

UNITED



NATIONS

UNITED NATIONS JOINT STAFF PENSION FUND

ANNUAL REPORT ON THE

UNITED NATIONS

JOINT STAFF PENSION FUND

GENERAL ASSEMBLY

OFFICIAL RECORDS : FOURTEENTH SESSION

SUPPLEMENT No. 8 (A/4158)

NEW YORK

(16 p.)

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UNITED NATIONS JOINT STAFF PENSION FUND

Annual report as presented by the Standing Committee on behalf of the United Nations Joint Staff Pension Board to the General Assembly of the United Nations and to the member organizations of the Fund

I. Introductory

1. The Standing Committee of the Joint Staff Pension Board presents this report on the operation of the United Nations Joint Staff Pension Fund for the year ended 30 September 1958, as required by article XXXV of the Regulations of the Fund, to the General Assembly of the United Nations and to the governing bodies of all organizations which are members of the Fund.

2. The eight organizations which were members of the Fund on 1 October 1957 continued to participate in the Fund:

The United Nations;

The International Labour Organisation;

The Food and Agriculture Organization of the United Nations;

The United Nations Educational, Scientific and Cultural Organization;

The World Health Organization;

The International Civil Aviation Organization;

The World Meteorological Organization;

The Interim Commission for the International Trade Organization.

3. In addition, the International Atomic Energy Agency joined the Fund as a member organization as from 1 October 1958.

II. Audit of the Fund

4. In accordance with article XXXIX of the Regulations of the Fund, the Board of Auditors of the United Nations made an audit of the Fund for the year ended 30 September 1958. The Board's certifica-

tion of the financial statements for this period is included in the annex to the present report. The Standing Committee of the Joint Staff Pension Board wishes to thank the Board of Auditors for its valued services.

III. Operation of the Fund for the year ended 30 September 1958

Financial statements

5. The financial statements of the Fund for the year ended 30 September 1958 are set out in the annex to the present report. The principal of the Fund increased from \$69,697,682 to \$80,393,303 during the year.

6. From the investment of the assets of the Fund during the year ended 30 September 1958 the effective

yield was at the annual rate of 3.522 per cent. Of this earned yield, 0.647 per cent has been credited to the reserve for interest equalization and 2.875 per cent has been taken into income for the period.

7. The following table gives a short summary of the investment portfolio of the Fund at 30 September 1958 and the anticipated yield for those securities as of that date:

	Nominal value	Market value	Book value	Anticipated yield on book value
	\$	\$	\$	Percentage
<i>Investment in bonds</i>				
US dollar section:				
Bonds of the United States Government	6 520 000 00	5 952 000 00	6 463 801 57	2 79
Other government bonds	3 320 000 00	3 196 700 00	3 315 041 47	4 17
Bonds of the International Bank for Reconstruction and Development	3 135 000 00	2 872 300 00	3 092 864 29	3 73
Bonds of corporations	48 965 000 00	43 822 860 00	48 065 034 53	3 45
TOTAL IN US DOLLARS	61 940 000 00	55 843 860 00	60 936 741 96	3 44
Canadian dollar section:				
Bonds of the Canadian Government	735 000 00	538 950 00	718 823 23	3 76
Bonds of Canadian Provinces	1 040 000 00	913 950 00	1 014 870 02	3 89
Bonds of the International Bank for Reconstruction and Development	115 000 00	104 950 00	114 774 24	3 50
Bonds of corporations	930 000 00	845 740 00	858 018 90	4 80
TOTAL IN CANADIAN DOLLARS	2 820 000 00	2 403 590 00	2 706 486 39	4 13
TOTAL INVESTMENTS IN BONDS	64 760 000 00	58 247 450 00	63 643 228 35	3 46
<i>Investments in common stocks</i>				
Common stocks of corporations—in United States dollars....		22 380 997 00	17 032 223 16	4 31
Common stocks of corporations—in Canadian dollars.....		176 400 00	166 132 50	3 79
TOTAL UNITED STATES AND CANADIAN DOLLAR STOCKS SECTIONS		21 557 397 00	17 198 355 66	4 30
TOTAL OF ALL INVESTMENTS		80 804 847 00	80 841 584 01	3 65

Statistics of changes in membership and payment of benefits

8. The following table shows the active membership of the Fund as at 1 October 1957, movement during the year and active membership as at 30 September 1958—for full participants.

Member organization	Active membership 1 October 1957	Changes in membership during year				Active membership 30 September 1958
		Entrants	Transfers in	Separations	Transfers out	
United Nations	5 113	670	10	535	25	5 233
ILO	831	59	4	51	1	842
FAO	1 204	181	3	106	2	1 280
UNESCO	1 048	70	3	118	5	998
WHO	1 234	203	20	142	5	1 310
ICAO	397	93	—	62	2	426
WMO	62	5	—	3	1	63
ICITO	36	13	2	3	1	47
	<u>9 925</u>	<u>1 294</u>	<u>42</u>	<u>1 020</u>	<u>42</u>	<u>10 199</u>

CUMULATIVE POSITION—full participants

	To 30 September 1957	Year ended 30 September 1958	To 30 September 1958
Total entries into Fund	16 895	1 294	18 189
Total separations from Fund	6 970	1 020	7 990
Active membership	9 925		10 199
Increase in membership during year ended 30 September 1958..		274	

9. The following table shows the registration as from 1 January 1958, changes during the balance of the year and active membership as at 30 September 1958—for associate participants.

Member organization	Changes in membership 1 January to 30 September 1958				Active membership at 30 Sept. 1958
	Entrants	Transfers in	Separations	Transfers out	
United Nations	739	—	121	—	618
ILO	235	—	62	—	173
FAO	406	1	96	—	311
UNESCO	413	—	77	1	335
WHO	875	—	115	—	760
ICAO	81	—	16	—	65
WMO	8	—	—	—	8
ICITO	1	—	—	—	1
	<u>2 758</u>	<u>1</u>	<u>487</u>	<u>1</u>	<u>2 271</u>

CUMULATIVE POSITION—associate participants

	From 1 January to 30 September 1958
Total entries into Fund	2 759
Total separations from Fund	488
Active membership	<u>2 271</u>

10. The following table shows the number of pensioners of the Fund as at 1 October 1957, changes during the year and the pensioners active on the rolls of the Fund at 30 September 1958—for full participants.

Type of benefit	Changes during year				
	Recipients 1 October 1957	New benefits granted	Benefits transferred to survivor	Benefits terminated	Recipients 30 Sept. 1958
Retirement	219	61	—	8	272
Withdrawal payable in the form of a life annuity ...	19*	2	—	1	20*
Disability	32	10	—	5	37
Widow's	71	9	4	3	81
Children's	119	34	—	20	133
	<u>460</u>	<u>116</u>	<u>4</u>	<u>37</u>	<u>543</u>

* Includes deferred annuities (4).

11. The following table shows the number of recipients of pensions in force at 30 September 1958 and the annual value of those pensions—for full participants.

<i>Type of benefit</i>	<i>Number of recipients</i>	<i>Annual amount</i>	<i>Average annual amount</i>
Retirement	272	\$ 193 540 39	\$ 711 55
Withdrawal — payable in the form of a life annuity*	20	13 247 50	662 38
Disability	37	41 307 24	1 116 41
Widow's	81	61 659 40	761 23
Children's	133	40 133 62	301 76
	<u>543</u>	<u>349 888 15</u>	

* Includes deferred annuities (4).

12. The following table shows the number of pensioners at 30 September 1958 classified into groupings of annual amounts—full participants.

<i>Type of benefit</i>	<i>Less than \$600</i>	<i>From \$601 to \$1200</i>	<i>From \$1201 to \$2400</i>	<i>\$2401 and over</i>	<i>Total</i>
Retirement	152	74	42	4	272
Withdrawal — payable in the form of a life annuity*	9	9	2	0	20
Disability	5	21	10	1	37
Widow's	24	44	13	0	81
Children's	133				133
	<u>323</u>	<u>148</u>	<u>67</u>	<u>5</u>	<u>543</u>

* Includes deferred annuities (4).

13. The following table shows new pensioners of the Fund during the year and the pensioners active on the rolls of the Fund at 30 September 1958—for associate participants.

<i>Type of benefit</i>	<i>Changes during year</i>			<i>Recipients 30 September 1958</i>
	<i>New benefits granted</i>	<i>Benefits transferred to survivor</i>	<i>Benefits terminated</i>	
Widow's	1	—	—	1
Children's	1	—	—	1
	<u>2</u>			<u>2</u>

14. The following table shows the number of recipients of pensions in force at 30 September 1958 and the annual value of those pensions—for associate participants.

<i>Type of benefit</i>	<i>Number of recipients</i>	<i>Annual amount</i>	<i>Average annual amount</i>
Widow's	1	\$ 776 40	\$ 776 40
Children's	1	300 00	300 00
	<u>2</u>	<u>1 076 40</u>	<u>1 076 40</u>

15. The following table shows the number of pensioners at 30 September 1958 classified into groupings of annual amounts—associate participants.

<i>Type of benefit</i>	<i>Less than \$600</i>	<i>From \$601 to \$1200</i>
Widow's		1
Children's	1	

16. The following table shows the number of recipients and amounts of all benefits paid during the year ended 30 September 1958 or set up as payable at 30 September 1958—for full participants.

<i>Type of benefit</i>	<i>Number of recipients</i>		<i>Amount of benefits</i> \$	
Retirement:				
Commutation in whole	3		5 257 37	
Commutation in part	28 ^a		140 830 96	
Periodical payments	277	280	176 837 73	322 926 06
Disability:				
Periodical payments		42		42 957 04
Widow's:				
Commutation in whole	1		1 473 21	
Periodical payments	83	84	58 328 14	59 801 35
Death benefits paid to designated beneficiaries				
		5		3 343 78
Children's				
		146		35 904 76
Withdrawal:				
Paid in the form of a life annuity..	16 ^b		14 853 83	
Paid after 5 or more years of contributory service	260		1 421 175 87	
Paid after less than 5 years of contributory service	643	919	289 365 29	1 725 394 99
		1 476		2 190 327 98

^a Not included in total since they represent duplication of those receiving periodical payments.

^b Excludes deferred annuities (4) authorized but not in payment.

17. The following table shows the number of recipients and value of all benefits paid during the year ended 30 September 1958 or set up as payable at 30 September 1958—for associate participants.

<i>Type of benefit</i>	<i>Number of recipients</i>	<i>Amount of benefit</i> \$
Widow's—periodic payment	1	83 48
Children's	1	32 25
	2	115 73

18. The following table shows the total membership and pensioners—for full participants—at 30 September 1958.

	1950	1951	1952	1953	1954 ^a	1955	1956	1957	1958
Active membership (A)	5 490 ^b	7 582	8 165	8 562	8 513	9 001	9 328	9 925 ^b	10 199
Separations	—	—	824	1 063	680	770	823	920	1 020
Pensioners ^c (B)	—	69	88	133	170	217	264	322	406
(A) Increase in percentage of active participants as compared with the previous year	—	38 1	7 6	4 8	(0 5)	5 7	3 6	6 4	2 8
(B) Increase in percentage of pensioners as compared with the previous year	—	—	27 5	51 1	27 8	27 6	21 6	21 9	26 1

^a Calendar year basis prior to 1954; fiscal year basis thereafter. Fiscal year 1954 covers nine months ending 30 September 1954.

^b Increase in membership of 85.7 per cent in 1958 as compared with 1950.

^c Excluding children's benefits.

19. The following table shows the total membership and pensioners—for associate participant—at 30 September 1958.

	1958
Active membership	2 271
Separations	487
Pensioners ^a	1

^a Excluding child's benefit.

IV. Actions of the Standing Committee on behalf of the Joint Staff Pension Board

20. The Joint Staff Pension Board at its ninth session in September 1958 instructed its Standing Committee, in the absence of a Board session in 1959, to present the annual report of the Fund to the General Assembly of the United Nations and to the member organizations of the Fund as required by article XXXV of the Regulations and to approve the budget estimates

for the administrative expenses of the Fund.

21. In accordance with this decision, the Standing Committee met in New York on 26-27 May 1959.

22. The following members and alternates of the Standing Committee of the Joint Staff Pension Board attended these meetings:

<i>Members</i>	<i>Alternates</i>	<i>Representing</i>
Mr. A. S. Watson		United Nations Staff Pension Committee from the group elected by the General Assembly
Dr. E. M. Loeza		ICAO Staff Pension Committee from the group elected by the Assembly
	Mr. C. R. McCord	ILO Staff Pension Committee from the group elected by the Conference
Mr. W. A. B. Hamilton	Mr. John McDiarmid	United Nations Staff Pension Committee from those appointed by the Secretary-General
Mr. Bruce Turner		
Mr. J. L. Orr		FAO Staff Pension Committee from those appointed by the Director-General
Mr. Marc Schreiber	Mr. Preston Cox	United Nations Staff Pension Committee from those elected by the participants
Mr. Carey Seward		
Mr. L. G. Fowler		ICAO Staff Pension Committee from those elected by the participants

23. The following persons also attended the Standing Committee meetings:

Mr. B. T. Twigg, Secretary of the Standing Committee;

Mr. S. B. Shields, Deputy-Secretary of the Standing Committee;

Mr. Noël Monod, Secretary of the Investments Committee;

Dr. Szeming Sze, Medical Consultant.

24. The officers of the Standing Committee were as follows:

Chairman: Mr. Carey Seward

Vice-Chairman: Mr. J. L. Orr

25. The principal items of regular business transacted by the Standing Committee were the following:

(a) The financial statements for the year ended 30 September 1958 were received and approved;

(b) The report of the United Nations Board of Auditors on the financial statements of the Fund was received and noted;

(c) Since the Investments Committee had not met prior to the meetings of the Standing Committee, it was decided to discuss the report of the Investments Committee at a subsequent meeting and, if necessary, to transmit observations and suggestions concerning the investments policy to the Secretary-General at that time;

(d) Estimates of the administrative expenses of the Fund for 1960, submitted by the Secretary, were approved. The Standing Committee authorized, subject to the approval of the General Assembly, expenditures from the Fund up to the amount of \$188,395 for 1960;

(e) The report of the Medical Consultant was received and noted;

(f) The annual report of the Fund to the General Assembly of the United Nations and to member organizations was approved.

26. As provided in General Assembly resolution 1310 (XIII) of 10 December 1958, the Secretary-

General of the United Nations undertook a comprehensive review of the system of benefits and their present and future adequacy, of the methods by which pensionable remuneration could be revised and of the financial and technical bases of the Fund. After consulting with the Administrative Committee on Co-ordination and the Standing Committee of the Joint Staff Pension Board, the Secretary-General appointed a group of experts to assist him in making this comprehensive review. To facilitate the work of the expert group the Standing Committee submitted to it a list of basic problems encountered to date, by the Board in the application and interpretation of the Fund's existing regulations. A list of more detailed and specific problems was made available to the secretariat of the group and, after prior consideration by the Standing Committee, a further list of problems concerned with disability benefits will be presented.

27. In accordance with Assembly resolution 1310 (XIII), pensionable remuneration of the Professional category and higher salary levels was increased as from 1 January 1959 by 5 per cent of the pensionable remuneration otherwise in force at that time.

28. In addition, pending the outcome of the comprehensive review, the Board supplemented as from 1 January 1959 pensions and life annuities paid under articles IV, V, VII and X.1 (d) of the Regulations by an amount equal to 5 per cent of the regular benefit.

29. The Standing Committee considered the text of a draft agreement which the Secretary-General of the United Nations proposed to conclude for the admission of the Intergovernmental Maritime Consultative Organization as a member organization of the Fund. The Standing Committee transmitted to the Secretary-General in accordance with article XXVIII of the Regulations, its concurrence with the text submitted and looks forward to the entry of IMCO into the Fund as from 1 July 1959.

ANNEX

Report of the Board of Auditors on the accounts of the United Nations Joint Staff Pension Fund for the year ended 30 September 1958

1. The attached statements as submitted by the Secretary of the Joint Staff Pension Board for audit certification by the Board of Auditors reflect the status of the Joint Staff Pension Fund's assets and liabilities as at 30 September 1958 and its income and expenditures for the year ended 30 September 1958.

2. As in previous years, the Board's examination has been carried out to the extent considered necessary in order to certify the statements. The Board wishes to record its appreciation of the co-operation extended

to it by the Secretary of the Pension Board and staff, and by the United Nations Secretariat.

3. With reference to paragraph 3 of its previous report¹ the Board now reports that ICAO took the necessary action to include the non-residence allowance in the "pensionable remuneration". In addition, as of 1 May 1959, ICAO will also include language allowance.

May 1959

(Signed) LARS BREIE, *Norway*
J. GUTIÉRREZ, *Colombia*
A. HANSEN, *Netherlands*

¹ *Official Records of the General Assembly, Thirteenth Session, Supplement No. 8 (A/3938), annex, para. 3.*

Financial Statements for the year ended 30 September 1958

STATEMENT OF ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 1958

Assets

	\$	\$
Cash:		
In banks (Note)		753 779 69
Contributions receivable from member organizations		1 189 330 40
Accrued income from investments		662 531 86
Investments—per schedule A:		
Bonds—at cost, after adjustment for amortization of premium and discounts (market value—\$58,247,450.00)	63 643 228 35	
Stocks—at cost (market value—\$22,557,397.00)	17 198 355 66	80 841 584 01
Prepaid benefits		20 450 50
		83 467 676 46

Liabilities and principal of the Fund

Benefits payable—former full participants:		
Withdrawal benefits—immediate payment requested	177 286 75	
Withdrawal benefits—held for four months	144 081 21	
Retirement benefits	29 905 47	
Widow's benefits	10 308 24	
Disability benefits	7 350 97	
Children's benefits	2 025 19	
Death benefits	762 88	371 720 71
Benefits payable—former associate participants:		
Widow's benefits	83 48	
Children's benefits	32 25	115 73
Held in trust:		
Withdrawal benefits—held for three years	562 362 18	
Prepaid contributions	5 485 30	
Withdrawal benefits awarded—recipients not located	2 100 43	569 947 91
Other accounts payable:		
Payable for securities purchased (Note)	186 394 58	
Payments made by United Nations on behalf of the Fund	126 085 21	312 479 79
Reserve for interest equalization per statement attached		1 820 109 01
Principal of the Fund:		
Balance as at 1 October 1957	69 697 682 04	
Excess of income over expense for the year ended 30 September 1958	10 695 621 27	80 393 303 31
		83 467 676 46

Note. In addition to the amount of \$186,394.58 recorded as payable there is a further commitment of \$345,500.00 for securities purchased but not delivered as at 30 September 1958.

CERTIFIED CORRECT:

(Signed) B. R. TURNER,
Controller, United Nations
(For the cash and the investments of the Fund)
28 April 1959

APPROVED
B. T. TWIGT,
Secretary,
United Nations Joint Staff Pension Board
28 April 1959

AUDIT CERTIFICATE

The above statement of assets and liabilities 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.

May 1959

(Signed) LARS BREIE, Norway
J. GUTIÉRREZ, Colombia
A. HANSEN, Netherlands

STATEMENT OF INCOME AND EXPENSE FOR THE YEAR ENDED 30 SEPTEMBER 1958

<i>Income</i>	\$	\$	\$
Contributions by staff members of participating organizations—full participants:			
7 per cent of pensionable remuneration		3 374 658 10	
Additional contributions to make past service pensionable		22 035 38	
Voluntary contributions for purchase of additional benefits		94 942 94	
Refund of benefits to restore previous pensionable service		76 815 13	
14 per cent of pensionable remuneration for periods of leave without pay		3 305 12	
Transfer from Provident Fund		91 10	3 571 847 77
Contributions by participating organizations—on behalf of full participants:			
14 per cent of pensionable remuneration		6 746 011 08	
Additional contributions to make past service pensionable		44 196 83	
Transfer from Provident Fund		120 41	6 790 328 32
Contributions by participating organizations—on behalf of associate participants:			
4½ per cent of pensionable remuneration			393 488 49
Investment income corresponding to the actuarial yield of the Fund (For details see Statement of reserve for interest equalization)			2 203 991 65
Interest received from participants and participating organizations on retroactive contributions and refund of benefits			4 529 57
			<u>12 964 185 80</u>
 <i>Expense</i>			
Operating expenses:			
Benefits—former full participants			
Withdrawal benefits	1 710 541 16		
Retirement benefits	337 779 89		
Death benefits to widows and designated beneficiaries	63 145 13		
Disability benefits	42 957 04		
Children's benefits	35 904 76	2 190 327 98	
Benefits—former associate participants			
Death benefit to widow	83 48		
Children's benefits	32 25	115 73	
Interest on withdrawal benefits held by the Fund		17 160 75	
		<u>2 207 604 46</u>	
Administrative expenses:			
Total administrative costs for the year	108 933 99		
Less investment costs charged to gross income from investments	47 193 90	61 740 09	2 269 344 55
Excess of income over expenses applicable to the year ended 30 September 1958			10 694 841 25
 <i>Other income</i>			
Adjustments to prior year benefits (net)			780 02
Excess of income over expense for the year ended 30 September 1958			<u>10 695 621 27</u>

STATEMENT OF PRINCIPAL OF THE FUND FOR THE YEAR ENDED 30 SEPTEMBER 1958

	<i>Retirement benefits</i>	<i>Widow's benefits</i>	<i>Disability benefits</i>	<i>Children's benefits</i>	<i>Total</i>
<i>Pension reserve—former full participants</i>					
Balance as at 1 October 1957.	2 204 795 99	986 058 93	802 135 56	235 880 85	4 228 871 33
Prior year adjustments:					
Cancellation or correction of benefits set up at 30 September 1957		(0 40)	(13 221 41)	(5 749 80)	(18 971 61)
Adjusted balance as at 1 Oc- tober 1957	2 204 795 99	986 058 53	788 914 15	230 131 05	4 209 899 72
Period 1 October to 31 De- cember 1957:					
Capital value of pensions authorized	145 145 25	12 649 21	70 319 51	4 282 91	232 396 88
Capital value of widow ben- efit transferred upon death of pensioner	(5 907 07)	5 907 07			
Capital value of disability pensions restored to ac- cumulation account upon discontinuance of benefits			(78 585 74)		(78 585 74)
Interest credited (at the rate of 2½ per cent per an- num)	13 716 19	6 145 16	5 241 80	1 427 36	26 530 51
Pension payments	(55 273 13)	(11 738 46)	(15 862 55)	(8 777 73)	(91 651 87)
Balance as at 31 December 1957	2 302 477 23	999 021 51	770 027 17	227 063 59	4 298 589 50
Adjustment of the pension re- serve to take into account the mortality experience of the Fund to date and to re- flect the recalculation of the capital values of those pen- sions in payment on 31 De- cember 1957 on the basis of the revised interest rate of 3 per cent	(166 254 11)	(120 584 34)	(213 271 74)	(12 030 03)	(512 140 22)
Adjusted balance as at 31 De- cember 1957	2 136 223 12	878 437 17	556 755 43	215 033 56	3 786 449 28
Increase in capital values of those pensions affected by General Assembly resolu- tion 1309 (XIII)	171 549 51	212 977 13	58 770 75		443 297 39
Adjusted balance as at 1 Janu- ary 1958	2 307 772 63	1 091 414 30	615 526 18	215 033 56	4 229 746 67
Period 1 January to 30 Sep- tember 1958:					
Capital value of pensions authorized	939 284 58	143 993 45	141 163 72	65 274 03	1 289 715 78
Capital value of widow's benefits transferred upon death of pensioners	(13 860 79)	15 234 55	(1 373 76)		
Interest credited (at the rate of 3 per cent per annum)	60 231 66	25 863 60	14 505 50	4 918 53	105 519 29
Pension payments	(282 506 76)	(48 062 89)	(27 094 49)	(27 127 03)	(384 791 17)
Balance as at 30 September 1958	3 010 921 32	1 228 443 01	427 727 15	258 099 09	5 240 190 57

	<i>Widow's benefits</i> \$	<i>Disability benefits</i> \$	<i>Children's benefits</i> \$	<i>Total</i> \$	
<i>Pension reserve—former associate participants</i>					
Capital value of pensions authorized	16 992 29		3 949 74	20 942 03	
Interest credited	42 06		9 71	51 77	
Pension payments	(83 48)		(32 25)	(115 73)	
Balance as at 30 September 1958	<u>16 950 87</u>		<u>3 927 20</u>		<u>20 878 07</u>
<i>Participants' account (full participants only)</i>					
Balance as at 1 October 1957				20 140 678 23	
Received from participants:					
7 per cent of pensionable remuneration			3 374 658 10		
Additional contributions to make past service pensionable			22 035 38		
Voluntary contributions for purchase of additional benefits			94 942 94		
Refund of benefits to restore previous pensionable service			54 291 25		
Interest on validation of past service			2 194 54		
Transfer from Provident Fund			91 10	3 548 213 31	
Interest credited on participants' contributions				568 472 05	
Transfer from pension reserve to restore previous contributory service of disability pensioner re-employed				6 725 51	
				<u>24 264 089 10</u>	
Applied to benefits:					
Withdrawal benefits—over five years	736 265 55				
Withdrawal benefits—less than five years ..	289 365 29				
Death benefits to designated beneficiaries ...	3 343 78		1 028 974 62		
Applied to capital value of pensions:					
Retirement benefits	349 440 34				
Widow's benefits	29 208 32				
Disability benefits	14 001 28		392 649 94		
Prior year adjustments:					
Correction of interest credited		18 226 04			
Adjustment of pension reserve for cancellation of disability benefit set up at 30 September 1957	(943 89)				
Other adjustments—net	(311 76)		16 970 39	1 438 594 95	
Balance as at 30 September 1958					<u>22 825 494 15</u>

	\$	\$	\$
<i>Accumulation account</i>			
Balance as at 1 October 1957			45 328 132 48
Received from participating organizations— on behalf of full participants:			
14 per cent of pensionable remuneration ...		6 746 011 08	
Additional contributions to make past service pensionable		44 196 83	
Interest on additional contributions		1 504 00	
Transfer from Provident Fund		<u>120 41</u>	6 791 832 32
Received from participating organizations—on behalf of associate participants:			
4½ per cent of pensionable remuneration ..		393 516 94	
Additional contributions (9½ per cent) to validate past service under associate par- ticipation		60 06	
Interest on additional contributions		0 10	
Transfer of 14 per cent contributions with interest to account of full participants for validation of periods of associate partici- pation		<u>(88 61)</u>	393 488 49
Received from full participants:			
Refund of benefits to restore previous pen- sionable service		22 523 88	
14 per cent of pensionable remuneration for periods of leave without pay		3 305 12	
Interest on refunds		<u>831 03</u>	26 660 03
Adjustment of the pension reserve to take into account the mortality experience of the Fund to date and to reflect the recalculation of the capital values of those pensions in payment on 31 December 1957 on the basis of the revised interest rate of 3 per cent			512 140 22
Investment income corresponding to the actu- arial yield of the Fund (For details see state- ment of reserve for interest equalization) ..			<u>2 203 991 65</u>
			55 256 245 19
Applied to capital value of pensions—former full participants:			
Retirement benefits	734 989 49		
Widow's benefits	127 434 34		
Disability benefits	197 397 52		
Children's benefits	69 556 94		
	<u>1 129 378 29</u>		
Less capital value of discontinued disability pensions restored to accumulation		<u>71 860 23</u>	
		1 057 518 06	
Cost of increase in capital values of those pensions affected by General Assembly resolution 1309 (XIII)	<u>443 297 39</u>	1 500 815 45	
Applied to capital value of pensions—former associate participants:			
Widow's benefits	16 992 29		
Children's benefits	<u>3 949 74</u>	20 942 03	
Applied to withdrawal benefits—over five years			684 910 32
Interest transferred to:			
Participants' accounts	568 472 05		
Pension reserves	132 101 57		
Withdrawal benefits held by the Fund	<u>17 160 75</u>	717 734 37	
Administrative costs		61 740 09	
Prior year adjustments:			
Adjustment of pension reserve for cancella- tion or correction of capital values set up at 30 September 1957	(18 128 99)		
Adjustment of interest credited to partici- pants' accounts	(18 226 04)		
Other adjustments—net	<u>(282 56)</u>	<u>(36 637 59)</u>	<u>2 949 504 67</u>
Balance as at 30 September 1958			52 306 740 52
<i>Principal of the Fund as at 30 September 1958</i>			<u>80 393 303 31</u>

STATEMENT OF RESERVE FOR INTEREST EQUALIZATION

	<i>Reserve for loss on sale of invest- ments</i>	<i>Reserve for interest equalization</i>	<i>Total</i>
	\$	\$	\$
Balance as at 30 September 1957	(152 692 81)	1 312 658 31	1 159 965 50
Profit on sale of investments	306 271 99		306 271 99
Excess of investment income over actuarial yield:			
Interest earned	1 981 005 65		
Amortization of premium	(10 644 28)		
Accumulation of discount	102 270 90		
Dividends	674 476 54		
	<u>2 747 108 81</u>		
Less portion of administrative expense applicable to the investment of the Fund's assets	(47 193 90)		
	<u>2 699 914 91</u>		
Less the portion of investment income corresponding to the actuarial yield of the Fund (at the rate of 2½ per cent for the period 1 October to 31 December 1957 and 3 per cent for the period 1 January to 30 September 1958)	<u>2 203 991 65</u>		
Excess credited to reserve		495 923 26	495 923 26
	<u>153 579 18</u>	<u>1 808 581 57</u>	<u>1 962 160 75</u>
Loss on sale of investments	(142 051 74)		(142 051 74)
Balance as at 30 September 1958	<u>11 527 44</u>	<u>1 808 581 57</u>	<u>1 820 109 01</u>

STATEMENT OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDING
30 SEPTEMBER 1958

	<i>Administrative costs</i>	<i>Investment costs</i>
	\$	\$
Established posts	44 870 57	
Consultants	4 050 41	35 353 20
Overtime and temporary assistance	6 445 52	
Common staff costs	8 791 96	
Travel of staff	2 930 84	
	<u>67 089 30</u>	<u>35 353 20</u>
Less:		
Staff assessment	(7 357 38)	
	<u>59 731 92</u>	<u>35 353 20</u>
Investment Committee		3 340 70
External audit	1 000 00	
Investment officer		8 500 00
Communications	1 060 00	
Net of bank charges and gain on exchange	(51 83)	
	<u>61 740 09</u>	<u>47 193 90</u>

UNITED NATIONS JOINT STAFF PENSION FUND
SUMMARY OF INVESTMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1958
(In thousands)

	Balance 1 October 1957			Sales			Balance 30 September 1958			Yield on book	
	Nominal value	Book value	Market value	Nominal value	Proceeds	Profit or (loss)	Nominal value	Book value	Market value		Net income earned
<i>United States dollars—Bond Section</i>											
US Government bonds	7 910	7 825	7 079	1 630	2 971	(33)	6 520	6 463	5 952	201	2 80
Other government bonds	3 170	3 163	2 928	300	150	—	3 320	3 315	3 197	133	4 19
International Bank bonds	2 760	2 714	2 489	500	498	(2)	3 135	3 093	2 872	112	3 79
Corporate bonds:											
Railroads	4 368	4 258	3 737	633	—	—	5 001	4 858	4 423	157	3 32
Utilities	18 778	18 540	16 171	4 501	2 339	19	20 953	20 599	18 492	657	3 38
Industrials	18 289	17 928	16 254	6 774	2 059	50	23 011	22 609	20 908	704	3 45
Commercial paper:											
	—	—	—	250	250	—	—	—	—	1	3 25
Total US dollars—Bond Section	55 275	54 428	48 658	14 588	7 923	34	61 940	60 937	55 844	1 965	3 39
<i>Canadian dollars—Bond Section</i>											
Canadian Government bonds	879	867	789	506	644	(11)	735	719	539	27	3 54
Provincial government bonds	940	916	789	130	29	(2)	1 040	1 014	914	36	3 88
International Bank bonds	115	115	95	—	—	—	115	115	105	4	3 51
Corporate bonds	589	541	527	341	—	—	930	858	846	41	5 12
Total Canadian dollars—Bond Section	2 523	2 439	2 200	991	673	(13)	2 820	2 706	2 404	108	4 14
Total US and Canadian dollars—Bond Sections	57 798	56 867	50 858	15 579	8 564	21	64 760	63 643	58 248	2 073	3 43
							<i>R I G H T S</i>				
							<i>Sold</i>	<i>Exercised</i>			
<i>United States dollars—Stock Section</i>											
Financial and insurance	1 615	1 749	—	125	—	—	—	1 740	2 168	72	4 28
Utilities	3 147	3 379	—	1 462	668	64	—	4 004	5 075	173	4 70
Consumer goods	2 670	3 068	—	699	310	34	—	3 093	4 337	115	3 98
Semi-capital	3 645	4 424	—	1 908	573	45	13	5 025	6 364	187	4 92
Capital	2 459	3 028	—	1 047	336	—	—	3 170	4 437	126	4 68
Total US dollars—Stock Section	13 536	15 648	—	5 241	1 887	143	13	17 032	22 381	673	4 57
<i>Canadian dollars—Stock Section</i>											
Capital	—	—	—	166	—	—	—	166	176	1	1 91
Total US and Canadian dollars—Stock Sections	13 536	15 648	—	5 407	1 887	143	13	17 198	22 557	674	4 56
Total US and Canadian dollars—Bond and Stock Sections	70 403	66 506	—	20 634	10 451	164 ^c	91	80 841	80 805	2 747	3 65
							Less investments costs			47	06
							Investment income—net			2 700	
							Earned yield for the year based on average investments of the Fund (75 289)				3 59
							Earned yield for the year based on average assets of the Fund (76 661)				3 52

^a Canadian dollars are calculated at par with United States dollars.

^b Proceeds of Sales of Rights were credited to Principal.

^c Net Profit on Sales was credited to Reserve for Loss on Sale of Investments.

COMPARISON OF BOOK VALUE AND MARKET VALUE OF INVESTMENTS

Schedule B

AS AT 30 SEPTEMBER 1957 AND 30 SEPTEMBER 1958

	Balances at 30 September 1957				Balances at 30 September 1958			
	Book value	% of total	Market value	Market value to book	Book value	% of total	Market value	Market value to book
<i>United States dollars—Bond Section</i>	\$		\$	Per cent	\$		\$	Per cent
US Government bonds	7 825 231	11 12	7 079 509	10 65	6 463 802	7 99	5 952 000	7 37
Other government bonds	3 163 173	4 49	2 928 200	4 40	3 315 041	4 10	3 196 700	3 96
International Bank bonds	2 714 389	3 86	2 488 550	3 75	3 092 864	3 83	2 872 300	3 55
Corporate bonds:								
Railroads	4 257 814	6 05	3 737 090	5 62	4 857 760	6 01	4 423 010	5 47
Utilities	18 540 071	26 33	16 170 730	24 31	20 598 654	25 48	18 491 910	22 88
Industrials	17 927 615	25 46	16 254 090	24 44	22 608 621	27 97	20 907 940	25 88
Total US dollars—Bond Section	54 428 293	77 31	48 658 169	73 17	60 936 742	75 38	55 843 860	69 11
<i>Canadian dollars—Bond Section</i>								
Canadian Government bonds	867 526	1 23	788 500	1 19	718 823	89	538 950	67
Provincial government bonds	915 741	1 30	789 350	1 19	1 014 870	1 26	913 950	1 13
International Bank bonds	114 697	1 6	95 150	14	114 774	14	104 950	13
Corporate bonds	540 994	77	526 990	79	858 019	1 06	845 740	1 04
Total Canadian dollars—Bond Section	2 438 958	3 46	2 199 990	3 31	2 706 486	3 35	2 403 590	2 97
Total US and Canadian dollars— Bonds Sections	56 867 251	80 77	50 858 159	76 48	63 643 228	78 73	58 247 450	72 08
<i>US dollars—Stock Section</i>								
Financial and insurance	1 615 185	2 30	1 749 132	2 63	1 740 305	2 16	2 167 745	2 68
Utilities	3 147 266	4 47	3 378 862	5 08	4 004 579	4 95	5 074 980	6 28
Consumer goods	2 669 953	3 79	3 067 975	4 61	3 092 348	3 82	4 337 450	5 37
Semi-capital	3 645 133	5 18	4 423 814	6 65	5 025 166	6 22	6 364 098	7 88
Capital	2 458 832	3 49	3 028 285	4 55	3 169 825	3 92	4 436 724	5 49
Total US dollars—Stock Section	13 536 369	19 23	15 648 068	23 52	17 032 223	21 07	22 380 997	27 70
<i>Canadian dollars—Stock Section</i>								
Capital	—	—	—	—	166 133	20	176 400	22
Total US and Canadian dollars— Stock Sections	13 536 369	19 23	15 648 068	23 52	17 198 356	21 27	22 557 397	27 92
Total US and Canadian dollars— Bond and Stock Sections	70 403 620	100 00	66 506 227	100 00	80 841 584	100 00	80 804 847	100 00