	2 1/2%	1 Feb. 1966	39,249.54
Chicago Union Station Company First Mortgage, Series F Guaranteed	3 1/8%	1 July 1963	270,794.62
Cincinnati Union Terminal Company Guaranteed First Mortgage, Series G	2 3/4%	1 Aug. 1974	397,911.15
Erie Railroad Company Equipment Trust of 1950 dated 15 July 1950, Guaranteed	2 3/8%	15 Jan. 1964	73,265.35
Erie Railroad Company Equipment Trust of 1950 dated 15 July 1950, Guaranteed	2 3/8%	15 July 1964	73,198.02
Great Northern Railway Equipment Trust Certificates of 1950, Guaranteed	2 3/8%	1 Feb. 1965	146,248.37
Kansas City Terminal Railway Company First Mortgage	2 3/4%	1 Oct. 1974	51,410.27
Monongahela Railway Company, Guaranteed First Mortgage, Series B	3 1/4%	1 Feb. 1966	72,830.73
Union Pacific Railroad Company Debenture	2 7/8%	1 Feb. 1976	365,141.26
United New Jersey Railroad and Canal Company General Mortgage Guaranteed	2 3/4%	1 Mar. 1976	195,843.44

Total Railroads \$ 1,882,903.02

Industrial Bonds

	Rate	Maturity	Cost
Aluminum Company of America Debenture	3 1/8%	1 Feb. 1964	\$ 403,163.26
Atlantic Refining Company Debenture	2 5/8%	15 Jan. 1966	503,332.29
Borden Company Debenture	2 7/8%	1 Mar. 1981	456,961.92
Caterpillar Tractor Company Debenture	2 %	1 May 1956	145,942.93
Deere and Company Debenture	3 1/8%	1 July 1977	446,578.82
General Foods Corporation Debenture	3 3/8%	1 July 1976	100,000.00
Inland Steel Company First Mortgage, Series I	3.20 %	1 Mar. 1982	257,101.22
Interstate Oil Pipe Line Company Debenture, Series A	3 1/8%	1 Mar. 1977	424,326.10
National Dairy Products Corporation Debenture	3 1/8%	1 June 1976	249,414.11
National Steel Corporation First Mortgage	3 1/8%	1 May 1982	474,145.71
Pittsburgh Plate Glass Company Debenture	3 %	1 Apr. 1967	155,278.51
Quaker Oats Company Debenture	2 5/8%	1 July 1964	59,989.29
Service Pipe Line Company Debenture	3.20 %	1 Apr. 1982	425,371.58
Shell Union Oil Corporation Debenture	2 1/2%	1 Apr. 1971	151,020.90
Socony Vacuum Oil Company Incorporated Debenture	2 1/2%	1 June 1976	387,602.45
Standard Oil Company of New Jersey Debenture	2 3/8%	15 May 1971	475,958.70
Texas Corporation Debenture	3 %	15 May 1965	361,297.71
Total Industrial Bonds			\$ 5,477,485.50

Canadian Government Bonds

Canada, Government of

International Bank for Reconstruction and Development

International Bank for Reconstruction and Development	3 3/8%	15 May 1975	49,694.80
International Bank for Reconstruction and Development	3 %	1 Mar. 1976	125,000.00
International Bank for Reconstruction and Development	3 1/4%	1 Oct. 1981	100,000.00
Total International Bank for Reconstruction and Development			\$ 274,694.80

TOTAL UNITED STATES DOLLARS - BOND SECTION \$27,069,461.07

United States Dollars - Stock Section

Cost

Public Utilities

American Gas and Electric Company	\$ 37,148.46
Cincinnati Gas and Electric Company	11,738.25
Cleveland Electric Illuminating Company	10,524.97
Middle South Utilities, Incorporated	38,314.89
American Natural Gas Company	12,853.76
Peoples Gas Light and Coke Company	53,932.78
United Gas Corporation	17,119.87

Total Public Utilities \$ 181,632.98

Consumer Goods

National Dairy Products Corporation	16,669.58
American Can Company	40,395.40
Federated Department Stores, Incorporated	40,161.40
J.C. Penny Company	34,501.84
Sears, Roebuck and Company	40,910.20

Total Consumer Goods \$ 172,638.42

Semi-Capital

E.I. du Pont de Nemours and Company	36,152.52
Eastman Kodak Company	35,731.00
Union Carbide and Carbon Corporation	46,290.58
Continental Oil Company	37,630.95
Phillips Petroleum Company	35,065.89
Standard Oil Company of Indiana	47,453.26
Standard Oil Company of New Jersey	38,947.22

Total Semi-Capital \$ 277,271.42

Capital

General Electric Company	38,406.72
Ingersoll-Rand Company	27,805.70
Westinghouse Electric Corporation	42,125.69
Johns-Manville Corporation	30,284.15
Kennecott Copper Corporation	38,405.74
Phelps Dodge Corporation	37,398.09

Total Capital \$ 214,426.09

Financial

	<u>Cost</u>
Chase National Bank, New York	\$ 41,650.00
National City Bank of New York	36,750.00
Total Financial	\$ 78,400.00
TOTAL UNITED STATES DOLLARS - STOCK SECTION	\$ 924,368.91

Canadian Dollars - Bond Section

Canadian Government Bonds

	<u>Rate</u>	<u>Maturity</u>	<u>Cost</u>
Canada, Dominion of, Bonds of 1954/57, Fourth Victory Loan, Series L4	3	% 1 May 1957	\$ 119,248.37
Canada, Dominion of, Bonds of 1956/59, Fifth Victory Loan, Series L7	3	% 1 Jan. 1959	118,531.20
Canada, Dominion of, Bonds of 1957/60, Sixth Victory Loan, Series L9	3	% 1 June 1960	117,981.94
Canada, Dominion of, Bonds of 1959/62, Seventh Victory Loan, Series P3	3	% 1 Feb. 1962	121,431.64
Canada, Dominion of, Bonds of 1959/63, Eighth Victory Loan, Series P5	3	% 1 Oct. 1963	125,565.30
Canada, Dominion of, Bonds of 1961/66, Ninth Victory Loan, Series P7	3	% 1 Sept. 1966	123,607.70
Total Canadian Government Bonds			\$ 726,366.15

International Bank for Reconstruction and
Development

International Bank for Reconstruction and Development	4	% 1 Feb. 1962	\$ 10,000.00
TOTAL CANADIAN DOLLARS - BOND SECTION			\$ 736,366.15

GRAND TOTAL	\$ 28,730,196.13
