

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

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28 August 1990

Limited distribution

DIRECTOR-GENERAL'S FINANCIAL REPORT ON THE
1989 ACCOUNTS OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE

and

REPORT OF THE EXTERNAL AUDITOR THEREON

DIRECTOR-GENERAL'S FINANCIAL REPORT ON THE
1989 ACCOUNTS OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE

1. The Director-General hereby submits his report on the accounts of the General Agreement on Tariffs and Trade for the financial year ended 31 December 1989. Since 1 January 1973 the annual accounts have been presented in Swiss francs.

GENERAL FUND

Income and Expenditure Account

(Statements 1 and 2)

(i) Expenditure

2. Appropriations for the financial year 1989 were approved at a level of Sw F 64,861,000. Subsequently, supplementary appropriations of Sw F 325,802 were approved (L/6668, paragraph 4). Total appropriations were thus increased to Sw F 65,186,802 to cover expenditure incurred in 1989 (Statement 1).

3. The supplementary appropriations of Sw F 325,802 resulted from unavoidable additional expenditure of Sw F 351,802, partially offset by the utilization of the unappropriated balance of Sw F 26,000 under the Trade Policy Review Mechanism. The unavoidable additional expenditure related to adjustments within the United Nations Common System with regard to salaries and contributions to the United Nations Joint Staff Pension Fund, and the additional expenditure which resulted from the decision that health insurance for GATT staff and retirees would be provided by the Caisse Maladie Suisse d'Entreprises with effect from 1 July 1989. The net over-expenditure of Sw F 325,802 was covered by a withdrawal from the Working Capital Fund (L/6668, paragraph 5).

4. The Council approved transfers of Sw F 1,135,630 (L/6668, paragraph 15) which were necessary in order to cover excess expenditure over approved appropriations incurred in Part II - Section 5 - Missions; Section 6 - Common staff costs; Section 8 - Printing; Section 10 - Permanent equipment; Part III - Section 12 - Trade Policy Training Courses; Part IV - Section 13 - Uruguay Round; and Part VI - Section 15 - Trade Policy Review Mechanism. This amount was covered by savings which occurred in Part I - Section 1 - Forty-fifth session of the CONTRACTING PARTIES, Section 2 - Meetings of the Council and other meetings; Part II - Section 4 - Dispute settlement panels; Section 7 - Common services; Section 9 - Representation and hospitality; and Part V - Section 14 - Contribution to the International Trade Centre UNCTAD/GATT.

5. In connection with the running of the Snack-Bar, subsidies in the form of free accommodation, electricity, heating, water supply, insurance premiums, etc., were charged to relevant budget items in 1989. In addition, expenditure of Sw F 8,662 was incurred for the purchase and maintenance of canteen equipment.

(ii) Income(a) Contributions

6. At the adoption of the income budget, 1989 contributions were assessed on contracting parties in the amount of Sw F 63,790,000. Collections as at 31 December 1989 in respect of 1989 contributions represented Sw F 60,953,018.

(b) Miscellaneous Income

7. For 1989, miscellaneous income amounted to Sw F 1,104,888 against an estimate of Sw F 1,071,000. The details, compared with those of 1988, are as follows:

| | <u>1988</u> <u>Sw F</u> | <u>1989</u> <u>Sw F</u> |
|---|----------------------------|----------------------------|
| Interest on investments | 200,954 | - |
| Sale of publications | 179,728 | 164,224 |
| Loss on exchange resulting from the difference between the UN accounting rate and the market rate | (51,006) | (79,581) |
| Savings on previous year's outstanding obligations | 4,796 | 79,323 |
| Refund of staff costs for staff employed at Centre William Rappard on behalf of other occupants | 681,905 | 736,179 |
| Rental of meeting rooms and office space at Centre William Rappard to others | 17,850 | 20,950 |
| Overhead on Trust Funds | 12,067 | 9,381 |
| Contributions from Observer countries | - | 19,000 |
| Others | <u>25,945</u> | <u>155,412</u> |
| | <u>1,072,239</u> | <u>1,104,888</u> |
| | ===== | ===== |

8. No provision was included for income on investments pursuant to the Council's approval (C/M/226) of the Budget Committee's recommendation (L/6384) to introduce a system to encourage payment of contributions whereby interest earned on the current year's contributions would be refunded to contracting parties on the basis of calculations which take account of the amount and date of payment. Schedule C shows the apportionment of the amount of Sw F 456,901 earned as interest in 1989. The apportioned amounts will be deducted from the relevant contracting parties' assessed contributions for 1991.

9. Other income for 1989 comprises the following:

| | <u>Sw F</u> |
|--------------------------------------|--------------|
| Current Account remuneration | 135,888 |
| Refund of prior year's expenditure | 10,828 |
| Work done for delegations and others | 2,073 |
| Various | <u>6,623</u> |
| | 155,412 |
| | ===== |

Surplus Account

(Statement 3)

(i) Debits

10. The advance of Sw F 272,065 which was made at 31 December 1988 was refunded to the Working Capital Fund. In accordance with the decision of the Council (L/6384 and C/M/226), Sw F 539,869 were assigned from receipts of contributions in arrears for 1987 and earlier in order to increase the level of the Working Capital Fund to Sw F 4 million. It was also necessary to increase the provision for all contracting parties' contributions in arrears by Sw F 847,396 to cover the increased level of such arrears at 31 December 1989. The excess of expenditure over income amounted to Sw F 291,914. Finally, Sw F 48 corresponding to irrecoverable debts were written off.

(ii) Credits

11. An amount of Sw F 1,721 was received in respect of a debt written-off at 31 December 1988. The 1989 accumulated deficit of Sw F 1,949,571 has been met by a transfer from the Working Capital Fund.

Statement of Assets and Liabilities

(Statement 4)

(i) Assets

(a) Cash

12. Cash in hand represented Sw F 5,000 at 31 December 1989.

(b) Contributions receivable from contracting parties

13. Contributions receivable from contracting parties amounted to Sw F 19,666,046 at 31 December 1989 as shown in Schedule B, compared with Sw F 18,818,650 at the end of 1988.

(c) Miscellaneous accounts receivable

14. Miscellaneous accounts receivable at 31 December 1989 totalled Sw F 1,153,614. This amount included outstanding invoices in respect of sales of publications and services totalling Sw F 184,633; education grants: Sw F 499,198; travel and subsistence allowances: Sw F 26,488; insurance premiums: Sw F 37,750; recoverable Swiss Federal taxes: Sw F 203,735; prepaid 1990 expenditures: Sw F 63,859; US taxes: Sw F 87,400 and miscellaneous items: Sw F 50,551.

(ii) Liabilities

(a) Miscellaneous accounts payable

15. Miscellaneous accounts payable at 31 December 1989 amounted to Sw F 47,470 and included the following: an advance payment from the United Nations: Sw F 19,979; telephone bills: Sw F 16,003; miscellaneous: Sw F 11,488.

(b) Interest to be distributed to contracting parties

16. Interest earned on investments which is to be distributed to contracting parties in the context of the Early Payment Encouragement Scheme amounted to Sw F 456,901 in 1989 (see paragraph 8).

(c) Contributions paid in advance

17. Advance receipts pertaining to 1990 assessments amounted to Sw F 1,765,600. Receipts from Observer countries in respect of 1990 were Sw F 2,000.

(d) Reserve for 1989 obligations outstanding as at 31 December 1989

18. The items contained in this reserve of Sw F 1,775,752 included the following: salaries and overtime: Sw F 53,663; missions: Sw F 35,040; travel and removal expenses of staff: Sw F 21,742; repatriation grants: Sw F 30,249; travel on home leave: Sw F 91,218; family allowances: Sw F 15,000; education grants: Sw F 38,652; joint services: Sw F 88,467; cables, telex and telephone communications: Sw F 22,400; electricity: Sw F 11,302; rental of offices: Sw F 61,081; telephone (rental): Sw F 32,765; insurance: Sw F 109,500; maintenance: Sw F 97,036; heating: Sw F 24,267; contractual cleaning: Sw F 41,112; postage: Sw F 105,672; stationery and office supplies: Sw F 12,913; reproduction: Sw F 73,475; electronic data processing: Sw F 448,892; printing: Sw F 173,655; permanent equipment: Sw F 22,065; other services: Sw F 131,019; miscellaneous: Sw F 34,567.

(e) Provision for losses and returns in respect of sales of publications

19. Irrecoverable debts in respect of publications amounting to Sw F 499 were written off in 1989 against this provision.

(f) Provision for contributions in arrears

20. Sw F 19,666,046 covered all contributions in arrears as at 31 December 1989.

(g) Trainees' accommodation fund

21. This Fund was created in 1982 by the Nordic countries to cover excess accommodation costs for participants in GATT Trade Policy Training Courses. The balance represented Sw F 43,421 as at 31 December 1989. The corresponding balance at 31 December 1988 was Sw F 50,634. Sw F 7,213 were used with the approval of the donors to cover the travel costs of delegates from developing countries to the Integrated Data Base Seminar which took place in Geneva in October 1989.

WORKING CAPITAL FUND

(Statement 5)

22. The principal of the Working Capital Fund stood at Sw F 4,182,397 at 31 December 1989. An amount of Sw F 539,869 was assigned from receipts of contributions in arrears to the Fund in order to increase it to Sw F 4 million (see paragraph 10). Sw F 2,649,143, of which Sw F 182,397 represented interest earned on investments in 1989, was held to the credit of GATT. Sw F 1,533,254 represented advances made by contracting parties and was held to their credit.

23. In addition, an amount of Sw F 54,546 resulting from the revised assessment in 1965 of advances to the Fund (L/2482) remained to the credit of governments' accounts.

24. Sw F 1,949,571 had been transferred from the Working Capital Fund to the General Fund to cover the 1989 deficit.

TRUST FUND FOR WORKSHOPS ON NEGOTIATION TECHNIQUES

(Statement 6)

25. Workshops on Negotiation Techniques have been organized for the 68th Trade Policy Training Course under the financial sponsorship of the Government of Switzerland. This workshop took place in September 1989. Payments totalling Sw F 5,500 have been incurred. An unexpended balance of Sw F 12,500 remained at 31 December 1989.

TRUST FUND FOR SEMINAR ON THE URUGUAY ROUND FOR ASEAN COUNTRIES

(Statement 7)

26. A seminar on the Uruguay Round for Asean countries was held in Jakarta in September 1988 under the financial sponsorship of the Kingdom of the Netherlands. Expenditure incurred for the seminar amounted to Sw F 62,511. An amount of Sw F 4,011 which was still owed to the GATT at 1 January 1989 has been covered by the donor country. Subsequently Sw F 64,500 were received from the Kingdom of the Netherlands for a seminar to be held in Jakarta in 1990. This sum thus remained unexpended at 31 December 1989.

TRUST FUND FOR SEMINARS ON THE URUGUAY ROUND FOR ESCAP COUNTRIES

(Statement 8)

27. A seminar on the Uruguay Round for ESCAP countries was held in Bangkok in March 1988 and a seminar workshop on the Integrated Data Base took place in June 1988 in Geneva. Both seminars were under the financial sponsorship of the European Community. An unexpended balance of Sw F 30,804 remained at 31 December 1989.

TRUST FUND FOR THE INDEPENDENT GROUP TO STUDY THE TRADING SYSTEM

(Statement 9)

28. This Group, the creation of which was announced at the Council Meeting on 22 November 1983, completed its task with the publication in March 1985 of a report published under the title "Trade Policies for a Better Future - Proposals for Action". Grants totalling Sw F 394,949 had been received at 31 December 1989. Moreover, for each copy of the report for which payment has been received, an amount of Sw F 3.50 corresponding to the printing costs has been credited to the Trust Fund. This corresponds to an additional income of Sw F 2,423 in 1989 for the Trust Fund. The difference between the sales price and Sw F 3.50 has been credited to the General Fund to compensate for the charges incurred by GATT regarding the handling of the report (mailing, postage, invoicing, etc.).

29. As at 31 December 1989 payments amounting to Sw F 399,244 and Sw F 7,358, representing interest on the sums advanced, had been credited to the General Fund. The balance still to be recovered amounts to Sw F 9,230.

TRUST FUND FOR SEMINAR ON GATT AND THE URUGUAY ROUND FOR
LEAST-DEVELOPED COUNTRIES

(Statement 10)

30. A Seminar on GATT and the Uruguay Round for least-developed countries was held in June 1989 in Bangkok, Thailand under the financial sponsorship

of the Government of Norway. Of the Sw F 49,500 received from the sponsoring Government, a balance of Sw F 1,643 remained at 31 December 1989.

TRUST FUND FOR SEMINAR ON THE URUGUAY ROUND
FOR LATIN AMERICAN COUNTRIES

(Statement 11)

31. A seminar on the Uruguay Round for Latin American countries was held in Bogota, Colombia in June 1989 under the financial sponsorship of the Federal Republic of Germany. An amount of Sw F 84,700 was received from this Government and interest on investments of Sw F 325 was earned. Expenditure was Sw F 85,025, leaving a nil balance under this trust fund.

NON-EXPENDABLE EQUIPMENT

32. The value at cost at the time of acquisition through the GATT budget of furniture, equipment (other than minor items) and vehicles still in use amounted to Sw F 5,952,826 at 31 December 1989, as noted on the Statement of Assets and Liabilities (Statement 4).

(Signed)

Arthur Dunkel
Director-General

(Signed)

E. von Holzen
Director
Administrative and Financial Division

REPORT OF THE EXTERNAL AUDITOR ON THE ACCOUNTS OF
THE GENERAL AGREEMENT ON TARIFFS AND TRADE
FOR THE YEAR ENDED 31 DECEMBER 1989

General

1. In accordance with decisions of the CONTRACTING PARTIES, the Financial Regulations and Rules of the United Nations are, as far as appropriate and for the time being, applied to the financial administration of the Secretariat to the General Agreement on Tariffs and Trade. The examination has been carried out in accordance with those regulations and rules and with the financial resolutions and decisions of the CONTRACTING PARTIES.

Outturn in 1989

2. Appropriations originally authorized by the CONTRACTING PARTIES for 1989 were Sw F 64,861,000 (Statement 1), to be financed by contributions of Sw F 63,790,000 and estimated miscellaneous income of Sw F 1,071,000.

3. The total expenditure in 1989 of Sw F 65,186,802 was Sw F 325,802 higher than the revised budgetary appropriation of Sw F 64,861,000 authorized by the CONTRACTING PARTIES. The excess of expenditure over income for 1989 totalling Sw F 291,914 (Statement 2), comprising excess budgetary expenditure of Sw F 325,802 and excess miscellaneous income of Sw F 33,888, was transferred to the Surplus Account (Statement 3).

4. As shown in Statement 3, the deficit at the end of the year 1989 amounted to Sw F 1,949,571. This was the result of repayment of Sw F 272,065 (1988 deficit) to the Working Capital Fund, of Sw F 539,869 to increase the principal of the Working Capital fund to Sw F 4 million, an increase in the provision for all contributions in arrears by Sw F 847,396, the excess of expenditure over income of Sw F 291,914, the writing-off of Sw F 48 and a receipt of Sw F 1,721 in respect of debts written off in 1988. As shown in Statement 5, this deficit was met by an advance from the Working Capital Fund.

Outstanding Contributions

5. Contributions outstanding at 31 December 1989 totalled Sw F 19,666,046. This was Sw F 847,396 (5 per cent) more than at 31 December 1988 and the provision for contributions in arrears (Statement 3) was increased to meet the new level of outstanding contributions.

Trust Fund for the Independent Group to Study the Trading System

6. At 31 December 1989, Sw F 9,230 was due to the General Fund from the Trust Fund for the Independent Group to Study the Trading System (Statements 4 and 9). In 1989, payments of Sw F 11,759 and income of Sw F 2,423 resulting from the sale of the report were received. No expenditures occurred in 1989 except Sw F 810 representing interest credited to the General Fund.

Losses and Returns of Publications

7. The provision for losses and returns in respect of sales of publications has been replenished by Sw F 4,708 including Sw F 499 for irrecoverable debts; Sw F 48 had been written off affecting the Surplus Account (Statement 3 and paragraphs 10 and 19 of the Director-General's report).

Supplies, Equipment and Stock Records

8. Test examinations of the supplies, equipment and stock records maintained by the Secretariat were carried out by the Auditor with generally satisfactory results.

9. I wish to record my appreciation of the willing co-operation given by the officers of the Secretariat during the examination.

(Signed)

Tassilo Broesigke
President of the Austrian Court of Audit

OPINION OF THE EXTERNAL AUDITOR ON THE ACCOUNTS OF THE
GENERAL AGREEMENT ON TARIFFS AND TRADE FOR THE FINANCIAL
YEAR ENDED 31 DECEMBER 1989

I have examined the appended Financial Statements, comprising Schedule A, B and C, Statements 1 to 11 and Annex, of the General Agreement on Tariffs and Trade for the year ended 31 December 1989. My examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as I considered necessary in the circumstances. As a result of the examination, I am of the opinion that these statements, which were prepared in conformity with the accounting policies described in the Annex applied on a basis consistent with that of the preceding financial period, present fairly the financial position of the General Agreement on Tariffs and Trade as at 31 December 1989. They properly reflect the financial transactions for the financial period, which transactions were in accordance with the applied Financial Regulations and Rules and legislative authority and with the financial resolutions and decisions of the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade.

(Signed)

Tassilo Broesigke
President of the Austrian Court of Audit

GENERAL AGREEMENT ON TARIFFS AND TRADE
Statement of Budgetary Expenditure 1989
(in Swiss francs)

| | <u>Original</u> appropriations (L/6408) | <u>Revised</u> appropriations (L/6522) | <u>Supplementary</u> appropriations (L/6668) | <u>Authorized</u> transfers (L/6668) | <u>Final</u> appropriations | <u>Expenditure</u> | <u>Balances</u> |
|--|---|--|--|--|--------------------------------|--------------------|-----------------|
| PART I - MEETINGS | | | | | | | |
| Section 1. Forty-fifth session of the CONTRACTING PARTIES | 13,000 | 13,000 | - | (6,870) | 6,130 | 6,130 | - |
| 2. Meetings of the Council and other meetings | <u>170,000</u> | <u>170,000</u> | - | <u>(1,834)</u> | <u>168,166</u> | <u>168,166</u> | - |
| TOTAL PART I | <u>183,000</u> | <u>183,000</u> | - | <u>(8,704)</u> | <u>174,296</u> | <u>174,296</u> | - |
| PART II - SECRETARIAT | | | | | | | |
| Section 3. Salaries | 32,184,000 | 32,184,000 | 200,729 | - | 32,384,729 | 32,384,729 | - |
| 4. Dispute settlement panels | 170,000 | 170,000 | - | (20,514) | 149,486 | 149,486 | - |
| 5. Missions | 386,000 | 386,000 | - | 45,143 | 431,143 | 431,143 | - |
| 6. Common staff costs | 8,585,000 | 8,585,000 | 151,073 | 603,583 | 9,339,656 | 9,339,656 | - |
| 7. Common services | 5,871,000 | 5,871,000 | - | (107,711) | 5,763,289 | 5,763,289 | - |
| 8. Printing | 450,000 | 450,000 | - | 57,682 | 507,682 | 507,682 | - |
| 9. Representation and hospitality | 145,000 | 145,000 | - | (11,110) | 133,890 | 133,890 | - |
| 10. Permanent equipment | 105,000 | 105,000 | - | 116 | 105,116 | 105,116 | - |
| 11. Contr. to a staff assistance fund | <u>20,000</u> | <u>20,000</u> | - | - | <u>20,000</u> | <u>20,000</u> | - |
| TOTAL PART II | <u>47,916,000</u> | <u>47,916,000</u> | <u>351,802</u> | <u>567,189</u> | <u>48,834,991</u> | <u>48,834,991</u> | - |
| PART III - TRADE POLICY TRAINING COURSES | | | | | | | |
| Section 12. Trade Policy Training Courses | 990,000 | 990,000 | - | 3,708 | 993,708 | 993,708 | - |
| PART IV - URUGUAY ROUND | | | | | | | |
| Section 13. Uruguay Round | 5,142,000 | 5,142,000 | - | 360,869 | 5,502,869 | 5,502,869 | - |
| PART V - INTERNATIONAL TRADE CENTRE UNCTAD/GATT | | | | | | | |
| Section 14. Contribution to the International Trade Centre UNCTAD/GATT | <u>10,130,000</u> | <u>10,130,000</u> | - | <u>(987,591)</u> | <u>9,142,409</u> | <u>9,142,409</u> | - |
| PART VI - TRADE POLICY REVIEW MECHANISM | | | | | | | |
| Section 15. Trade Policy Review Mechanism | 500,000 | 474,000 | - | 64,529 | 538,529 | 538,529 | - |
| Unappropriated Balance | - | <u>26,000</u> | <u>(26,000)</u> | - | - | - | - |
| GRAND TOTAL | <u>64,861,000</u> | <u>64,861,000</u> | <u>325,802</u> | <u>-</u> | <u>65,186,802</u> | <u>65,186,802</u> | - |
| (Signed) Arthur Dunkel Director-General | | | | | | | |
| (Signed) E. von Holzen Director Administrative and Financial Division | | | | | | | |

GENERAL AGREEMENT ON TARIFFS AND TRADEIncome and Expenditure Account for the year ended 31 December 1989
(in Swiss francs)

| <u>EXPENDITURE</u> | <u>INCOME</u> |
|---|-------------------|
| 1989 Expenditure (Statement 1) | 63,790,000 |
| 65,186,802 | |
| Contributions assessed on contracting parties | |
| Miscellaneous: | |
| Sale of publications | 164,224 |
| Loss on exchange | (79,581) |
| Savings on previous year's outstanding obligations | 79,323 |
| Refund of staff costs for staff employed at Centre William Rappard on behalf of other occupants | 736,179 |
| Overhead on Trust Funds | 9,381 |
| Rental of meeting rooms and office space at Centre William Rappard to others | 20,950 |
| Observers - document services | 19,000 |
| Others | <u>155,412</u> |
| Excess of expenditure over income | <u>291,914</u> |
| <u>65,186,802</u> | <u>65,186,802</u> |
| ===== | ===== |

(Signed)
Arthur Dunkel
Director-General

(Signed)
E. von Holzen
Director
Administrative and Financial Division

GENERAL AGREEMENT ON TARIFFS AND TRADE

Surplus Account for the year ended 31 December 1989
(in Swiss francs)

DEBITS

CREDITS

| | | | |
|---|-----------|--------------------------------------|------------------|
| Balance at 1 January 1989 | NIL | Receipt in respect of 1988 write-off | 1,721 |
| Repayment to Working Capital Fund | 272,065 | 1989 accumulated deficit | 1,949,571 |
| Contributions in arrears received and assigned to increase Working Capital Fund | 539,869 | | |
| Increase of provision for all contributions in arrears | 847,396 | | |
| Excess of expenditure over income | 291,914 | | |
| Write-off of irrecoverable invoices | <u>48</u> | | |
| | 1,951,292 | | <u>1,951,292</u> |

(Signed)
Arthur Dunkel
Director-General

(Signed)
E. von Holzen
Director
Administrative and Financial Division

GENERAL AGREEMENT ON TARIFFS AND TRADEStatement of Assets and Liabilities as at 31 December 1989GENERAL FUND
(in Swiss francs)ASSETSLIABILITIES

| | | | |
|---|-------------------|--|------------------|
| Cash in hand | 5,000 | Miscellaneous accounts payable | 47,470 |
| Cash at bank and postal cheques account | 2,801,616 | Balance available on Trust Funds: | |
| Investments (Schedule A) | 246,131 | Switzerland (Statement 6) | 12,500 |
| Contributions receivable from contracting parties (Schedule B) | 19,666,046 | The Netherlands (Statement 7) | 64,500 |
| Miscellaneous accounts receivable | 1,153,614 | The European Community (Statement 8) | 30,804 |
| | | Norway (Statement 10) | 1,643 |
| Balance due from Trust Fund for the Independent Group to Study the Trading System (Statement 9) | 9,230 | Interests to be distributed to contracting parties | 456,901 |
| 1989 Deficit covered by transfer from Working Capital Fund (Statement 3) | 1,949,571 | Contributions paid in advance | 1,765,600 |
| | | Observers - Advance payments | 2,000 |
| | | Reserve for 1989 obligations outstanding as at 31 December 1989 | 1,775,752 |
| | | Provision for losses or returns in respect of publications sales | 15,000 |
| | | Provision for contributions in arrears | 19,666,046 |
| | | Trainees' accommodation fund | 43,421 |
| | | Due to Working Capital Fund (Statement 5) | <u>1,949,571</u> |
| | <u>25,831,208</u> | | 25,831,208 |
| | ===== | | ===== |

Notes: 1) Furniture equipment and vehicles are charged to the budget at time of purchase; the value at cost of items still held at 31 December 1989 was Sw F 5,952,826.

2) Stocks of publications, for sale and free distribution, and other expendable stores were also held.

(Signed)
Arthur Dunkel
Director-General

(Signed)
E. von Hcizen
Director
Administrative and Financial Division

GENERAL AGREEMENT ON TARIFFS AND TRADE

Statement of Assets and Liabilities as at 31 December 1989

WORKING CAPITAL FUND
(in Swiss francs)

ASSETS

Investments (Schedule A) 2,255,132
Receivable from contracting parties 32,240
Advance to cover 1989 deficit 1,949,571

LIABILITIES

| | | |
|---|------------------------------|-----------|
| Principal of Fund: | | |
| Sums held to the credit of GATT | Balance as at 1 January 1989 | 1,926,877 |
| Contributions in arrears received and assigned to increase Working Capital Fund | | 539,869 |
| Interest on investments during 1989 | <u>182,397</u> | 2,649,143 |
| Advances made by contracting parties | <u>1,533,254</u> | 4,182,397 |
| Accounts payable: | | |
| Due to contracting parties | <u>54,546</u> | 4,236,943 |
| | | ===== |

(Signed)
Arthur Dunkel
Director-General

(Signed)
E. von Holzen
Director
Administrative and Financial Division

GENERAL AGREEMENT ON TARIFFS AND TRADE

Trust Fund for Workshops on Negotiation Techniques
Financed by Switzerland

Statement of Account as at 31 December 1989
(in Swiss francs)

EXPENDITURE

Payments made in 1989:
68th Commercial Policy Training Course
Balance available as at 31 December 1989

18,000
=====

INCOME

Funds received in 1989
18,000

18,000
=====

(Signed)
Arthur Dunkel
Director-General

(Signed)
E. von Holzen
Director
Administrative and Financial Division

GENERAL AGREEMENT ON TARIFFS AND TRADE

Trust Fund for Seminar on the Uruguay Round for Asean Countries
Financed by the Kingdom of the Netherlands

Statement of Account as at 31 December 1989
(in Swiss francs)

EXPENDITURE

Payments made in 1988:
Seminar held in Jakarta
Balance available as at 31 December 1989

INCOME

Funds received in 1988 58,500
Funds received in 1989 to
settle expenses on Seminar
held in Jakarta in 1988 4,011
Funds received in 1989 for
Seminar to be held in Jakarta
in 1990 64,500

127,011
=====

127,011
=====

(Signed)
Arthur Dunkel
Director-General

(Signed)
E. von Holzen
Director
Administrative and Financial Division

STATEMENT 8

GENERAL AGREEMENT ON TARIFFS AND TRADE

Trust Fund for Seminar on the Uruguay Round for ESCAP Countries
Financed by the European Community

Statement of Account as at 31 December 1989
(in Swiss francs)

EXPENDITURE

Balance available as at 31 December 1989

30,804

Balance available as at 1 January 1989

30,804

INCOME

30,804
=====

30,804
=====

(Signed)
Arthur Dunkel
Director-General

(Signed)
E. von Holzen
Director
Administrative and Financial Division

GENERAL AGREEMENT ON TARIFFS AND TRADE

Trust Fund for the Independent Group to Study the Trading System

Statement of Account as at 31 December 1989
(in Swiss francs)

| | | | |
|------------------------------------|------------|--|----------------|
| Payments made (prior years) | 399,244 | Funds received (prior years) | 383,190 |
| Interest credited to General Fund: | | Funds received in 1989 | <u>11,759</u> |
| Prior years | 6,548 | Sale of the Report in 1989 | 2,423 |
| In 1989 | <u>810</u> | Balance due to General Fund as at 31.12.89 | <u>9,230</u> |
| | | | <u>406,602</u> |
| | | | ===== |

(Signed)
Arthur Dunkel
Director-General

(Signed)
E. von Holzen
Director
Administrative and Financial Division

GENERAL AGREEMENT ON TARIFFS AND TRADE

Trust Fund for Seminar on GATT and the Uruguay Round for Least-Developed Countries
Financed by Norway

Statement of Account as at 31 December 1989
(in Swiss francs)

EXPENDITURE

INCOME

| | | | |
|---|---------------|------------------------------------|---------------|
| Payments made in 1989: | | Funds received from Norway in 1989 | 49,500 |
| Advance ESCAP Bangkok | 31,500 | | |
| Other expenditure | <u>16,357</u> | | |
| Amount available as at 31 December 1989 | | | |
| | | | <u>49,500</u> |
| | | | ===== |

(Signed)
Arthur Dunkel
Director-General

(Signed)
E. von Holzen
Director
Administrative and Financial Division

GENERAL AGREEMENT ON TARIFFS AND TRADE

Trust Fund for Seminar on the Uruguay Round for Latin American Countries
Financed by the Federal Republic of Germany

Statement of Account as at 31 December 1989
(in Swiss francs)

EXPENDITURE

Payments made in 1989:
Seminar held in Bogota

85,025

INCOME

Funds received from the Federal
Republic of Germany in 1989

84,700

325

85,025

85,025

(Signed)
Arthur Dunkel
Director-General

(Signed)
E. von Holzen
Director
Administrative and Financial Division

Schedule A

GENERAL AGREEMENT ON TARIFFS AND TRADE

Investments held on 31 December 1989

Swiss francs

| <u>Deposit accounts with:</u> | <u>Amount</u> | <u>Interest Rate %</u> | <u>Maturity Date</u> |
|------------------------------------|---------------|----------------------------|----------------------|
| Swiss Bank Corporation, Geneva: | 1,000,000 | 8 1/2 | 12 January 1990 |
| Swiss Bank Corporation, Geneva: | 1,500,000 | 8 1/2 | 19 January 1990 |

Call account with:

| | | | |
|--|-------------------------|-------|--------------|
| Scandinavian Bank in Switzerland, Geneva: | <u>1,263</u> | 6 1/4 | 48 hour call |
| | 2,501,263 ^{1/} | | |
| | ===== | | |

^{1/} of which Sw F 2,255,132 for the Working Capital Fund and Sw F 246,131 for the General Fund

(Signed)
Arthur Dunkel
Director General

(Signed)
E. von Holzen
Director
Administrative and Financial Division

SCHEDULE B/ETAT B/CUADRO B

STATEMENT OF OUTSTANDING CONTRIBUTIONS AS AT 31 DECEMBER 1989/ETAT DES ARRIERES DE CONTRIBUTION
AU 31 DECEMBRE 1989/CONTRIBUCIONES PENDIENTES AL 31 DE DICIEMBRE 1989

| Contracting Parties and Associated Governments/ Parties Contractantes et Gouvernements associés/ Partes Contratantes y Gobiernos asociados | Swiss francs/Francis suisses/Francos suizos | | | |
|--|---|--------|---------|--------------------|
| | 1969/1987 | 1988 | 1989 | Total 1969/1989 |
| Antigua and Barbuda/Antigua et Barbuda/ Antigua y Barbuda..... | 72,120 | 72,228 | 19,137 | 163,485 |
| Argentina/Argentine..... | | | 197,749 | 197,749 |
| Bangladesh..... | | | 108 | 108 |
| Belize/Bélize/Belice..... | 271,091 | - | 15,365 | 286,456 |
| Benin/Bénin..... | 322,938 | 72,228 | 19,137 | 414,303 |
| Botswana..... | 72,120 | 72,228 | 31,895 | 176,243 |
| Burkina Faso..... | 314,514 | - | - | 314,514 |
| Burundi..... | 594,395 | 72,228 | 19,137 | 685,760 |
| Cameroon/Cameroun/Camerún..... | 63,790 | - | - | 63,790 |
| Central African Republic/République centrafricaine/República Centroafricana..... | 477,900 | 72,228 | 19,137 | 569,265 |
| Chad/Tchad..... | 760,481 | 59,378 | 19,137 | 838,996 |
| Chile/Chili..... | | | 40,044 | 40,044 |
| Congo..... | 504,227 | 72,228 | 25,516 | 601,971 |
| Côte d'Ivoire | 98,793 | - | - | 98,793 |
| Cuba..... | 400,000 | - | - | 400,000 |
| Dominican Republic/République Dominicaine República Dominicana..... | 673,388 | - | 38,274 | 711,662 |
| Gabon/Gabón..... | 192,480 | 22,953 | 38,274 | 253,707 |
| Gambia/Gambie..... | 590,173 | 72,228 | 19,137 | 681,538 |
| Ghana..... | 182,296 | 72,228 | 25,516 | 280,040 |
| Guyana..... | 329,450 | 72,228 | 19,137 | 420,815 |
| Haiti/Haïti/Haití | 200,200 | - | 19,137 | 219,337 |
| Kenya..... | 72,772 | 72,228 | 44,653 | 189,653 |
| Lesotho..... | | | 19,137 | 19,137 |
| Madagascar..... | 188,535 | - | - | 188,535 |
| Malawi..... | 79,947 | - | - | 79,947 |
| Maldives/Maldivas..... | 72,120 | 108 | 19,137 | 91,365 |
| Mauritania/Mauritanie..... | 636,619 | 72,228 | 19,137 | 727,984 |
| Nicaragua..... | 412,136 | 53,353 | - | 465,489 |
| Niger/Níger..... | 276,811 | 72,228 | 19,137 | 368,176 |
| Nigeria/Nigéria..... | | | 274,297 | 274,297 |
| Peru/Pérou/Perú..... | 399,086 | - | 89,306 | 488,392 |
| Philippines/Filipinas..... | 383,089 | 64,494 | 184,991 | 632,574 |

| Contracting Parties and Associated Governments/ Parties Contractantes et Gouvernements associés/ Partes Contratantes y Gobiernos asociados | Swiss francs/Francs suisses/Francos suizos | | | |
|--|--|-----------|-----------|--------------------|
| | 1969/1987 | 1988 | 1989 | Total 1969/1989 |
| Romania/Roumanie/Rumania..... | 759,200 | 319,007 | 338,087 | 1,416,294 |
| Rwanda..... | | | 19,137 | 19,137 |
| Senegal/Sénégal..... | 324,202 | - | - | 324,202 |
| Sierra Leone/Sierra Leona..... | 683,300 | 72,228 | 19,137 | 774,665 |
| Suriname..... | 210,360 | 72,228 | 19,137 | 301,725 |
| Tanzania/Tanzanie/Tanzania..... | 437,059 | 2,259 | 25,516 | 464,834 |
| Togo..... | 128,174 | - | - | 128,174 |
| Trinidad and Tobago/Trinité-et-Tobago/ Trinidad y Tabago..... | | | 49,352 | 49,352 |
| Turkey/Turquie/Turquia..... | | | 108 | 108 |
| Uganda/Ouganda..... | 506,778 | 72,228 | 19,137 | 598,143 |
| United States of America/Etats-Unis d'Amérique/ Estados Unidos de América..... | 2,953,890 | - | 1,059,901 | 4,013,791 |
| Uruguay..... | | | 806 | 806 |
| Zaire/Zaire..... | 430,900 | 72,228 | 51,032 | 554,160 |
| Zambia/Zambia..... | 76,530 | - | - | 76,530 |
| | 15,151,864 | 1,677,200 | 2,836,982 | 19,666,046 |

SCHEDULE C/TABLEAU C/CUADRO C

EARLY PAYMENT ENCOURAGEMENT SCHEME: INTEREST DISTRIBUTED/PLAN VISANT A ENCOURAGER LE PAIEMENT
RAPIDE DES CONTRIBUTIONS: INTERETS RISTOURNES/PLAN DE INCENTIVOS PARA EL PRONTO PAGO
DE CONTRIBUCIONES: INTERESES REEMBOLSADOS

| Contracting Parties and Associated Governments/ Parties Contractantes et Gouvernements associés/ Partes Contratantes y Gobiernos asociados | Sw F/FS |
|--|---------|
| Australia/Australie..... | 9,937 |
| Austria/Autriche..... | 7,674 |
| Bangladesh..... | 18 |
| Barbados/Barbade..... | 154 |
| Belgium/Belgique/Bélgica..... | 21,146 |
| Belize/Bélize/Belice..... | 28 |
| Brazil/Brésil/Brasil..... | 2,662 |
| Burkina Faso..... | 205 |
| Cameroon/Cameroun/Camerún..... | 407 |
| Canada/Canadá..... | 34,818 |
| Chile/Chili..... | 174 |
| Colombia/Colombie..... | 1,194 |
| Côte d'Ivoire..... | 101 |
| Cuba..... | 782 |
| Cyprus/Chypre/Chipre..... | 243 |
| Czech and Slovak (FR)/Tchèque et Slovaque (RF)/ Checa y Eslovaca (RF)..... | 568 |
| Denmark/Danemark/Dinamarca..... | 7,888 |
| Egypt/Egypte/Egipto..... | 748 |
| Finland/Finlande/Finlandia..... | 6,264 |
| France/Francia..... | 42,037 |
| Germany (FR) /Allemagne (RF) /Alemania (RF)..... | 56,934 |
| Greece/Grèce/Grecia..... | 1,856 |
| Hong Kong..... | 14,558 |
| Hungary/Hongrie/Hungría..... | 3,135 |
| Iceland/Islande/Islandia..... | 439 |
| India/Inde..... | 2,965 |
| Indonesia/Indonésie..... | 5,006 |
| Ireland/Irlande/Irlanda..... | 3,841 |
| Israel/Israël..... | 519 |
| Italy/Italie/Italia..... | 31,165 |
| Jamaica/Jamaïque..... | 272 |
| Japan/Japon/Japón..... | 34,290 |
| Korea, Republic of/Corée, République de/ Corea, República de..... | 13,017 |
| Kuwait/Koweït..... | 879 |
| Luxembourg/Luxemburgo..... | 1,728 |
| Madagascar..... | 73 |
| Malawi..... | 103 |
| Malaysia/Malaisie/Malasia..... | 4,321 |
| Malta/Malte..... | 258 |
| Mauritius/Maurice/Mauricio..... | 298 |
| Mexico/Mexique/México..... | 3,410 |
| Morocco/Maroc/Marruecos..... | 728 |

| Contracting Parties and Associated Governments/ Parties Contractantes et Gouvernements associés/ Partes Contratantes y Gobiernos asociados | Sw F/FS |
|--|---------|
| Myanmar, Union of/Myanmar, Union du/Myanmar, Unión de..... | 220 |
| Netherlands, Kingdom of/Pays-Bas, Royaume des/ Países Bajos, Reino de los..... | 28,224 |
| New Zealand/Nouvelle-Zélande/Nueva Zelanda..... | 2,465 |
| Nicaragua..... | 115 |
| Norway/Norvège/Noruega..... | 7,455 |
| Pakistan/Pakistán..... | 861 |
| Poland/Pologne/Poľonia..... | 2,974 |
| Portugal..... | 1,862 |
| Senegal/Sénégal..... | 220 |
| Singapore/Singapour/Singapur..... | 4,463 |
| South Africa/Afrique du Sud/Sudáfrica..... | 6,015 |
| Spain/Espagne/España..... | 9,107 |
| Sri Lanka..... | 242 |
| Sweden/Suède/Suecia..... | 13,745 |
| Switzerland/Suisse/Suiza..... | 14,267 |
| Thailand/Thaïlande/Tailandia..... | 3,341 |
| Togo..... | 79 |
| Trinidad and Tobago/Trinité-et-Tobago/ Trinidad y Tobago..... | 7 |
| Turkey/Turquie/Turquía..... | 2,078 |
| United Kingdom of Great Britain and Northern Ireland/Royaume-Uni de Grande-Bretagne et d'Irlande du Nord/Reino Unido de Gran Bretaña e Irlanda del Norte..... | 33,483 |
| United States of America/Etats-Unis d'Amérique/ Estados Unidos de América..... | 5,541 |
| Uruguay..... | 152 |
| Yugoslavia/Yougoslavie..... | 1,890 |
| Zambia/Zambie..... | 51 |
| Zimbabwe..... | 417 |
| Associated Government/Gouvernement associé/ Gobierno asociado:..... | |
| Tunisia/Tunisie/Túnez..... | 774 |
| | 456,901 |

ANNEX

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. Following decisions by the CONTRACTING PARTIES, the accounts of GATT are, as far as appropriate and for the time being, maintained in accordance with the Financial Regulations and Rules of the United Nations, as supplemented or modified by financial Resolutions and Decisions of the CONTRACTING PARTIES.
2. The accounts are maintained on a fund basis. A General Fund and Working Capital Fund, supplemented when appropriate by Trust Funds, have been established in accordance with Article VI of the Financial Regulations and Rules of the United Nations.
3. The financial period consists of one calendar year.
4. The accounts are maintained and contributions are assessed in Swiss francs. Assets or liabilities in other currencies are converted to Swiss francs at the official United Nations internal accounting rate of exchange.
5. Gains or losses on exchange are added to or deducted from miscellaneous income.
6. Income, including contributions assessed on contracting parties, and expenditure are accounted for on an accrual basis.
7. The surplus for the financial year is at the disposal of the CONTRACTING PARTIES.
8. Provisions are made for the entire amount of contributions receivable from contracting parties and for losses and returns in respect of publications sales. A reserve is maintained for all outstanding obligations at the end of the financial year.
9. Fixed assets purchased during the financial year are charged to the budget at the time of purchase. The value at cost of items still held in inventory is recorded in a note on the Statement of Assets and Liabilities.

(Signed)

Arthur Dunkel
Director-General

(Signed)

E. von Holzen
Director
Administrative and Financial Division