

Distr.  
GENERAL

IDB.21/9  
PBC.15/9  
12 March 1999

United Nations Industrial Development Organization

ORIGINAL: ENGLISH

## **Industrial Development Board**

Twenty-first session  
Vienna, 23-25 June 1999

## **Programme and Budget Committee**

Fifteenth session  
Vienna, 14-16 April 1999  
Item 3 (a) of the provisional agenda

# **INTERIM FINANCIAL PERFORMANCE REPORT AND PROGRAMME PERFORMANCE REPORT FOR THE BIENNIUM 1998-1999**

**Interim financial performance report for the biennium 1998-1999**

Submitted by the Director-General

### **Summary**

Itemizes the utilization of financial resources during the period 1 January-31 December 1998 in accordance with Programme and Budget Committee conclusion 1987/19.

CONTENTS

	<i>Paragraphs</i>	<i>Page</i>
Introduction .....	1 - 2	3
I. FINANCIAL STATEMENTS FOR THE 12-MONTH PERIOD OF THE BIENNIUM 1998-1999 ENDED 31 DECEMBER 1998 .....		3
Statement I      Statement of income and expenditure and changes in reserves and fund balances for the biennium 1998-1999 as at 31 December 1998 .....		4
Statement II     Statement of assets, liabilities, and reserves and fund balances as at 31 December 1998 .....		5
Schedule 2.1     Status of assessed contributions to the regular budget as at 31 December 1998 .....		6
Schedule 2.2     Status of advances to the Working Capital Fund as at 31 December 1998 .....		15
Schedule 2.3     UNIDF/IDF statement of pledges and receipts, as at 31 December 1998 .....		22
Statement III    General Fund and Working Capital Fund: Statement of cash flow for the biennium 1998-1999 as at 31 December 1998 .....		26
Statement IV     General Fund: Status of appropriations by major programme for the biennium 1998-1999 as at 31 December 1998 .....		27
Schedule 4.1     General Fund: Status of appropriations by major object of expenditure for the biennium 1998-1999 as at 31 December 1998 .....		28
II. NOTES TO THE FINANCIAL STATEMENTS .....		29
<i>Annexes</i>		
I. Self-liquidating commercial activities: VIC Catering Services .....		41
II. Technical cooperation activities executed by UNIDO .....		42
Table 1:          Combined statement of income and expenditure and changes in reserves and fund balances for the year ended 31 December 1998 .....		42
Table 2:          Combined statement of assets, liabilities, and reserves and fund balances as at 31 December 1998 .....		43
Table 3:          Summary of transactions on sub-accounts of the Industrial Development Fund for the year ended 31 December 1998 .....		44
Table 4:          Summary of technical cooperation activities financed by trust funds for the year ended 31 December 1998 .....		46
Table 5:          Summary of technical cooperation activities for the year ended 31 December 1998 financed under inter-organization agreements .....		49
III. Operating funds. UNDP and UNDP trust funds .....		50

## **Introduction**

1. In its conclusion 1987/19, paragraph (j), the Programme and Budget Committee requested the Director-General to submit each year to the Industrial Development Board through the Committee a clear and detailed financial performance report itemizing the utilization of financial resources.
2. The present interim financial report covers the period 1 January-31 December 1998 and is based on the appropriations contained in the programme and budgets, 1998-1999, as adopted by the General Conference at its seventh session (decision GC.7/Dec.16).

## **I. FINANCIAL STATEMENTS FOR THE 12-MONTH PERIOD OF THE BIENNIUM 1998-1999 ENDED 31 DECEMBER 1998**

### **Certification of financial statements**

#### **Director-General's responsibility**

The Director-General of the United Nations Industrial Development Organization is responsible for the preparation and integrity of the financial statements. These statements have been prepared in accordance with the common accounting standards of the United Nations organizations and necessarily include some amounts that are based on management's best estimates and judgement. Financial information used elsewhere is consistent with that in the financial statements. Management considers that the statements present fairly the financial position of the Organization and of funds held in trust by it, the results of their operations and the changes in their financial position.

To fulfil its responsibility, the organization maintains systems of internal accounting controls, policies and procedures to ensure the reliability of financial information and the safeguarding of assets. The internal control systems and financial records are subject to reviews by the Office of Internal Oversight and the External Auditor during their respective audits.

The following appended financial statements, comprising Statements I to IV, relevant Schedules and supporting notes, were properly prepared in accordance with Article X of the Financial Regulations of UNIDO and the United Nations Common Accounting Standards and are hereby approved.

Carlos A. Magariños  
Director-General

Saburo Takizawa  
Officer-in-Charge  
Financial Services