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Introduction

1. The Interim Financial Report for the biennium 2004-2005 has been prepared in accordance with United Nations System Accounting Standards and WHO's Financial Regulations and Financial Rules. It shows the financial situation at the end of the first year of the biennium. The format has been revised to simplify the presentation of the information and make it more accessible. The Financial Report of WHO is an important element in the overall framework of accountability and financial integrity of the Organization. It enables Member States and other partners and collaborators to see how the funds that they have made available have been used. The assets and liabilities of the Organization are also shown, and provide assurance that the Organization is managed on a sound basis. Financial highlights are set out below.

Financial highlights

(in millions of US dollars)

	2000- 2001	2002- 2003	2004		2000- 2001	2002- 2003	2004
Income				Expenditure			
Regular budget	843	856	423	Regular budget	820	830	480
Extrabudgetary resources				Extrabudgetary resources			
<i>Voluntary Fund for Health Promotion</i>	1 117	1 030	747	<i>Voluntary Fund for Health Promotion</i>	945	1 017	740
<i>WHO trust funds and United Nations programmes</i>	411	290	194	<i>WHO trust funds and United Nations programmes</i>	335	199	92
Total income WHO				Total expenditure WHO			
programme activities	2 371	2 176	1 364	programme activities	2 100	2 046	1 312
Non-WHO programme activities ^{a/}	329	434	227	Non-WHO programme activities ^{a/}	400	424	315
Total income	2 700	2 610	1 591	Total expenditure	2 500	2 470	1 627

^{a/} Non-WHO programme activities include trust funds of various programmes and entities, such as the trust fund for the Joint United Nations Programme on HIV/AIDS (UNAIDS); IARC; the Global Fund to Fight AIDS, Tuberculosis and Malaria; and the International Computing Centre.

2. Expenditure of US\$ 1.312 billion was incurred in moving towards achievement of the expected results for the 2004-2005 biennium against a total budget of US\$ 2.824 billion (see below). Total income in 2004 for WHO programme activities was US\$ 1.364 billion, which compares with US\$ 2.176 billion for 2002-2003. In 2002, the first year of the last biennium income for WHO programme activities was US\$ 1.0 billion. The higher level of income represents an increase in the overall level of programmatic activity and an improvement in the rate of implementation from 94% in 2002-2003 to 96% in 2004.
3. The rise in the US dollar value of voluntary contributions has contributed to this growth. The trend of rising income is welcome in view of the increasing demands being made on the Organization.

Budget

(in thousands of US dollars)

The total budget is:

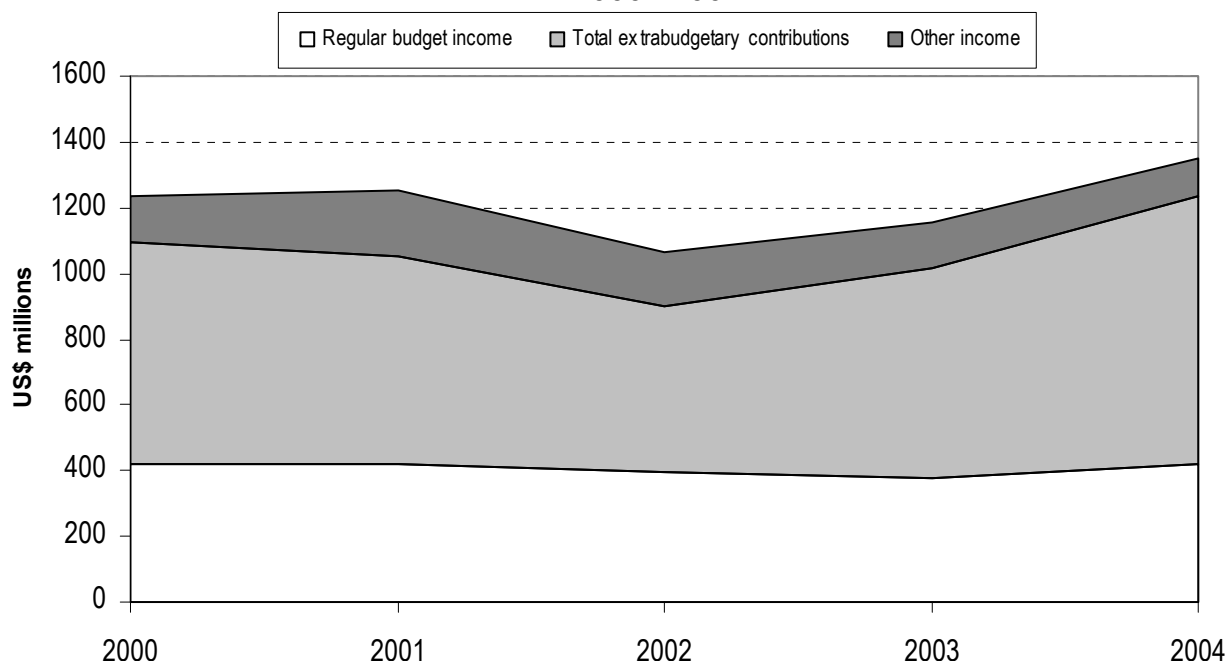
	2000-2001	2002-2003	2004-2005
Regular budget: 2004-2005 effective working budget was appropriated by Fifty-sixth World Health Assembly, May 2003	842 629	855 654	880 111
2004-2005 Other Sources, as noted by the Executive Board at its 113 th session, January 2004	958 200	1 380 500	1 944 000
Total budget	1 800 829	2 236 154	2 824 111

4. During the six-year period from 2000 to 2005 the level of regular budget has been relatively stable whereas income from other sources has more than doubled. This reflects the changing funding patterns of the Organization. In 2004-2005 the regular budget represents 31.1% of the total budget, compared with 46.8% in 2000-2001.

Financing the budget

5. Table 1 below shows the evolution of income from all sources since 2000. Total income has increased by 18%. Extrabudgetary contributions have increased by 22%, which have in part offset the static regular budget.

**Table 1. Assessments, extrabudgetary contributions
and other income
2000 - 2004**



6. However, the evolution of extrabudgetary income has not been consistent. Timing of receipt of large contributions and significant shifts in income from certain UN trust funds causes availability of resources to be uneven both in timing and alignment with the approved programme budget.
7. A full analysis of extrabudgetary donations for 2004 is contained in the Annex to the Unaudited Interim Financial Report for the year 2004.^{1/}
8. Member States are the most important source of voluntary income - approximately 67% or US\$ 579.5 million of all extrabudgetary income during 2004, and approximately 57% or US\$ 776 million of all extrabudgetary income during 2002-2003, came from Member States, as illustrated in figures 1 and 2 below.

^{1/} Document A58/26 Add.1

Figure 1. Extrabudgetary contributions for WHO programme activities received in 2004

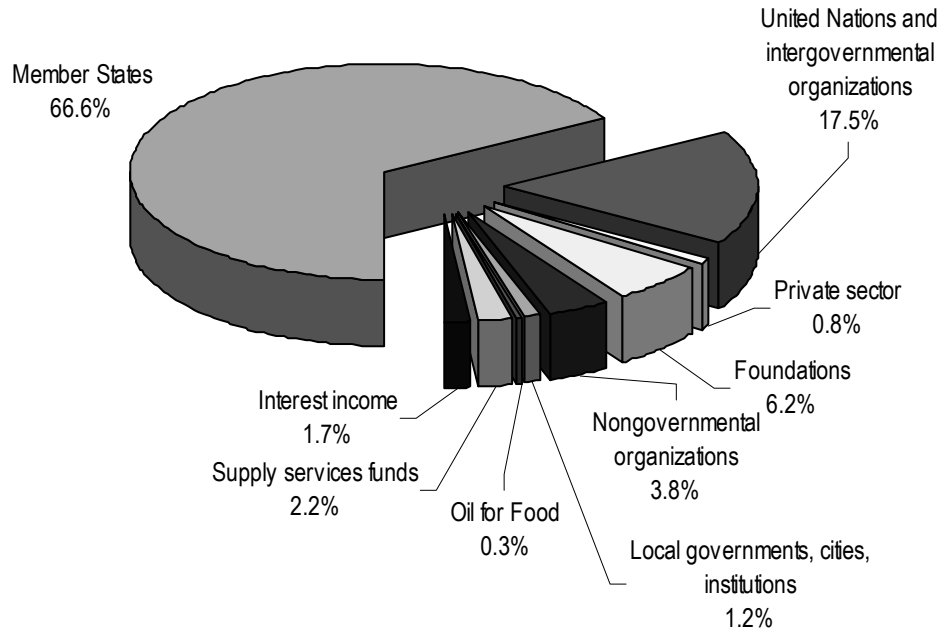
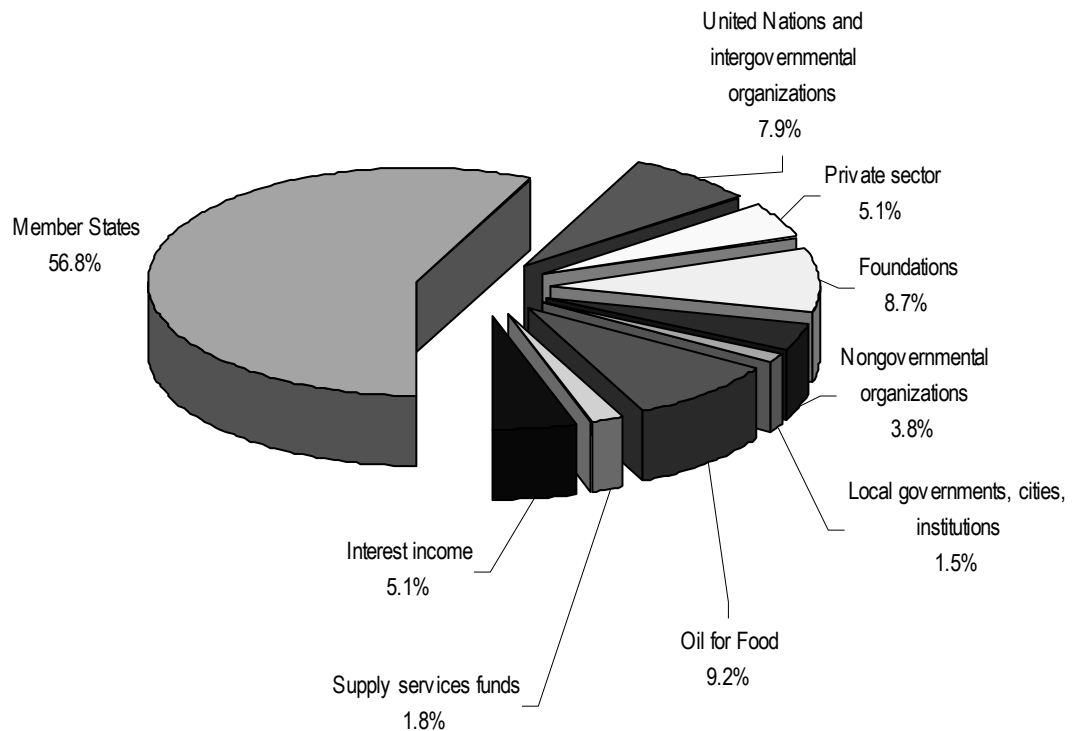


Figure 2. Extrabudgetary contributions for WHO programme activities received in 2002-2003



9. Combining regular budget and extrabudgetary income, Member States provided 77% of the total income in 2004.
10. Total contributions from Member States, including both regular budget assessments and voluntary contributions for the year 2004 and for the biennium 2002-2003 are shown in Tables 2 and 3 below using different scales. These charts indicate that the Organization continues to rely heavily on a relatively small number of Member States as a major source of financing of the budget.

Table 2. Assessments and voluntary contributions from Member States for the year 2004

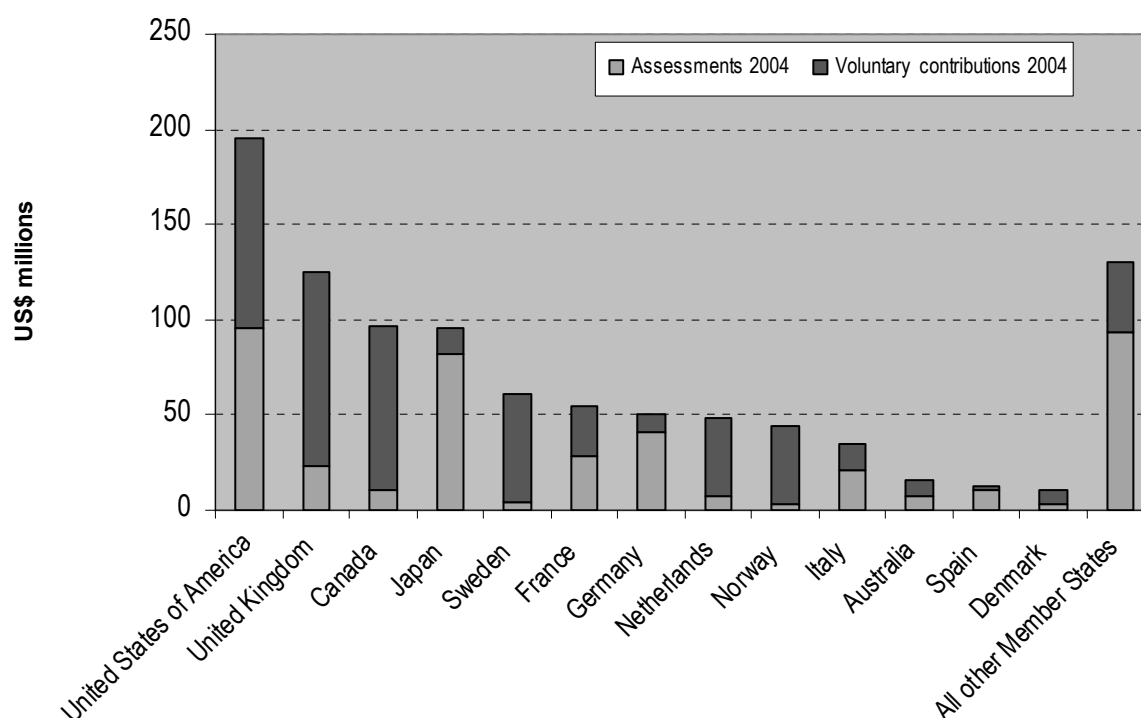
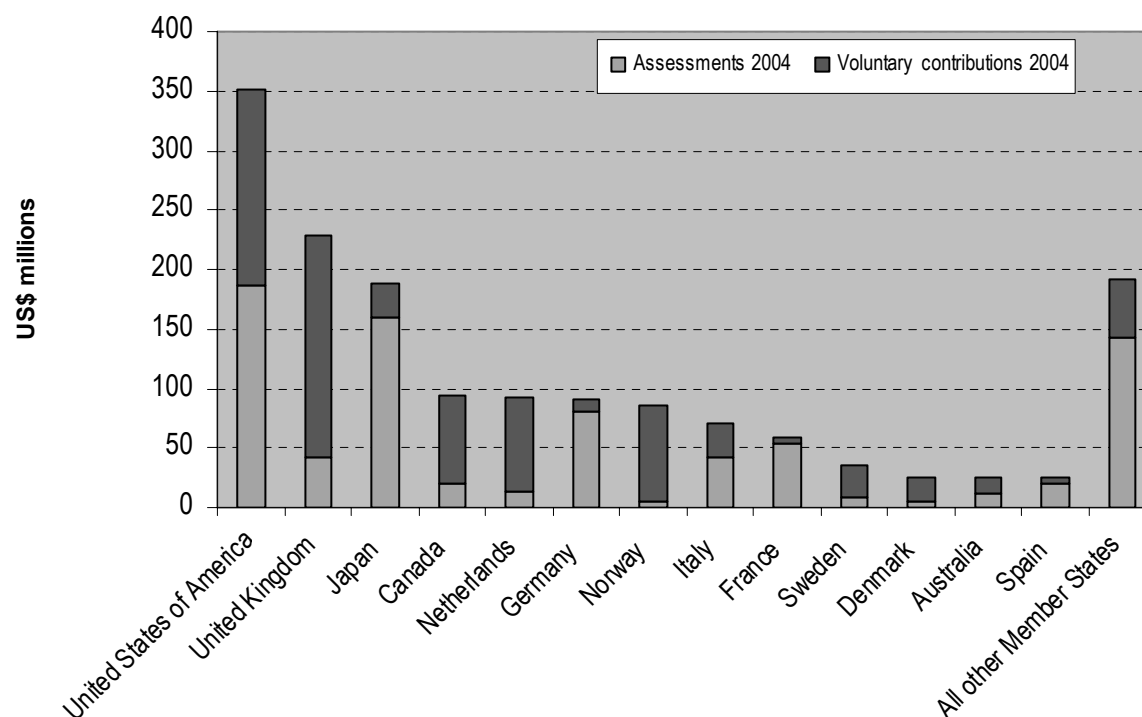
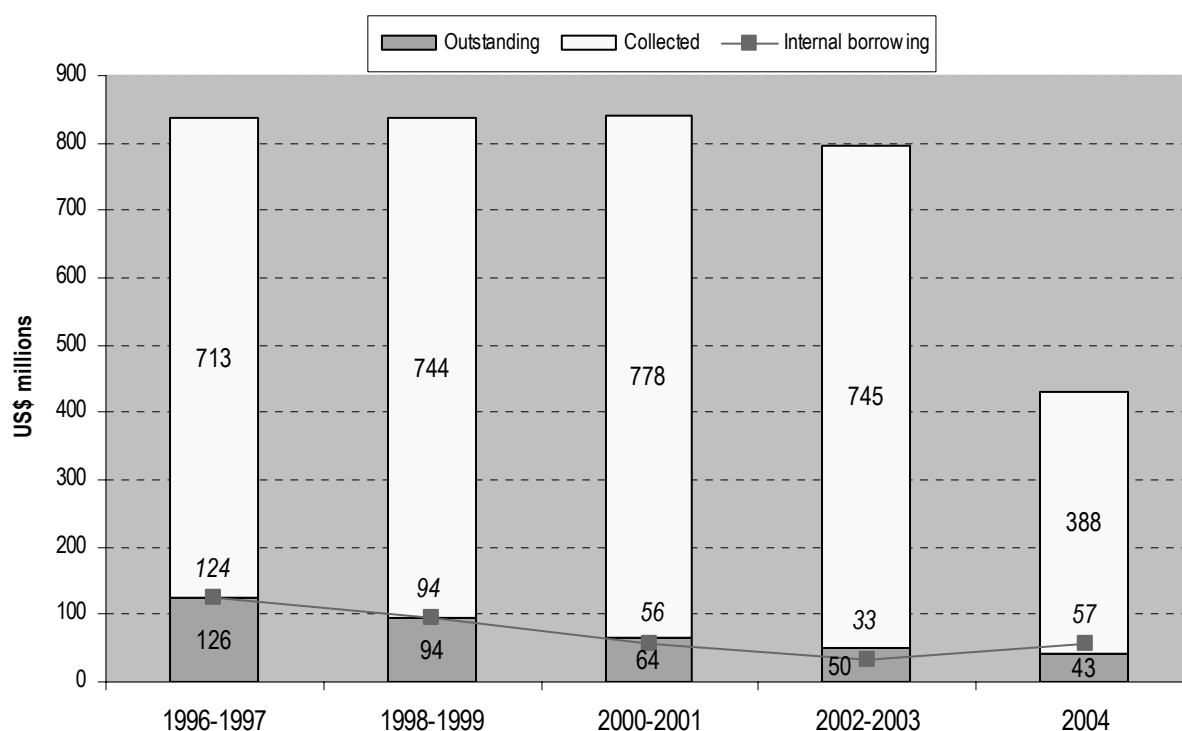


Table 3. Assessments and voluntary contributions from Member States for the biennium 2002-2003



11. The regular budget is financed by assessed contributions and Miscellaneous Income.
12. Net assessments in 2004 were US\$ 431 million, of which US\$ 388 million was collected during the year, a collection rate of 90%, which is consistent with recent years. Arrears of contributions from previous financial periods remain stubbornly high, US\$ 99 million at 31 December 2004. Efforts are ongoing with a number of the concerned Member States to resolve these longstanding arrears through repayment plans that are submitted to the Health Assembly for approval. Certain Member States began, during 2004, to make payment of long-term arrears.
13. Miscellaneous Income is used to finance the regular budget by reducing the amount payable on assessed contributions. For 2004-2005 US\$ 34 million was budgeted to finance in part the regular budget and to meet the requirements of the adjustment mechanism and the financial incentive scheme.
14. Internal borrowing and draw downs on the Working Capital Fund outstanding at the beginning of 2004 were repaid in full during the year, resulting in US\$ 6 million of arrears of assessed contributions being credited to Miscellaneous Income. Further collections of arrears are expected to realize additional Miscellaneous Income in 2005. Consequently it is anticipated that the required amount of Miscellaneous Income will be available to finance the regular budget 2004-2005.
15. The summary of the assessments and internal borrowing from 1996 to 2004 set out in Table 4 below shows that the improvement has been maintained in 2004.

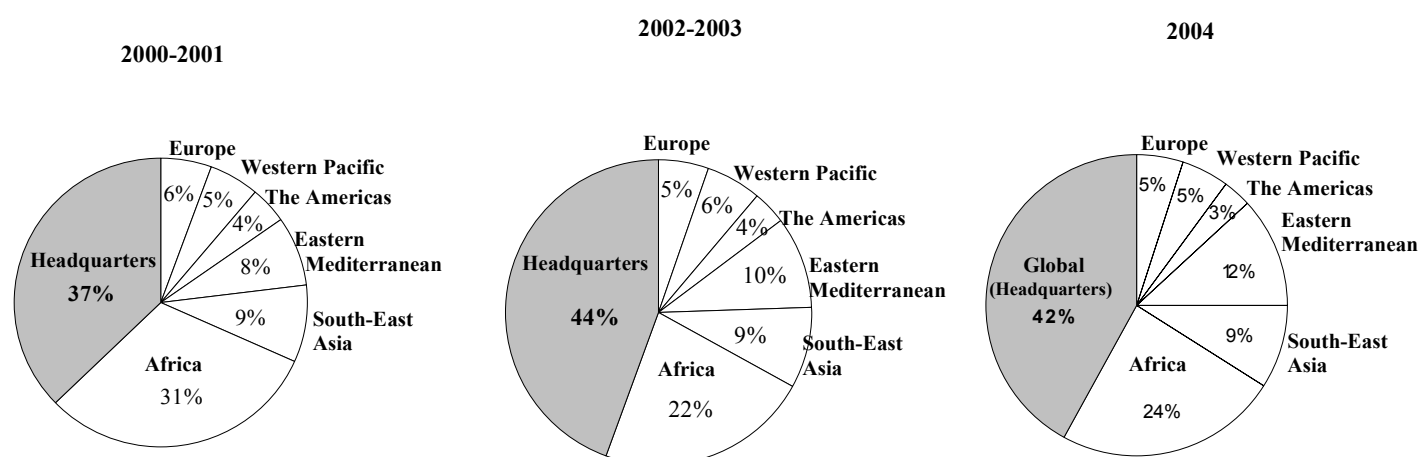
**Table 4. Assessments and internal borrowing
1996 - 2004**



Expenditure

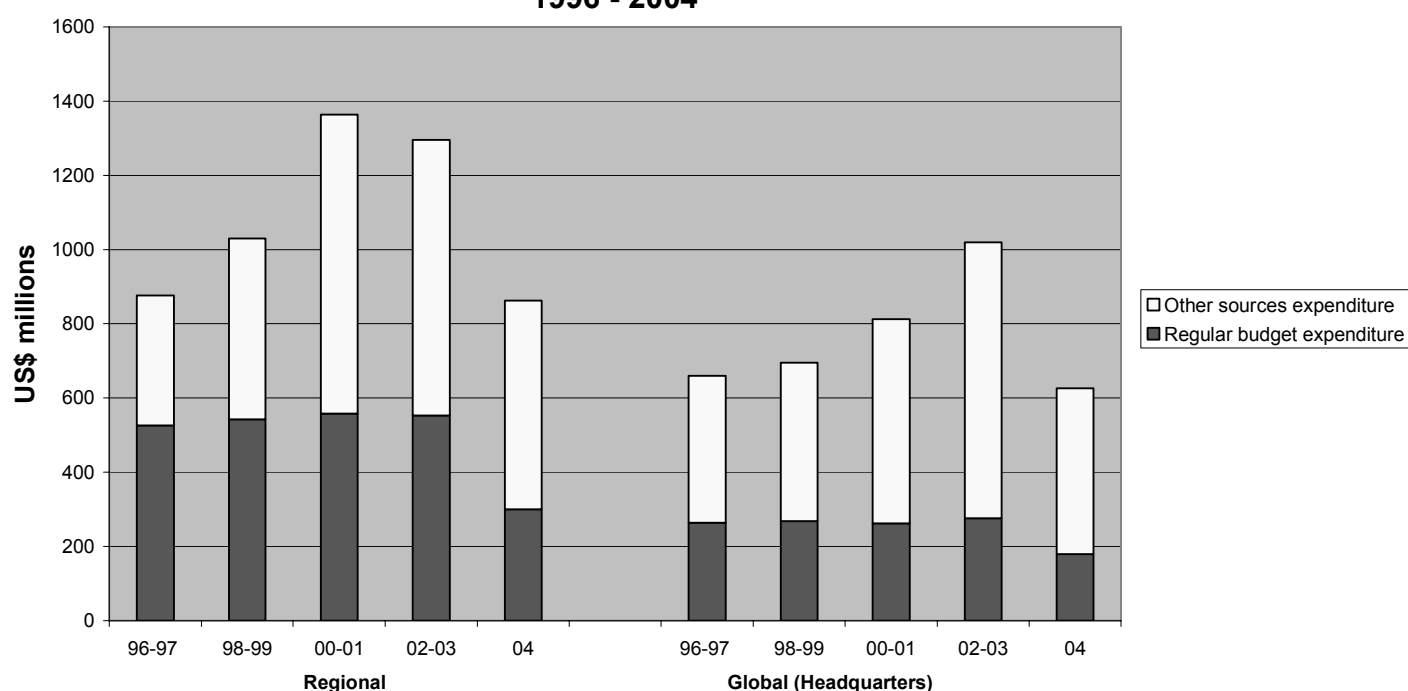
16. During 2004 country and regional offices accounted for 58% of expenditure and global (headquarters) for 42%. This compares with 56% for country and regional offices and 44% for headquarters in 2002-2003. Figure 3 below shows as a percentage expenditure from all sources of funds by office, i.e. global (headquarters) and each regional office, including the country offices for 2004 and the previous two bienniums. 2004 shows a reversal of the rising trend of expenditure by headquarters evidenced in 2002-2003.

Figure 3. Expenditure all sources of funds, regional offices and global (headquarters)
2000-2001, 2002-2003, 2004
(percentage)



17. Table 5 below indicates the amounts spent from the regular budget and other sources at regional and global (headquarters) levels for the period 1996 to 2004.

Table 5. Expenditure regular budget and other sources
by regional and global (headquarters) levels
1996 - 2004



18. Detailed information by area of work and by office is shown in the section Interim Financial Implementation of WHO's Programme Budget 2004-2005 for the year 2004, Tables 1, 2, 3 and 4. The overall level of implementation of the regular budget for 2004 is 54.5%. For other sources it is 52% of the total budget for the biennium 2004-2005. Table 2 summarizes expenditure by area of work for all offices by regular budget and by other sources. The areas of Work with the biggest expenditures are immunization and vaccine development (which includes eradication of poliomyelitis); emergency preparedness and response, and informatics and infrastructure services. Implementation rates for areas of work for 2004 vary from 79.8% for Emergency Preparedness and Response to 24.9% for HIV/AIDS. Such variations stem largely from uneven patterns of income.
19. Table 6 shows financial implementation by category of expenditure for 2002-2003 and 2004.

**Table 6. Financial implementation by category of expenditure
2002-2003, 2004**
(in thousands of US dollars)

Category of expenditure	2002-2003		2004	
	US\$	%	US\$	%
Staff costs	934	40	648	43
Local cost subsidies	317	14	206	13
Translations, printing, data processing	251	11	181	12
Supplies, materials, communications, contributions in kind	382	16	176	12
Consultants/Temporary advisers	117	5	59	4
Travel on official business	73	3	48	3
Furniture and equipment, including information technology	140	6	47	3
Fellowships and other educational activities	66	3	37	2
Research contracts	55	2	28	2

20. The most significant category is staff costs reflecting the fact that WHO is a technical organization. The recent creation of the Knowledge Management department and considerable investments in staff development and other initiatives related to human resources help to ensure that the personnel receive appropriate support. Expenditure on supplies, materials, telecommunications, local costs and fellowships helps to support much of WHO's work in countries.
21. In 2004 expenditure in staff costs rose somewhat because of increases in the salary scale and the weakening of the US dollar. However, bearing these two factors in mind, the level of increase is modest.
22. More detailed information on financial implementation by category of expenditure and by type of fund for 2004 is contained in the section in financial implementation, Table 5.

Liquidity management

23. The financial stability of the Organization depends not only upon timely receipt of income but also on effective management of liquidity and foreign-exchange risk, and investment and foreign-exchange policies, which are drawn up with the aim of preserving capital. The Director-General is advised by an expert advisory committee that regularly reviews performance and makes recommendations on the strategy to adopt in the light of market conditions.

Investment management operations

24. Total cash and investments for the Organization at 31 December 2004 were US\$ 1.6 billion, the investment of which is summarized in Schedule 1 of this report. These investments represent cash and investment assets for fund balances which total US\$ 1.2 billion, as shown in Statement I. The balance of US\$ 400 million represents mainly

funds for unliquidated obligations and Member States advance payment of assessed contributions for 2005. The investments are primarily short term, being held in respect of programmes funded by the regular budget, extrabudgetary and other funds, for which the actual cash expenditures have yet to be made. A total of US\$ 350 million are held for longer term funds, primarily the Staff Health Insurance Fund and the Terminal Payments Account. A total of US\$ 525 million is invested on behalf of non-WHO entities, as detailed in Note 18.

Foreign currency hedging operations

25. The value of certain non-dollar regular budget expenditures has been protected from the impact of the declining value of the US dollar during the biennium. Protection is carried out by entering forward currency and option contracts. A total of US\$ 19 million was credited against regular budget expenditures in 2004, resulting from the cash flow of these operations. It is expected that further cash flow will be generated during 2005 to offset the additional dollar cost of non-dollar expenditures in the second year of the biennium.
26. Hedging operations however can protect the Organization only from the exchange-rate fluctuations during the current biennium. At the start of the biennium 2006-2007, it is expected that the weaker dollar will have a significant impact on the purchasing power of that budget, particularly in relation to the Swiss Franc and the Euro. Compared with 2004-2005, it is estimated that the dollar cost of non-dollar expenditures will be approximately US\$ 50 million higher in 2006-2007, because of the exchange rate of the US dollar. Compared with 2002-2003, the difference is approximately US\$ 100 million.

Conclusion

27. The growth in financial resources and increasing complexity of the demands being made upon the Organization pose challenges for future financial management. Many of the policies and procedures that underpin accountability and financial integrity were developed for a centralized Organization and are supported by information technology systems that reflect this centralized approach. With the creation of the Global Management System modern financial-management policies and practices are being established based upon the best practice followed in the public and private sectors. These new policies will be implemented in 2006-2007 and will lead to greater simplification and clarity in WHO's financial reporting.

***Unaudited interim financial statements, schedules
and notes to the accounts
2004***

This part of the Unaudited Interim Financial Report presents the overall financial position of the Organization as at 31 December 2004. The relevant statements, notes and supporting schedules have been prepared in compliance with the requirements of the Financial Regulations, Financial Rules and the United Nations System Accounting Standards. The schedules provide background details and explanations in support of individual funds and special accounts administered by the Organization in 2004. The notes to the accounts are an integral part of the financial statements. Where appropriate, comparative figures are provided in respect of the previous biennium.

Statement I

Consolidated statement of income and expenditure and changes in fund balances: all sources of funds for the year 2004

(in thousands of US dollars)

	Reference	Regular Budget ^{a/} (Schedule 3)	Voluntary Fund for Health Promotion (A58/26 Add. 1)	Other WHO funds (Statement I.1)
Income:				
<i>Assessed contributions:</i>				
For the effective working budget (2004)		426 925		4 626
Adjustment mechanism		(12 364)		
Financial incentive scheme		(445)		
New and formerly inactive Members				
<i>Total assessed contributions</i>		414 116		4 626
<i>Voluntary contributions:</i>				
WHO programme activities	Note 4		735 940	
Non-WHO programme activities				
<i>Other income:</i>				
Assessment relief forgone by Member States				
Revenue-producing activities	Note 5			3 939
Funds under inter-organization arrangements	Note 13			
Income from services rendered	Note 6			83 497
Interest income: - interest			11 494	8 686
- shared exchange differential				737
Gains (losses) on hedging operations	Note 7	8 432		
Other				49 559
<i>Total income</i>		422 548	747 434	151 044
Expenditure:	Note 9			
WHO programme activities		480 093	740 499	147 145
Non-WHO programme activities				16 245
<i>Total expenditure</i>		480 093	740 499	163 390
Excess (shortfall) of income over expenditure		(57 545)	6 935	(12 346)
Provision for delays in the collection of assessed contributions		(43 311)		
Payment of assessed contributions of prior periods	Note 10	32 744		5 795
Savings on prior periods' unliquidated obligations				1 454
Increase in Capital Assets				
Transfers between funds	Annex 1	12 809	(564)	(12 809)
Adjustment to fund balances	Note 33			
Total changes in fund balances	Statement III	(55 303)	6 371	(17 906)
Fund balances - 1 January 2004	Statement II	(1 744)	455 885	215 903
Fund balances - 31 December 2004	Statement II	(57 047)	462 256	197 997

The accompanying notes and schedules are an integral part of the financial statements.

^{a/} Includes Working Capital Fund.

Statement I (continued)

Trust funds (Statements I.2, I.3, I.4)	Equity in capital assets	Sub-totals	Eliminations (Statement I, Annex 2)	Totals	
				2004	2002-2003
					Income:
					<i>Assessed contributions:</i>
		431 551		431 551	795 193 For the effective working budget (2004)
		(12 364)		(12 364)	(22 695) Adjustment mechanism
		(445)		(445)	Financial incentive scheme
					4 New and formerly inactive Members
		418 742		418 742	772 502 <i>Total assessed contributions</i>
					<i>Voluntary contributions:</i>
104 206		840 146	(23 356)	816 790	1 143 130 WHO programme activities
243 205		243 205		243 205	388 861 Non-WHO programme activities
					<i>Other income:</i>
					5 477 Assessment relief forgone by Member States
47		3 986		3 986	7 302 Revenue-producing activities
17 663		17 663		17 663	134 300 Funds under inter-organization arrangements
		83 497	(83 497)		Income from services rendered
13 846		34 026		34 026	83 974 Interest income: - interest
		737		737	(859) - shared exchange differential
		8 432		8 432	2 972 Gains (losses) on hedging operations
85 236		134 795	(87 742)	47 053	69 845 Other
464 203		1 785 229	(194 595)	1 590 634	2 607 504 <i>Total income</i>
					Expenditure:
123 079		1 490 816	(177 917)	1 312 899	2 047 634 WHO programme activities
314 948		331 193	(16 678)	314 515	424 925 Non-WHO programme activities
438 027		1 822 009	(194 595)	1 627 414	2 472 559 <i>Total expenditure</i>
					Excess (shortfall) of income over expenditure
26 176		(36 780)		(36 780)	134 945
					Provision for delays in the collection of assessed contributions
		(43 311)		(43 311)	(49 908)
		38 539		38 539	59 045 Payment of assessed contributions of prior periods
9 654		11 108		11 108	26 245 Savings on prior periods' unliquidated obligations
	3 319	3 319		3 319	239 Increase in Capital Assets
564					Transfers between funds
5 500		5 500		5 500	Adjustment to fund balances
41 894	3 319	(21 625)		(21 625)	170 566 Total changes in fund balances
506 633	67 127	1 243 804		1 243 804	1 073 238 Fund balances - 1 January 2004
548 527	70 446	1 222 179		1 222 179	1 243 804 Fund balances - 31 December 2004

Statement I.1

**Other WHO funds
for the year 2004**

(in thousands of US dollars)

		Miscellaneous income (Note 8)	Casual income - appropriated for priority programmes	Real Estate Fund (Schedule 6)	Security Fund (Note 34)	Other Funds (Note 28)
	Reference					
Income:						
<i>Assessed contributions:</i>						
For the effective working budget (2004)						
New and formerly inactive Members						
<i>Total assessed contributions</i>						
<i>Other income:</i>						
Assessment relief forgone by Member States						
Revenue-producing activities	Note 5			284		826
Income from services rendered	Note 6					
Interest income: - interest		3 847		108	122	80
- shared exchange differential		737				
Gains (losses) on hedging operations						
Other		818		5 820	8 910	4 311
<i>Total income</i>		5 402		6 212	9 032	5 217
Expenditure:						
	Note 9					
WHO programme activities			516		5 448	3 942
Non-WHO programme activities				4 252		622
<i>Total expenditure</i>			516	4 252	5 448	4 564
Excess (shortfall) of income over expenditure		5 402	(516)	1 960	3 584	653
Payment of assessed contributions of prior periods	Note 10	5 795				
Savings on prior periods' unliquidated obligations		1 454				
Transfers between funds	Annex 1	(12 809)				
Total changes in fund balances	Statement I	(158)	(516)	1 960	3 584	653
Fund balances - 1 January 2004	Statement II	9 800	(58)	1 038	1 466	4 441
Fund balances - 31 December 2004	Statement II	9 642	(574)	2 998	5 050	5 094

The accompanying notes and schedules are an integral part of the financial statements.

Statement I.1 (continued)

Revolving Sales Fund (Note 11)	Information Technology Fund (Note 35)	Special Account for Servicing Costs (Schedule 5)	Tax Equalization Fund (Note 3)	Terminal Payments Account	Totals 2004	2002-2003	
							Income:
			4 626		4 626	2 667	<i>Assessed contributions:</i>
						4	For the effective working budget (2004)
			4 626		4 626	2 671	New and formerly inactive Members
							<i>Total assessed contributions</i>
							<i>Other income:</i>
						5 478	Assessment relief forgone by Member States
2 829					3 939	6 621	Revenue-producing activities
		76 811		6 686	83 497	134 032	Income from services rendered
	446	2 757		1 326	8 686	27 162	Interest income: - interest
					737	(859)	- shared exchange differential
						2 972	Gains (losses) on hedging operations
	29 700				49 559	15 730	Other
2 829	30 146	79 568	4 626	8 012	151 044	193 807	<i>Total income</i>
							Expenditure:
4 722	3 692	128 825			147 145	139 535	WHO programme activities
			4 918	6 453	16 245	25 079	Non-WHO programme activities
4 722	3 692	128 825	4 918	6 453	163 390	164 614	<i>Total expenditure</i>
							Excess (shortfall) of income over expenditure
(1 893)	26 454	(49 257)	(292)	1 559	(12 346)	29 193	
					5 795	3 416	Payment of assessed contributions of prior periods
					1 454	8 705	Savings on prior periods' unliquidated obligations
					(12 809)	(77 736)	Transfers between funds
(1 893)	26 454	(49 257)	(292)	1 559	(17 906)	(36 422)	Total changes in fund balances
6 475	1 950	136 103	1 777	52 911	215 903	252 325	Fund balances - 1 January 2004
4 582	28 404	86 846	1 485	54 470	197 997	215 903	Fund balances - 31 December 2004

Statement I.2

**Trust funds – inter-organization arrangements
for the year 2004**

(in thousands of US dollars)

	Reference	Technical cooperation			
		UN Development Programme	UN Population Fund	UN Environment Programme	UN Drug Control Programme
Income					
<i>Other income</i>					
Funds under inter-organization arrangements	Note 13	216	6 541	436	189
Interest income					
Other		6	8		
<i>Total income</i>		222	6 549	436	189
Expenditure	Note 9				
WHO programme activities		720	5 621	379	28
<i>Total expenditure</i>		720	5 621	379	28
Excess (shortfall) of income over expenditure		(498)	928	57	161
Savings on prior periods' unliquidated obligations		11	7		
Transfers between funds					
Adjustment to fund balances	Note 33	5 500			
Total changes in fund balances	Statement I	5 013	935	57	161
Fund balances - 1 January 2004	Statement II	(2 704)	(1 703)	20	(170)
Fund balances - 31 December 2004	Statement II	2 309	(768)	77	(9)

The accompanying notes and schedules are an integral part of the financial statements.

Statement I.2 (continued)

Technical cooperation		Supply services		Totals		
UN Iraq Programme SCR 986	Other UN funds	Other UN organizations	2004	2002-2003		
						Income
						<i>Other income</i>
8 796	1 188	297	17 663	134 300		Funds under inter-organization arrangements
32			32	1 606		Interest income
(224)			(210)	(1 329)		Other
8 604	1 188	297	17 485	134 577		<i>Total income</i>
						Expenditure
1 444	1 388	4 187	13 767	150 544		WHO programme activities
1 444	1 388	4 187	13 767	150 544		<i>Total expenditure</i>
						Excess (shortfall) of income over expenditure
7 160	(200)	(3 890)	3 718	(15 967)		
6 145	21		6 184	506		Savings on prior periods' unliquidated obligations
	(1 447)		(1 447)	552		Transfers between funds
			5 500			Adjustment to fund balances
13 305	(1 626)	(3 890)	13 955	(14 909)		Total changes in fund balances
(13 305)	2 340	4 546	(10 976)	3 933		Fund balances - 1 January 2004
	714	656	2 979	(10 976)		Fund balances - 31 December 2004

Statement I.3

Trust funds – WHO programme activities for the year 2004

(in thousands of US dollars)

	Reference	Technical cooperation				TDR ^{a/ b/}
		Global Programme on AIDS	Onchocerciasis Control Programme ^{a/}	African Programme for Onchocerciasis Control ^{a/}	Sasakawa Health Trust Fund ^{a/}	
Income:						
<i>Voluntary contributions:</i>						
WHO programme activities				10 000	3 189	30 110
<i>Other income:</i>						
Revenue-producing activities	Note 5		4			
Interest income		6	43	210	238	507
Other			9	38		228
<i>Total income</i>		6	56	10 248	3 427	30 845
Expenditure:	Note 9					
WHO programme activities				12 640	5 420	28 483
<i>Total expenditure</i>				12 640	5 420	28 483
Excess (shortfall) of income over expenditure		6	56	(2 392)	(1 993)	2 362
Savings on prior periods' unliquidated obligations			300	304	89	(67)
Transfers between funds	Annex 1	(291)				971
Total changes in fund balances	Statement I	(285)	356	(2 088)	(1 904)	3 266
Fund balances - 1 January 2004	Statement II	285	1 851	2 278	10 131	17 309
Fund balances - 31 December 2004	Statement II		2 207	190	8 227	20 575

The accompanying notes and schedules are an integral part of the financial statements.

^{a/} See Annex (doc A58/26 Add.1) for detailed financial statements.

^{b/} TDR: Trust Fund for the UNICEF/UNDP/World Bank/WHO Special Programme for Research and Training in Tropical Diseases.

^{c/} HRP: Trust Fund for the UNDP/UNFPA/WHO/World Bank Special Programme of Research, Development and Research Training in Human Reproduction.

Statement I.3 (continued)

Technical cooperation			Supply services				
HRP ^{a/ c/}	Associate Professional Officers	Other technical cooperation funds	National health services and institutions	Totals			
				2004	2002-2003		
						Income:	
						<i>Voluntary contributions:</i>	
10 449	3 172	28 493	18 793	104 206	183 791	WHO programme activities	
						<i>Other income:</i>	
43				47	681	Revenue-producing activities	
173	46	6		1 229	4 108	Interest income	
				275	(39)	Other	
10 665	3 218	28 499	18 793	105 757	188 541	Total income	
						Expenditure:	
15 936	3 465	26 147	17 221	109 312	180 720	WHO programme activities	
15 936	3 465	26 147	17 221	109 312	180 720	Total expenditure	
						Excess (shortfall) of income over expenditure	
(5 271)	(247)	2 352	1 572	(3 555)	7 821		
445				1 071	11 356	Savings on prior periods' unliquidated obligations	
417				1 097	1 104	Transfers between funds	
(4 409)	(247)	2 352	1 572	(1 387)	20 281	Total changes in fund balances	
8 122	3 295	23 848	2 879	69 998	49 717	Fund balances - 1 January 2004	
3 713	3 048	26 200	4 451	68 611	69 998	Fund balances - 31 December 2004	

Statement I.4

**Other trust funds and associated entities
for the year 2004**

(in thousands of US dollars)

	Reference	Trust Fund for the Joint United Nations Programme on HIV/AIDS (UNAIDS) (Note 14)	International Agency for Research on Cancer (Note 14)	International Computing Centre (Note 14)	Staff Health Insurance (Notes 14, 15)
Income:					
<i>Voluntary contributions:</i>					
Non-WHO programme activities		168 001	28 677		
<i>Other income:</i>					
Interest income		2 497			9 957
Other				30 438	54 733
<i>Total income</i>		170 498	28 677	30 438	64 690
Expenditure:	Note 9				
Non-WHO programme activities		166 550	31 726	27 061	42 062
<i>Total expenditure</i>		166 550	31 726	27 061	42 062
Excess (shortfall) of income over expenditure		3 948	(3 049)	3 377	22 628
Savings on prior periods' unliquidated obligations		467			
Transfers between funds	Annex I	914			
Total changes in fund balances	Statement I	5 329	(3 049)	3 377	22 628
Fund balances - 1 January 2004	Statement II	134 102	22 596	3 073	267 616
Fund balances - 31 December 2004	Statement II	139 431	19 547	6 450	290 244

The accompanying notes and schedules are an integral part of the financial statements.

Statement I.4 (continued)

The Global Fund to fight AIDS, Tuberculosis and Malaria (Note 14)	Other funds (Note 16)	Foundations (Note 17)	Totals		
			2004	2002-2003	
					Income:
40 000	5 495	1 032	243 205	388 861	<i>Voluntary contributions:</i>
					Non-WHO programme activities
	78	53	12 585	31 006	<i>Other income:</i>
			85 171	126 260	Interest income
					Other
40 000	5 573	1 085	340 961	546 127	<i>Total income</i>
41 621	5 873	55	314 948	415 615	Expenditure:
					Non-WHO programme activities
41 621	5 873	55	314 948	415 615	<i>Total expenditure</i>
(1 621)	(300)	1 030	26 013	130 512	Excess (shortfall) of income over expenditure
1 932			2 399	5 677	Savings on prior periods' unliquidated obligations
			914		Transfers between funds
311	(300)	1 030	29 326	136 189	Total changes in fund balances
12 798	5 253	2 172	447 610	311 421	Fund balances - 1 January 2004
13 109	4 953	3 202	476 936	447 610	Fund balances - 31 December 2004

Statement I, Annex 1

Transfers between funds ^{a/}

(in thousands of US dollars)

Appropriated for the effective working budget 2004-2005						
(Financial Regulation 6.5 and Resolution WHA56.32)		Other programme transfers				Total
Funds						
Regular budget and Working Capital Fund	(12 809)					(12 809)
Miscellaneous Income	12 809					12 809
Voluntary Fund for Health Promotion		417	(1 447)	623	971	564
TDR ^{b/}					(971)	(971)
HRP ^{c/}		(417)				(417)
Global Programme on AIDS		291				291
UNAIDS		(291)		(623)		(914)
Other UN funds			1 447			1 447
Net transfers	-	-	-	-	-	-

^{a/} These transfers between funds were made to implement decisions by the Health Assembly, and other programme transfers are in accordance with established accounting practices. Figures with brackets denote receiving fund and figures without brackets denote originating fund.

^{b/} Trust Fund for the UNICEF/UNDP/World Bank/WHO Special Programme for Research and Training in Tropical Diseases

^{c/} Trust Fund for the UNDP/UNFPA/WHO/World Bank Special Programme of Research, Development and Research Training in Human Reproduction.

Statement I, Annex 2**Eliminations***(in thousands of US dollars)*

Originating Fund	Expenditure	Receiving Fund	Income
Regular budget	2 316	TDR ^{a/}	2 316
	5 820	Real Estate Fund	5 820
	2 910	Security Fund	2 910
	9 700	Information Technology Fund	9 700
United Nations Population Fund	2 250	HRP ^{b/}	2 250
TDR ^{a/}	1 075	Special Account for Servicing Costs	1 075
African Programme for Onchocerciasis Control	620	TDR ^{a/}	620
	150	Special Account for Servicing Costs	150
Supply Services - Iraq Trust Fund	3 740	Special Account for Servicing Costs	3 740
The Global Fund to fight AIDS, Tuberculosis and Malaria	982	Special Account for Servicing Costs	982
Voluntary Fund for Health Promotion	200	TDR ^{a/}	200
UNAIDS	17 971	Voluntary Fund for Health Promotion	17 971
	1 756	Special Account for Servicing Costs	1 756
International Computing Centre	680	Special Account for Servicing Costs	680
All funds	6 685	Terminal Payments Account	6 685
	38 499	Staff Health Insurance	38 499
	4 813	Staff Development	4 813
Special Account for Servicing Costs	6 000	Security Fund	6 000
	20 000	Information Technology Fund	20 000
Programme support costs received	68 428	Special Account for Servicing Costs	68 428
Total elimination of expenditure	194 595	Total elimination of income	194 595

^{a/} Trust Fund for the UNICEF/UNDP/World Bank/WHO Special Programme for Research and Training in Tropical Diseases.^{b/} Trust Fund for the UNDP/UNFPA/WHO/World Bank Special Programme of Research, Development and Research Training in Human Reproduction.

Statement II

Statement of assets, liabilities, and fund balances, as at 31 December 2004

(in thousands of US dollars)

	Reference	2004	2002-2003
Assets			
Cash at banks, in transit and on hand	Schedule 1, Note 18	149 466	119 128
Deposits and securities	Schedule 1	1 475 171	1 342 530
<i>Accounts receivable</i>			
Assessed contributions receivable from Member States	Schedule 3	142 297	137 526
Less: Provision for delays in the collection of assessed contributions		(142 297)	(137 526)
Net assessed contributions		-	-
Sundry debtors	Note 20	58 576	56 266
<i>Total accounts receivable</i>		58 576	56 266
Prepaid expenses	Note 21	75	1 365
Interest receivable		6 112	4 929
Construction in progress	Note 27	7 862	2 890
Capital assets	Note 22	71 084	67 127
Total assets		1 768 346	1 594 235
Liabilities and fund balances			
<i>Liabilities</i>			
Members' contributions received in advance	Note 24	49 587	46 686
Unliquidated obligations	Note 25	419 283	247 250
Accounts payable and deferred income	Note 26	64 581	53 663
Loans repayable	Notes 27, 32	12 716	2 832
<i>Total liabilities</i>		546 167	350 431
<i>Fund balances</i>			
Trust funds	Statements I.2, I.3, I.4	548 527	506 633
Voluntary Fund for Health Promotion	Statement I	462 256	455 885
Regular Budget and Working Capital Fund	Statement I	(57 047)	(1 744)
Other WHO funds	Statement I.1	197 997	215 903
Members' equity in capital assets	Statement I	70 446	67 127
<i>Total fund balances</i>		1 222 179	1 243 804
Total liabilities and fund balances		1 768 346	1 594 235

Statement III**Statement of cash flow
for the year 2004***(in thousands of US dollars)*

	2004	2002-2003
Cash flows from operating activities		
Total changes in fund balances (Statement I)	(21 625)	123 994
(Increase)/decrease in accounts receivable - sundry debtors	(2 310)	(10 705)
(Increase)/decrease in prepaid expenses	1 290	250
(Increase)/decrease in interest receivable	(1 183)	11 461
Increase/(decrease) in contributions received in advance	2 901	11 517
Increase/(decrease) in unliquidated obligations	172 033	(103 298)
Increase/(decrease) in accounts payable and deferred income	10 918	15 091
Savings on prior periods' unliquidated obligations	11 108	26 245
Less: Interest income included in fund balances	(34 763)	(83 115)
<i>Net cash flows from operating activities</i>	138 369	(8 560)
Cash flows from investing and financing activities		
(Increase)/decrease in deposits and securities	(132 641)	(59 066)
Increase/(decrease) in borrowings payable after one year	9 884	2 832
Plus: Interest income included in fund balances	34 763	83 115
<i>Net cash flows from investing and financing activities</i>	(87 994)	26 881
Cash flows from other sources		
(Increase)/decrease in land and buildings	(3 957)	(240)
(Increase)/decrease in construction in progress	(4 972)	(2 890)
Savings on prior periods' unliquidated obligations	(11 108)	(26 245)
<i>Net cash flows from other sources</i>	(20 037)	(29 375)
Net increase/(decrease) in cash	30 338	(11 054)
Cash as at 1 January 2004 and 2002	119 128	130 182
Cash as at 31 December 2004 and 2003	149 466	119 128

Statement IV

**Statement of appropriations for the financial period 2004-2005
as at 31 December 2004**

(in thousands of US dollars)

Appropriation section	Amounts approved by resolution WHA56.32	Transfers between sections made by the Director-General	Transfers between sections as % of approved appropriations	Effective appropriations	Expenditure	Balance available in 2005
1. Communicable diseases	93 025	(647)	(0.70)	92 378	48 173	44 205
2. Noncommunicable diseases and mental health	69 616	(3 600)	(5.17)	66 016	34 941	31 075
3. Family and community health	60 340	(1 980)	(3.28)	58 360	33 068	25 292
4. Sustainable development and healthy environments	81 802	(3 445)	(4.21)	78 357	40 601	37 756
5. Health technology and pharmaceuticals	49 728	(2 330)	(4.69)	47 398	23 187	24 211
6. Evidence and information for policy	175 451	(512)	(0.29)	174 939	88 751	86 188
7. External relations and governing bodies	44 055	(2 531)	(5.75)	41 524	23 012	18 512
8. General management	139 294	(4 458)	(3.20)	134 836	73 210	61 626
9. Director-General, Regional Directors and independent functions	21 670	2 196	10.13	23 866	13 243	10 623
10. WHO's presence in countries	111 130	17 307	15.57	128 437	68 927	59 510
11. Miscellaneous	34 000			34 000	32 980	1 020
Effective working budget	880 111			880 111	480 093	400 018
12. Transfer to Tax Equalization Fund	80 000			80 000	80 000	
Total	960 111			960 111	560 093	400 018

Notes to the accounts

1. Statement of objectives

- 1.1** The objective of the World Health Organization, contained in Article 1 of the Constitution, is the "attainment by all peoples of the highest possible level of health".
- 1.2** In order to achieve this objective, the functions of the Organization have been established and are contained in Article 2 of the Constitution.
- 1.3** The General Programme of Work 2002-2005, approved by World Health Assembly resolution WHA54.1 provides the policy framework for the Programme Budget 2004-2005.
- 1.4** The Fifty-sixth World Health Assembly in May 2003 (WHA56.32) resolved to appropriate an Effective Working Budget of \$ 880.1 million for the financial period 2004-2005. The Health Assembly also noted estimated expenditure of \$ 1 825 million to be financed from other sources. This figure was subsequently revised upwards to \$ 1 944 million as noted by the 113th Session of the Executive Board in January 2004.

2. Statement of accounting policies

2.1 General accounting policies

The accounting policies and financial reporting practices applied are based upon the WHO Financial Regulations and Financial Rules. Where the Regulations and Rules do not provide explicit provisions, the requirements of the United Nations System Accounting Standards (UNAS) apply. The financial statements, accompanying notes and schedules are in accordance with the UNAS and are drawn up on the basis of the formats defined therein.

2.2 Presentation of financial statements

The financial statements, notes, schedules and accompanying tables are presented in US dollars. All assets and liabilities, including accounts receivable and payable, are pooled within the Organization's books of account.

2.3 Foreign currency translation

Translation into US dollars of transactions expressed in other currencies is effected at the prevailing United Nations accounting rate of exchange, as applicable at the date of the transaction. However, imprest account expenditure transactions are accounted for at the accounting rate of exchange in effect at the date expenditures are recorded in the main accounts.

Assets and liabilities held in other currencies at the end of the year are also translated into US dollars at the United Nations accounting rate of exchange prevailing for the month of December of the closing year. However, when significant changes occur in the exchange rates at the end of the year, the rates used "as at 31 December" are those in force on 1 January of the subsequent year. In the current financial period, no substantial change occurred between the exchange rates in force at the end of 2004 and those in force at 1 January 2005.

2.4 Accounting for exchange differential

Exchange rate gains and losses on the purchase and sale of currencies, revaluation of cash book balances, and all other exchange differences are adjusted against the funds and accounts participating in the apportionment of interest under the WHO general investment plan.

2.5 Assessed contributions

Income from contributions from Members and Associate Members for the effective working budget 2004-2005 is recorded on the basis of assessments approved by the World Health Assembly. In accordance with Financial Regulation 7.1, pending receipt of assessed contributions, implementation of the regular budget may be financed from the Working Capital Fund and thereafter by internal borrowing against available cash reserves of the Organization, excluding Trust Funds. A provision is established for delays in collection of contributions amounting to 100% of the assessed contributions outstanding at 31 December 2004. The total amount of the provision is shown in Schedule 3. When outstanding assessed contributions are paid, the amounts are credited first against any outstanding internal borrowing and then against any borrowing from the Working Capital Fund. In accordance with Financial Regulation 8.1 (h), any payments of arrears of contributions due from Member States

that are not required to repay borrowings from internal borrowing and from the Working Capital Fund are credited to Miscellaneous Income.

2.6 New and formerly inactive Members

Income from assessed contributions from new and formerly inactive Members is subject to Financial Regulation 6.12. Such income is recorded on a cash basis (i.e. as received) and is credited to Miscellaneous Income.

2.7 Tax Equalization Fund

In accordance with Health Assembly resolution WHA21.10, under which the Tax Equalization Fund was established, the assessed contributions of all Members are reduced by the income generated by the staff assessment plan. In determining the reduction of assessed contributions to be applied to the Members concerned, the Tax Equalization Fund is credited with the revenue from the staff assessment plan, the credits being recorded in the name of individual Members, in proportion to their assessments for the relevant financial period. For those Members that levy income tax on emoluments received from the Organization by their nationals or others liable to such taxes, the credit from the staff assessment plan is charged with the estimated amount to be levied by those Member States. Those amounts which have been charged are, in turn, used by the Organization to reimburse income tax paid by the staff concerned.

2.8 Voluntary contributions

Voluntary contributions for WHO programme activities are recorded on a cash basis.

Contributions in kind or in services received by WHO are recorded upon receipt. They are treated both as income and expenditure in the Voluntary Fund for Health Promotion where they are recorded at a fair value based on estimates provided by the donor.

2.9 Letters of credit

The funds available from donors under these facilities are recorded as income in the accounts of the Organization when actually drawn down, according to programme requirements.

2.10 Other trust funds

WHO administers other trust funds and entities that do not form part of WHO's programme activities; contributions for these trust funds and entities are also recorded on a cash basis.

2.11 Revenue-producing activities

Income is recorded on a cash basis.

2.12 Interest income

Interest earned on funds and accounts invested on a pooled basis is apportioned monthly in proportion to their capital at the end of each month. Earnings on investments made for specific funds are credited directly to the funds concerned. Interest is adjusted by the exchange differential arising from currency and revaluation operations.

Interest earned and apportioned during the financial period to specific WHO accounts, trust funds and the Voluntary Fund for Health Promotion, is retained for use within those accounts and funds.

2.13 Expenditure

Expenditure (obligations) under all funds administered by WHO for technical assistance, supply services and other WHO programmes is recorded on an accrual basis.

With the exception of some activities financed under interagency arrangements (e.g. United Nations Development Programme, United Nations Population Fund and other United Nations organizations for which WHO is executing agency) expenditure is established in accordance with Financial Regulation IV and Financial Rule VI. Where expenditure against the aforementioned funds is provided under interagency arrangements, such expenditure is established and maintained in accordance with the financial regulations of the respective funding agencies.

For other trust funds and entities administered by WHO and which do not form part of WHO programme activities, expenditure is recorded on an accrual basis.

That part of an obligation which has not yet been paid (i.e. an outstanding liability) is shown in the balance sheet as an unliquidated obligation.

2.14 Savings on prior periods' unliquidated obligations

Unliquidated obligations relating to prior financial periods are settled during the current financial period in accordance with Financial Regulation 4.5. Variances on settlement are debited/credited to the relevant fund.

2.15 Eliminations

The accounts of the Organization incorporate programme activities under the regular budget and those under extrabudgetary sources of financing, other WHO funds and associated entities. In order to preserve fund integrity and for transparency, income and expenditure are recorded separately for each individual fund. Income can be transferred by one fund to another fund in which case the amount is recorded as expenditure in the originating fund and as income in the receiving fund. However, income and expenditure are also consolidated in the Organization's accounts and financial statements to give an overall picture of the costs of WHO programme activities and of other entities administered by WHO. Consolidation produces a duplication of income and expenditure which must be eliminated in order to reflect the net costs of programme delivery.

Programme support costs (PSC) are also recorded both as income and expenditure through the accounting for extrabudgetary funds and the Special Account for Servicing Costs.

2.16 Cash at banks, in transit and on hand

Imprest account balances only reflect disbursements recorded up to 30 November 2004 in order to ensure a consistent cut off throughout the Organization. Disbursements that have not been accounted for will be accounted for against the liquidation of the relevant obligations and bank balances in 2005.

2.17 Deposits and securities

Funds in currencies other than US dollars are accounted at their US dollar equivalent based on the United Nations accounting rate of exchange. Securities are accounted for at current market value. Market values are determined using the market price for a particular security on the last business day of the year. In accordance with Financial Regulation 11.1, funds not required for immediate use may be invested. All investments are carried out within the framework of investment policies approved by the Director-General. These policies are regularly reviewed by the Advisory Investment Committee, which includes external investment specialists. The Committee makes recommendations to the Director-General as and when the Committee considers it appropriate. The Investment Policy reflects the nature of the WHO funds, which may be held for the short-term, pending programme implementation, or for the longer term in order to meet liabilities under the Staff Health Insurance Fund and other long-term funds of the Organization. Investments are recorded at current market value and investment income is recorded on an accrual basis.

2.18 Capital assets and Members' equity in capital assets

The value of capital assets represents the cost at the time of acquisition or construction or, in the case of donated properties, the value as advised by the donor. No adjustment is made for depreciation.

In certain regional office locations, WHO occupies premises made available to it by the host country concerned, either at no cost or on a rental basis. The costs of improvements or extensions to such premises which have been borne by WHO are not recorded as capital assets in the accounts of the Organization but are charged to expenditure.

2.19 Non-expendable equipment

In accordance with established accounting policy, non-expendable equipment (including furniture, computers, office equipment and motor vehicles) is charged to expenditure at cost. An inventory of non-expendable equipment is maintained and the value disclosed in these notes.

2.20 Working Capital Fund and internal borrowing

Pending the receipt of assessed contributions, implementation of the Regular Budget may be financed from the Working Capital Fund and thereafter by internal borrowing against available cash reserves of the Organization, excluding trust funds. Amounts borrowed are repaid from the collection of arrears of assessed contributions which are credited first against any internal borrowing outstanding and then against any borrowing outstanding from the Working Capital Fund.

2.21 Foreign exchange hedging

In accordance with Financial Regulation 4.4, foreign exchange hedging seeks to maintain the level of the budget, irrespective of the effect of any fluctuation of currencies against the US dollar. The amounts available for hedging are appropriated by the World Health Assembly for the financial period concerned. The exact method of hedging is determined in accordance with the investment policy, which specifies permitted hedging instruments: namely forward foreign exchange and option contracts. The exchange rate to be protected and prevailing market conditions are also taken into account. Costs associated with the purchase of foreign currency options are booked as expenses at the time of purchase. Gains (losses) on forward contracts and any gains on option contracts are taken to income (or expenditure) when the contracts mature.

3. Tax Equalization Fund

In 2004-2005, income credited to the Tax Equalization Fund is derived as follows:

	2004-2005 (US dollars)	2002-2003 (US dollars)
Staff Assessment (Statement IV, Appropriation Section 12)	80 000 000	80 000 000
<i>Less:</i> Credits to Members	75 374 110	77 333 220
Total	4 625 890	2 666 780

4. Contributions in kind or in services

Contributions in kind or in services estimated at \$ 16 million for 2004 (\$ 80 818 030 in 2002-2003) will be recorded during the financial period.

5. Revenue-producing activities

Revenues comprise the following:

- rental from staff accommodation credited to the Real Estate Fund;
- rentals from concessionaires at Headquarters credited to the Special Account for Operation of Concessions at Headquarters;
- sale of WHO publications and other promotional material; and income from rights and royalties credited to the Revolving Sales Fund; and
- revenue derived from patent policy credited to the Special Account for Income Derived from Patent Policy.

6. Income from services rendered

This item refers to income from programme support costs levied against programme expenditure under extrabudgetary financed activities and fees received from the provision of administrative services to other entities. Income earned is credited to the Special Account for Servicing Costs. Transfers to the Terminal Payments Account are also shown under this heading.

7. Foreign exchange hedging transactions arising in 2004

Exchange gains arising on foreign currency hedging contracts maturing in 2004 amounted to \$ 19 235 419, all of which have been recorded in the regular budget. \$ 8 432 000 attributable to the regular budget is being held pending allocation in 2005.

Options to purchase an amount of CHF 267 250 000 at an average exchange rate of 1.313 were outstanding at 31 December 2004.

Unrealized net gains on these contracts amounted to \$ 13 219 752 at 31 December 2004.

Realized gains or losses on these contracts will be recorded on maturity of the contracts and applied to the regular budget during 2005.

8. Miscellaneous Income - other

This includes:

	2004 (US dollars)	2002-2003 (US dollars)
Refunds and rebates	288 555	850 387
Exchange differential	570 572	1 214 372
Sale of equipment and material	106 739	254 519
Revenue from the Swiss postal authorities		23
Underground parking operations	(147 897)	781 937
Total	817 969	3 101 238

9. Expenditure

Expenditure for WHO programme activities includes technical cooperation and supply services.

Expenditure for non-WHO programme activities relates to funds or entities for which the Organization has administrative responsibility or some other interaction.

10. Payment of assessed contributions of prior years

Arrears of assessed contributions collected in 2004 in respect of the prior financial periods have been applied as follows:

	2004 (US dollars)
Repayments on internal borrowing outstanding as at 1 January 2004	1 743 968
Repayments of Working Capital Fund outstanding as at 1 January 2004	31 000 000
<i>Total repayments of borrowings during 2004</i>	32 743 968
Credited to Miscellaneous Income	5 795 344
Total arrears of assessed contributions collected in 2004	38 539 312

11. Revolving Sales Fund

In accordance with Health Assembly resolutions WHA22.8 and WHA55.9, this fund is credited with proceeds from the sale of publications, international certificates of vaccination, films, videos, DVD's and other information material. The related costs of production and printing are charged to the fund.

12. Special Account for Operation of Concessions at Headquarters

Established by the Director-General under the terms of the Financial Regulations, this account is credited with all amounts paid by concessionaires for space, equipment and other facilities made available by the Organization. The cost of repairs, utilities, maintenance work and replacement of equipment are charged against the account.

13. Funds under inter-organization arrangements

These represent cash drawings from the United Nations Development Programme, the United Nations Population Fund, the UN Iraq Programme under Security Council resolution 986, and other organizations and bodies of the United Nations system. Such drawings are made in order to finance activities funded by those agencies for which WHO is the executing or associated agency.

14. Trust funds not part of WHO's programme activities

In accordance with the Financial Regulations, the Director-General has established trust funds to record the financial operations of various programmes and entities that are not considered part of WHO's International Health Programme. The funds included are:

- Trust Fund for the Joint United Nations Programme on HIV/AIDS (UNAIDS)
- International Agency for Research on Cancer (IARC)
- The Global Fund to Fight AIDS, Tuberculosis and Malaria (GFTAM)
- International Computing Centre (ICC)

For each of these funds, detailed financial reports are issued and are subject to audit by the WHO External Auditor.

Trust funds not part of WHO's programme activities also include the WHO Staff Health Insurance (SHI).

15. Staff Health Insurance

The income of the Staff Health Insurance Fund consists of contributions received in respect of both active and retired staff (of which one-third is paid by the participants and two-thirds by the Organization) as well as interest earned on investments. In order to ensure the adequate funding of future claims from retired staff, a fixed percentage (currently 25%) of active staff contributions is set aside each year. The remaining 75% of contributions are required to meet current claims from active staff. The balance of the fund at 31 December 2004, \$ 290 243 396 is held to satisfy statutory reserves as follows:

	31 December 2004 (US dollars)	31 December 2003 (US dollars)
Settlement of outstanding claims (SHI rule 470.1)	13 648 691	11 441 025
Future cost of retired staff (SHI rule 470.2) ^{a/}	252 291 000	218 020 000
Reserve for major claims and cost of reinsurance (SHI rule 470.3)	24 303 705	38 154 842
Balance	290 243 396	267 615 867

16. Other funds

Special Fund for Compensation

This fund was set up by the Director-General under the Financial Regulations for the payment of periodic benefits awarded to staff members under WHO compensation rules for service-incurred accidents and illnesses. It is financed by funds allocated to cover the cost of employing the staff member in question; by the credit of benefits received from the commercial accident and illness insurance policy established for this purpose, and any interest earned.

Due to Estates of Deceased Staff Members

These funds reflect balances due on accounts of deceased staff members, pending the conclusion of legal and other succession-related formalities.

Other Trust Funds held by WHO

These funds relate to balances held on behalf of other organizations and entities for which WHO has responsibility as trustee.

17. Foundations

This comprises foundations for which WHO holds funds in trust and is responsible for financial and administrative management. At 31 December 2004, the foundations were as follows:

Léon Bernard Foundation

Darling Foundation

Dr A.T. Shousha Foundation

Jacques Parisot Foundation

Ihsan Dogramaci Family Health Foundation

Dr Comlan A.A. Quenum Prize

Professor Francesco Pocchiari Fellowship Prize

United Arab Emirates Health Foundation

Down Syndrome Research Prize in the Eastern Mediterranean Region

State of Kuwait Prize for Research in Health Promotion

^{a/} The most recent actuarial valuation of the future cost of retired staff, dated July 2004, estimates an Accumulated Post-retirement Benefit Obligation (APBO) for retirees of \$ 370.0 million (June 2000, \$ 224.5 million).

18. Cash, deposits and securities

Cash, deposits and securities are held on behalf of the Organization, including the Voluntary Fund for Health Promotion, its special accounts and trust funds and the various foundations and entities administered by WHO.

Cash at banks, in transit and on hand

This represents the aggregation of all the Organization's liquid resources (including cash, bank accounts, and funds in transit) and amount to \$ 149 466 332 at 31 December 2004. Within this figure, imprest account disbursements, which have not been accounted for in the financial period, amount to \$ 46 978 933. These disbursements will be accounted for against the liquidation of the appropriate unliquidated obligations and bank balances in 2005.

Short-term fixed income in US dollars

These are invested in cash and high quality, short dated, government, agency, and corporate bonds as defined in the approved investment policy.

Long-term fixed income in US dollars

These are invested in high quality, medium and long dated, government, agency, and corporate bonds. They represent funds managed for the Staff Health Insurance Fund and the Terminal Payments Account as defined in the approved investment policy.

Equity investments in US dollars

In accordance with approved investment policy, this portfolio represents funds managed for the Staff Health Insurance Fund.

Total cash, deposits and securities as at 31 December 2004

This figure includes \$ 525 093 194 held by WHO on behalf of UNAIDS, International Agency for Research on Cancer, International Computing Centre, Staff Health Insurance, The Global Fund to fight AIDS, Tuberculosis and Malaria, and Foundations.

The total earnings from cash, deposits and securities for 2004, was \$ 34 027 066 (2002-2003: \$ 83 973 555) after taking into account an exchange differential gain of \$ 4 483 586. \$ 4 584 008 of total earnings (2002-2003: \$ 9 178 799) related to the regular budget and was credited to Miscellaneous Income.

19. Letters of credit

At 31 December 2004, in addition to actual cash resources in hand, undrawn balances under letters of credit received from the United States of America, amounted to \$ 115 646 280 (\$ 111 732 402 at 31 December 2003).

The US Agency for International Development

Voluntary Fund for Health Promotion: \$ 99 714 422

Trust Fund for the Joint United Nations Programme on HIV/AIDS (UNAIDS): \$ 13 025 000

The US Environmental Protection Agency

Voluntary Fund for Health Promotion: \$ 2 906 858

20. Sundry debtors

Sundry debtors (\$ 58 575 879, as detailed below) comprise payments due from other international organizations, advances made to staff members in accordance with the regulations and rules of the Organization, guarantee deposit accounts and other debtors. This item includes certain expenses that will be charged against corresponding reserves for unliquidated obligations, or other appropriate accounts in 2005.

	31 December 2004 (US dollars)	<i>31 December 2003</i> (US dollars)
Personal accounts of WHO staff - advances	21 844 604	17 976 211
Due from other United Nations organizations and agencies, institutions, governments and ministries, firms, corporations and other entities, for goods and services provided	16 451 376	25 119 689
Clearance accounts	6 939 886	
WHO/UNAIDS service clearance accounts with UNDP	12 500 548	12 526 707
Other debtors	695 332	507 596
Guarantee deposits	144 133	135 412
Total	58 575 879	56 265 615

21. Prepaid expenses

The amount of \$ 74 710 (\$ 1 365 347 at 31 December 2003) represents disbursements made in respect of obligations against the next financial period and will be charged as expenditure in that period.

22. Capital assets

These assets represent WHO properties at headquarters and in regional office locations. WHO has either purchased or constructed the properties or has received them as donations. The land upon which buildings have been erected is either owned by the Organization or has been made available by the host country concerned, at no cost or at a nominal annual ground rent.

The cost of land and buildings at each location comprises the following:

	<i>31 December 2003</i> (US dollars)	2004 Additions Retirements	31 December 2004 (US dollars)
WHO offices			
Location			
<i>Headquarters</i>	41 597 370	1 052 632	42 650 002
<i>Regional Office for Africa</i>			
Regional Office	7 012 106		7 012 106
Africa Region - other	1 249 634		1 249 634
<i>Total: Regional Office for Africa</i>	8 261 740		8 261 740
<i>Regional Office for South-East Asia</i>	1 483 295		1 483 295
<i>Regional Office for the Eastern Mediterranean</i>	12 088 203		12 088 203
<i>Regional Office for the Western Pacific</i>	3 696 336	2 904 422	6 600 758
Total	67 126 944	3 957 054	71 083 998

23. Non-expendable equipment

The total value at cost at the end of the last financial period 31 December 2003, was \$ 125 696 779.

24. Members' contributions received in advance

At 31 December 2004 some Members had, either in full or in part, made advance payments against their regular budget contributions for 2005 and future years. In addition, certain Members had received credits against assessed contributions for the current year, which will be offset against future assessments. In total, contributions received in advance at 31 December 2004 amounted to \$ 49 586 861.

25. Unliquidated obligations

	31 December 2004 (US dollars)	31 December 2003 (US dollars)
Programme activities		
WHO Programme activities		
Regular budget	80 623 777	50 862 686
Other WHO funds	34 225 347	11 809 283
Voluntary Fund for Health Promotion	216 355 957	107 219 907
Inter-organization arrangements	2 700 533	11 626 302
Trust funds	37 220 966	35 453 367
<i>Total unliquidated obligations - WHO programme activities</i>	371 126 580	216 971 545
Non-WHO Programme activities		
Trust Fund for the Joint United Nations Programme on HIV/AIDS	28 061 933	15 937 264
International Computing Centre	2 841 082	2 494 776
The Global Fund to fight AIDS, Tuberculosis and Malaria	17 253 638	11 846 657
<i>Total unliquidated obligations - Non-WHO programme activities</i>	48 156 653	30 278 697
Total	419 283 233	247 250 242

26. Accounts payable and deferred income

	31 December 2004 (US dollars)	31 December 2003 (US dollars)
Accounts payable		
Personal accounts of WHO staff – proceeds of claims and other amounts due	4 005 252	3 522 304
Due to other United Nations organizations and agencies, institutions, governments and ministries, firms, corporations and other entities, for goods and services received	8 566 305	5 479 403
Due to United Nations Joint Staff Pension Fund	34 216 126	1 063 607
UNAIDS/UNDP Operating Fund	5 619 494	12 514 964
Clearance accounts	12 173 615	31 082 541
Total	64 580 792	53 662 819

27. Construction in progress and loan from the Swiss Confederation

The World Health Assembly, in resolutions WHA55.8 and WHA56.13, authorized the Director-General to proceed with the construction of a new building at headquarters for WHO and UNAIDS at a cost estimated at CHF 66 000 000, of which WHO's share was estimated at CHF 33 000 000. The Swiss Confederation has agreed to provide an interest-free loan to WHO and UNAIDS of CHF 59 800 000 of which WHO's share is CHF 29 900 000. The Assembly also approved the use of the Real Estate Fund for the repayment over a 50-year period of WHO's share of the interest-free loan provided by The Swiss Confederation with effect from the first year of the completion of the building.

The amount of Construction in Progress reflects expenditure incurred on the building up to 31 December 2004, 50% of which is owned by WHO and 50% by UNAIDS.

28. Other funds

	31 December 2004 (US dollars)	31 December 2003 (US dollars)
Revolving Fund for Teaching and Laboratory Equipment (RFTLE)	400 000	400 000
Special Account for Concessions at Headquarters (SACH)	3 794 604	4 036 186
Special Account for Income Derived from Patent Policy (SAIDPP)	3 990	3 910
Staff Development Fund	894 781	
Total	5 093 375	4 440 096

29. United Nations Joint Staff Pension Fund

WHO is a member organization participating in the United Nations Joint Staff Pension Fund (UNJSPF) which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits. The Pension Fund is a funded defined benefit plan. The financial obligation of the Organization to the UNJSPF consists of its mandated contribution at the rate established by the United Nations General Assembly together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date. At the time of this report the United Nations General Assembly had not invoked this provision.

30. Administrative waivers, amounts written-off, cases of fraud, ex-gratia payments

During 2004, there was one administrative waiver for \$ 14 488, eight cases of amounts written-off totalling \$ 1 637 806 and two ex-gratia payments for \$ 171 563. In addition, further cases have been reported and these are being investigated.

31. Contingent liabilities

At 31 December 2004, there were pending legal proceedings against the Organization concerning two accidents involving WHO vehicles. In addition, there are several claims that are currently being processed; they involve a rental issue at a one office, four alleged contractual obligations, alleged unpaid fuel invoices, and alleged obligations due to two former staff members. These claims are not deemed to be of material significance. Finally, there were outstanding personnel matters before the ILO Administrative Tribunal. These are currently being contested by the Organization. The legal proceedings have not progressed sufficiently to determine the extent of any liability of the Organization with any degree of certainty.

32. Agreement with Compass Group (Suisse) SA

In November 2000 the Organization entered into an agreement with Compass Group (Suisse) SA (Compass Group) to extend restaurant accommodation at Headquarters in Geneva. Under the terms of this agreement, Compass Group financed the cost of the extension to the Organization by CHF 1 200 000 (\$ 1 052 632) in the form of a loan to WHO. The extension is included in the Capital Assets of the Organization.

Under the terms of the loan provided by Compass Group, interest is charged at 4%. The loan is being repaid over a nine year period which started in 2001. The payments of interest and principal are charged to the Special Account for Concessions at Headquarters. At 31 December 2004, the balance of the loan was CHF 727 428 (\$ 638 095).

33. United Nations Development Fund advance payments

At country level, WHO and UNAIDS use the United Nations Development Programme (UNDP) to make payments and to provide services and administrative support. To finance these activities, WHO transfers money to UNDP on a monthly basis. In previous years, WHO activities were included in the fund balances on Statement I.2. To provide more transparency, the balances on the WHO and UNAIDS service clearance accounts with UNDP are shown under sundry debtors.

34. Security Fund

In view of the increased importance attached to the provision of security for WHO staff, the Director-General established a Security Fund, under Financial Regulation 9.3, to record the income and expenditure related to provision of security coordination both through reimbursement of WHO's share of the United Nations systems' costs and those pertaining to the Secretariat. This fund may be financed by way of appropriation from the regular budget and from other sources including the Special Account for Servicing Costs. Costs pertain to the provision of security services for staff in all locations who are engaged in work that is funded by both the regular budget and other sources.

35. Information Technology Fund

The Information Technology Fund was established in 2002-2003 by the Director-General under Financial Regulation 9.3 to meet the current and future administrative information requirements of the Organization. This fund may be financed by way of appropriation from the regular budget and from other sources including the Special Account for Servicing Costs. This financing reflects the fact that the systems will support management of programmes funded by both the regular budget and extrabudgetary contributions.

Schedule 1

**Cash, deposits and securities
as at 31 December 2004**

(in thousands of US dollars)

	2004	2002-2003
Cash at banks, in transit and on hand		
Headquarters	80 174	54 313
Regional and Country Offices	69 292	64 815
<i>Total cash at banks, in transit and on hand</i>	149 466	119 128
Deposits		
Bank deposits and call accounts in US dollars	834 398	639 901
<i>Total deposits</i>	834 398	639 901
Securities		
Short-term fixed income in US dollars	526 244	517 460
Long-term fixed income in US dollars	114 529	176 059
Equity investments in US dollars		9 109
<i>Total securities</i>	640 773	702 628
<i>Total deposits and securities</i>	1 475 171	1 342 529
Total cash, deposits and securities as at 31 December 2004 and 31 December 2003 (Note 18)	1 624 637	1 461 657

Schedule 2**All Extrabudgetary funds
Summary of 2004 income and expenditure
as at 31 December 2004***(in thousands of US dollars)*

	Balance 1 January 2004	Income ^{a/} 2004	Adjustments ^{b/}	Expenditure 2004	Balance 31 December 2004
Voluntary Fund for Health Promotion (Statement I)	455 885	747 434	(564)	740 499	462 256
Trust funds (Statements I.2, I.3)					
<i>Technical cooperation funds</i>					
United Nations Development Programme	(2 704)	222	5 511	720	2 309
United Nations Population Fund	(1 703)	6 549	7	5 621	(768)
United Nations Environment Programme	20	436		379	77
United Nations International Drug Control Programme	(170)	189		28	(9)
United Nations Iraq Programme (UN SCR 986)	(13 305)	8 604	6 145	1 444	
United Nations Afghanistan Emergency Trust Fund	63	(63)			
United Nations Children's Fund	2 277	1 251	(1 426)	1 388	714
Global Programme on AIDS	285	6	(291)		
Onchocerciasis Control Programme	1 851	56	300		2 207
African Programme for Onchocerciasis Control	2 278	10 248	304	12 640	190
Sasakawa Health Trust Fund	10 131	3 427	89	5 420	8 227
Trust Fund for the UNICEF/UNDP/World Bank/WHO Special Programme for Research and Training in Tropical Diseases	17 309	30 845	904	28 483	20 575
Trust Fund for the UNDP/UNFPA/WHO/World Bank Special Programme of Research Development and Research					
Training in Human Reproduction	8 122	10 665	862	15 936	3 713
Associate Professional Officers	3 295	3 218		3 465	3 048
Other trust funds - Iraq Programme (UN SCR 1472 and 1476)	9 069	(5 864)		(124)	3 329
- All others	14 779	34 363		26 271	22 871
<i>Supply services funds</i>					
Iraq Programme (UN SCR 1472 and 1476)	3 729	(618)		3 113	(2)
United Nations Development Programme	687	890		1 021	556
United Nations Population Fund	31	(31)			
Onchocerciasis Control Programme	(1)				(1)
World Bank	101	54		52	103
Countries and Nongovernmental Organizations	2 707	18 542		16 887	4 362
Revolving Fund for Teaching and Laboratory Equipment for Medical Education and Training	172	251		334	89
Total - Trust funds	59 023	123 240	12 405	123 078	71 590
Total - Extrabudgetary funds	514 908	870 674	11 841	863 577	533 846

^{a/} Includes contributions, refunds, interest and other revenue.^{b/} Includes transfers between funds and savings on prior periods' unliquidated obligations.

Schedule 3

Assessed contributions – 2004 and prior financial periods

(US dollars)

Members , including Associate Members	2004 assessments			Assessments of prior financial periods			Total outstanding
	Net assessments	Collected during 2004	Balance outstanding 31 December 2004	Balance outstanding 1 January 2004	Collected or adjusted during 2004	Balance outstanding 31 December 2004	
Assessed Members							
Afghanistan	38 200		38 200	259 875		259 875	298 075
Albania	12 880	12 880					
Algeria	295 740	295 740					
Andorra	16 740	16 740					
Angola	8 590	8 590					
Antigua and Barbuda	8 590		8 590	216 098	50 624	165 474	174 064
Argentina	4 852 530	117 180	4 735 350	21 961 624		21 961 624	26 696 974
Armenia	8 590		8 590	2 496 150	58 590	2 437 560	2 446 150
Australia	6 871 660	6 871 660					
Austria	3 999 640	3 999 640		2 046 439	2 046 439		
Azerbaijan	16 740	16 740		4 011 115	116 842	3 894 273	3 894 273
Bahamas	50 650	50 650					
Bahrain	75 980	75 980					
Bangladesh	42 070	42 070					
Barbados	38 200	38 200					
Belarus	80 270		80 270	395 475	235 471	160 004	240 274
Belgium	4 768 400	4 768 400					
Belize	4 290	4 290					
Benin	8 590	8 185	405				405
Bhutan	4 290	4 290					
Bolivia	33 910		33 910	28 498		28 498	62 408
Bosnia and Herzegovina	16 740	16 740					
Botswana	42 070	33 656	8 414				8 414
Brazil	10 093 950	2 329 730	7 764 220	9 720 805	8 064 428	1 656 377	9 420 597
Brunei Darussalam	139 500	139 500					
Bulgaria	54 940	54 940					
Burkina Faso	8 590	8 590					
Burundi	4 290	4 290		9 146	9 146		
Cambodia	8 590	8 590					
Cameroon	38 200		38 200	10 048		10 048	48 248
Canada	10 803 140	10 803 140					
Cape Verde	4 290	47	4 243				4 243
Central African Republic	4 290		4 290	156 261		156 261	160 551
Chad	4 290		4 290	225 073	150 318	74 755	79 045
Chile	895 390	225 146	670 244	249 039	249 039		670 244
China	6 470 330	6 470 330					
Colombia	849 030	233 850	615 180	839 253	362 907	476 346	1 091 526
Comoros	4 290		4 290	445 462	5 159	440 303	444 593
Congo	4 055	4 055					
Cook Islands	4 290	4 290					
Costa Rica	84 560		84 560	67 693	59 500	8 193	92 753
Côte d'Ivoire	38 200		38 200				38 200
Croatia	164 830	164 830					
Cuba	126 630	110 298	16 332				16 332
Cyprus	160 530	160 530					
Czech Republic	857 190	857 190					

Schedule 3 (continued)

Members , including Associate Members	2004 assessments		Assessments of prior financial periods				Total outstanding
	Net assessments	Collected during 2004	Balance outstanding 31 December 2004	Balance outstanding 1 January 2004	Collected or adjusted during 2004	Balance outstanding 31 December 2004	
Democratic People's Republic of Korea	38 200	38 200					
Democratic Republic of the Congo	16 740		16 740	215		215	16 955
Democratic Republic of Timor-Leste	4 290	4 290					
Denmark	3 163 480	3 163 480					
Djibouti	4 290	143	4 147	37 610	37 610		4 147
Dominica	4 290		4 290	3 680		3 680	7 970
Dominican Republic	97 010	19 580	77 430	1 092 729		1 092 729	1 170 159
Ecuador	105 590	105 590					
Egypt	342 100		342 100				342 100
El Salvador	75 980	75 980					
Equatorial Guinea	4 290	4 290					
Eritrea	4 290	4 290					
Estonia	42 070	42 070					
Ethiopia	16 740	16 740					
Fiji	16 740	16 740					
Finland	2 204 560	2 204 560					
France	27 931 895	27 931 895					
Gabon	59 230		59 230	53 155		53 155	112 385
Gambia	4 290	4 290					
Georgia	21 030		21 030	4 428 686	23 433	4 405 253	4 426 283
Germany	41 258 310	41 258 310					
Ghana	21 030	21 030					
Greece	2 276 250	2 276 250					
Grenada	4 290	4 290					
Guatemala	114 180	114 029	151				151
Guinea	12 880		12 880	25 264		25 264	38 144
Guinea-Bissau	4 290		4 290	214 010		214 010	218 300
Guyana	4 290	4 290					
Haiti	8 590	8 590					
Honduras	21 030	21 030					
Hungary	506 930	506 930					
Iceland	139 500	139 500					
India	1 440 090	1 440 090					
Indonesia	844 740	844 740					
Iran (Islamic Republic of)	1 148 640		1 148 640	768 465		768 465	1 917 105
Iraq	574 320		574 320	5 755 801		5 755 801	6 330 121
Ireland	1 241 780	1 241 780					
Israel	1 752 580	1 752 580		62 965	62 965		
Italy	21 390 620	20 332 424	1 058 196	437 379	437 379		1 058 196
Jamaica	16 740	16 740					
Japan	82 423 040	82 423 040					
Jordan	33 910	33 910					
Kazakhstan	118 040	118 040		4 615 253	724 765	3 890 488	3 890 488
Kenya	33 910	33 910					
Kiribati	4 290		4 290	7 951		7 951	12 241
Kuwait	620 680	620 680					

Schedule 3 (continued)

Members , including Associate Members	2004 assessments			Assessments of prior financial periods			Total outstanding
	Net assessments	Collected during 2004	Balance outstanding 31 December 2004	Balance outstanding 1 January 2004	Collected or adjusted during 2004	Balance outstanding 31 December 2004	
Kyrgyzstan	4 290		4 290	1 229 058	4 226	1 224 832	1 229 122
Lao People's Democratic Republic	7 440	7 440					
Latvia	42 070	42 070		346 600	346 600		
Lebanon	50 650		50 650	2 166		2 166	52 816
Lesotho	4 290	4 290					
Liberia	4 290		4 290	340 103		340 103	344 393
Libyan Arab Jamahiriya	282 870	236 669	46 201	70 548	70 548		46 201
Lithuania	71 680		71 680	138	138		71 680
Luxembourg	337 810	337 810					
Madagascar	12 880	9 263	3 617				3 617
Malawi	8 590	8 590					
Malaysia	992 400	992 400					
Maldives	4 290	4 290					
Mali	8 590	8 590					
Malta	63 530	63 530					
Marshall Islands	4 290	73	4 217				4 217
Mauritania	4 290	370	3 920				3 920
Mauritius	46 360	46 360					
Mexico	4 586 400	4 586 400					
Micronesia (Federated States of)	4 290	4 290					
Monaco	16 740	16 740					
Mongolia	4 290	4 290					
Morocco	185 860	185 860					
Mozambique	4 290	4 290					
Myanmar	42 070	41 302	768				768
Namibia	29 620	29 620					
Nauru	4 290		4 290	95 241		95 241	99 531
Nepal	16 740	16 740					
Netherlands	7 340 390	7 340 390					
New Zealand	1 017 720	1 017 720					
Nicaragua	4 290	4 290					
Niger	4 290		4 290	224 030		224 030	228 320
Nigeria	287 160		287 160	23 880	5 744	18 136	305 296
Niue	4 290	4 290					
Norway	2 728 230	2 728 230					
Oman	257 540	257 540					
Pakistan	257 540	5 150	252 390	240 079	239 855	224	252 614
Palau	4 290	344	3 946				3 946
Panama	75 980	11 784	64 196	48 166	48 166		64 196
Papua New Guinea	25 330		25 330	22 169		22 169	47 499
Paraguay	67 390		67 390	178 398	75 144	103 254	170 644
Peru	498 340	49 190	449 150	1 241 145	406 000	835 145	1 284 295
Philippines	422 370	60 119	362 251	240 355	240 355		362 251
Poland	1 596 330	1 596 330		155 093	155 093		
Portugal	1 951 310	1 951 310					
Puerto Rico	4 290		4 290	8 421	8 421		4 290

Schedule 3 (continued)

Members , including Associate Members	2004 assessments			Assessments of prior financial periods			Total outstanding
	Net assessments	Collected during 2004	Balance outstanding 31 December 2004	Balance outstanding 1 January 2004	Collected or adjusted during 2004	Balance outstanding 31 December 2004	
Qatar	143 370	143 370					
Republic of Korea	7 817 700	7 817 700					
Republic of Moldova	8 590		8 590	2 941 433		2 941 433	2 950 023
Romania	245 090	245 090					
Russian Federation	5 068 010	4 837 050	230 960				230 960
Rwanda	4 290	4 290					
Saint Kitts and Nevis	4 290	4 290					
Saint Lucia	8 590		8 590	16 844	13 243	3 601	12 191
Saint Vincent and the Grenadines	4 290	4 290					
Samoa	4 290	4 290					
San Marino	8 590	8 590					
Sao Tome and Principe	4 290	4 290					
Saudi Arabia	2 339 770	2 339 770					
Senegal	21 030	21 030					
Serbia and Montenegro	84 560		84 560	84 213	84 213		84 560
Seychelles	8 590	100	8 490				8 490
Sierra Leone	4 290	4 290					
Singapore	1 659 860	1 659 860					
Slovakia	181 570	181 570					
Slovenia	342 100	342 100					
Solomon Islands	4 290		4 290	11 571		11 571	15 861
Somalia	4 290		4 290	391 644		391 644	395 934
South Africa	1 734 260	1 734 260					
Spain	10 637 790	10 637 790					
Sri Lanka	67 390	67 390					
Sudan	25 330		25 330	23 730	23 022	708	26 038
Suriname	8 590		8 590	107 834	8 422	99 412	108 002
Swaziland	8 590	2 577	6 013				6 013
Sweden	4 336 590	4 336 590					
Switzerland	5 380 490	5 380 490					
Syrian Arab Republic	337 810	4 381	333 429				333 429
Tajikistan	4 290		4 290	615 024	91 000	524 024	528 314
Thailand	1 241 780	1 241 780					
The Former Yugoslav Republic of Macedonia	25 330		25 330	17 885	17 885		25 330
Togo	4 290	4 290		17 985	17 985		
Tokelau	4 290	4 190	100				100
Tonga	4 290	4 290					
Trinidad and Tobago	67 390	67 390					
Tunisia	126 630	126 630					
Turkey	1 856 780	1 856 780					
Turkmenistan	12 880		12 880	1 224 674		1 224 674	1 237 554
Tuvalu	4 290	4 290					
Uganda	20 785	20 785					
Ukraine	223 630	223 630		32 309 438		32 309 438	32 309 438
United Arab Emirates	852 900	852 900					

Schedule 3 (continued)

	2004 assessments			Assessments of prior financial periods			Total outstanding
	Net assessments	Collected during 2004	Balance outstanding 31 December 2004	Balance outstanding 1 January 2004	Collected or adjusted during 2004	Balance outstanding 31 December 2004	
Members , including Associate Members							
United Kingdom of Great Britain and Northern Ireland	23 380 570	23 380 570					
United Republic of Tanzania	16 320	16 320					
United States of America	96 110 340	74 034 514	22 075 826	21 641 286	21 641 286		22 075 826
Uruguay	337 810		337 810	592 890	197 610	395 280	733 090
Uzbekistan	46 360	5 964	40 396	40 396	40 396		40 396
Vanuatu	4 290	390	3 900				3 900
Venezuela	878 650		878 650	1 359 279	679 640	679 639	1 558 289
Viet Nam	67 390	67 390					
Yemen	25 150	25 150					
Zambia	8 590	13	8 577				8 577
Zimbabwe	33 750	33 750					
Total - Assessed Members	431 550 445	388 239 726	43 310 719	126 502 933	37 109 607	89 393 326	132 704 045
New and formerly inactive Members							
Belarus				606 539	152 359	454 180	454 180
Democratic Republic of Timor-Leste				976	976		
Ukraine				4 882 650	1 276 370	3 606 280	3 606 280
Total - New and formerly inactive Members				5 490 165	1 429 705	4 060 460	4 060 460
Former Members							
Yugoslavia (up to 2001)				5 532 592		5 532 592	5 532 592
Total - all Members	431 550 445	388 239 726	43 310 719	137 525 690	38 539 312	98 986 378	142 297 097

Schedule 3 (continued)

Certain Member States with outstanding unpaid contributions from prior years have agreed to repayment plans under which the Member States concerned commit to make annual payments towards the arrears, in addition to paying their current year assessment. These special arrangements are approved by Health Assembly resolutions, and specify the number of years over which the concerned Member State must pay the outstanding contributions.

In the event that minimum payments are not made according to the agreed plan, the Member State's voting privileges are suspended in accordance with Article 7 of the Constitution.

The Members concerned, are listed below, together with summary information concerning the terms of the approved payment plans:

Member States	Resolution	Payment period	Minimum annual payment ^{a/}	Payment received in 2004	Balance outstanding
Azerbaijan	WHA55.5	2003-2011	100 000	283 158	3 894 272
Belarus	WHA45.23	1997-2006	90 836	387 830	694 454
Dominican Republic	WHA55.6	2002-2011	95 788 ^{b/}		1 170 159
Kazakhstan	WHA56.11	2003-2012	200 000	842 805	3 890 488
Latvia	WHA52.2	1999-2004	346 600	346 600	
Liberia	WHA52.3	1999-2004	71 336 ^{b/}		344 393
Ukraine	WHA57.6	2004-2018	1 500 000	1 500 000	35 915 718
Total			2 404 560	3 360 393	45 909 484

^{a/} In addition to the minimum annual payments in respect of arrears, the Member States concerned must also pay their current year assessed contributions.

^{b/} The Dominican Republic and Liberia have been unable to respect the terms of their repayment plans and as a result their voting privileges have been suspended.

Schedule 4

**Miscellaneous Income Account,
as at 31 December 2004**

(in thousands of US dollars)

The Miscellaneous Income Account is credited with income arising from a number of sources in accordance with Financial Regulation VIII.

	2004
Balance as at 1 January 2004	9 800
Income 2004	12 651
<i>Sub total</i>	22 451
Less:	
Resolution WHA56.32 - Financing the Programme Budget 2004-2005	
Adjustment mechanism	12 364
Financial incentive scheme	445
<i>Sub total</i>	12 809
Balance as at 31 December 2004 (Statement I.1)	9 642

Schedule 5**Special Account for Servicing Costs
as at 31 December 2004***(in thousands of US dollars)*

This account was established in order to facilitate the budgeting and accounting of funds made available to the Organization to cover in part the costs of servicing activities financed from sources other than the regular budget, (i.e. from all other extrabudgetary resources).

The Account is credited with income from the following sources:

- (i) Credits received from the United Nations Development Fund, the United Nations Population Fund and other organizations and bodies of the United Nations system to cover support costs are passed to the Account;
- (ii) Under Resolution WHA 34.17, funds received for support costs from other extrabudgetary sources, including funds-in-trust arrangements with governments and other entities, and the Voluntary Fund for Health Promotion;
- (iii) Interest earned on the balances of funds in the Special Account for Servicing Costs;
- (iv) Foreign exchange gains (losses) arising in respect of hedging operations on this account.

Income and expenditure

	2004	2002-2003
Balance as at 1 January 2004 and 1 January 2002	136 103	140 797
Income		
United Nations Programmes	218	430
Support costs of subcontracting agencies		335
Programme support costs	76 189	110 222
Rental of office accommodation at headquarters from Trust Funds and other arrangements	404	1 179
Interest	2 757	10 072
Gains (losses) on hedging operations		2 972
Total income	79 568	125 210
<i>Balance</i>	215 671	266 007
Transfers		
To Revolving Sales Fund in accordance with resolution WHA55.9		(7 927)
<i>Balance</i>	215 671	258 080
Expenditure		
Africa	15 791	25 552
The Americas	308	1 399
South-East Asia	5 228	5 860
Europe	6 936	3 976
Eastern Mediterranean	11 364	4 038
Western Pacific	3 708	1 953
Global and interregional activities	85 490	79 199
Total expenditure	128 825	121 977
Balance as at 31 December 2004 and 31 December 2003	86 846	136 103

Schedule 6

Real Estate Fund, as at 31 December 2004

(in thousands of US dollars)

This fund was established by the Twenty-third World Health Assembly in resolution WHA23.14.

The Real Estate Fund, under the Financial Regulations and Financial Rules, is funded by appropriation from the regular budget. The Real Estate Fund is also credited with receipts of rentals relating to real estate operations (other than rental for office accommodation, garage rentals and income from the operation of concessions at Headquarters), and interest earned on balances in the fund.

The fund is used to meet the costs of the construction of buildings or extensions to existing buildings; the acquisition of land which may be required; major repairs of and alterations to the Organization's existing office buildings and maintenance and repairs of and alterations to houses leased to staff by the Organization. Specific Health Assembly authorization is required for acquisition of land and construction of buildings or building extensions. ^{a/}

	2004
Balance as at 1 January 2004	1 038
Income	
Appropriation from regular budget	5 820
Rents collected	284
Interest	108
<i>Total income</i>	6 212
Expenditure	
<i>Headquarters:</i>	
Maintenance, repairs and extension of existing buildings	969
<i>Regional Office for Africa:</i>	
Maintenance, repairs and alterations to houses for staff	57
Water supply at premises	(5)
Installation of security lights	52
Improvement of the external lighting system	28
Renovation and improvement of electric installations	4
Replacement of two lifts	(3)
Fire hydrants and new boreholes	9
Renovation of waterproofing of the roof	85
<i>Regional Office for the Eastern Mediterranean:</i>	
Control and security management system	62
Replacement of the telephone exchange	(138)
<i>Regional Office for Europe:</i>	
Refurbishment of the Regional Office	220
<i>Regional Office for South-East Asia:</i>	
Renovation, maintenance and repairs of existing buildings	8
<i>Regional Office for the Western Pacific:</i>	
Extension of building and construction of new building - WHA 55.8	2 904
<i>Total expenditure</i>	4 252
Balance as at 31 December 2004 ^{b/}	2 998

^{a/} See note 27 regarding the construction of a new building at Headquarters.

^{b/} This balance has been allocated to planned projects.

***Interim financial implementation of WHO's Programme Budget 2004-2005
for the year 2004***

This part of the Unaudited Interim Financial Report shows the financial implementation at 31 December 2004 compared with the approved Programme Budget for 2004-2005. Information is provided both for the Regular Budget and for Other Sources by Area of Work at the Organizational level, and for Global and for each Regional Office. Implementation by category of expenditure is also shown.

Table 1

Budget and expenditure summary
Regular budget by organizational level and total other sources
as at 31 December 2004

(in thousands of US dollars)

	Programme budget 2004-2005	Transfers effected and unallocated balances	Working ^{a/} budget as at 31 December 2004	Expenditure for 2004	Implementation ^{c/} rate as % of working budget
Regular budget					
Country	336 991	(12 209)	324 782	177 925	54.8
Regional	230 592	(2 823)	227 769	122 716	53.9
Global (Headquarters)	278 528	(11 358)	267 170	146 472	54.8
<i>Sub-total - Substantive Areas of Work</i>	846 111	(26 390)	819 721	447 113	54.5
Miscellaneous	34 000	(1 020)	32 980	32 980	100.0
<i>Total regular budget</i>	880 111	(27 410)	852 701	480 093	56.3
Other sources	1 944 000 ^{b/}		1 944 000	1 010 644	52.0
Total	2 824 111	(27 410)	2 796 701	1 490 737	53.3
Reconciliation to total expenditure:					
Plus:					
UNFPA programme support costs				79	
				1 490 816	
Less:					
Eliminations - Statement I				177 917	
Total - WHO Programme activities - Statement I				1 312 899	

^{a/} The Working budget represents that part of the programme budget that has been allocated, adjusted by transfers between Appropriation Sections and/or Offices.

^{b/} Other sources figure as noted in EB113/42 Add.1.

^{c/} The implementation rate is based on the Working Budget in Table 1, whereas Tables 2, 3 and 4 show the rate based on the programme budget approved by WHA56.32 and EB113/42 Add 1.

Table 2**Budget and expenditure summary by area of work - all offices
as at 31 December 2004***(in thousands of US dollars)*

Area of work	Regular budget			Other sources			Total		
	Programme		%	Programme		%	Programme		%
	budget	Expenditure		budget	Expenditure		budget	Expenditure	
	2004-2005	2004		2004-2005	2004		2004-2005	2004	
Communicable disease surveillance	36 600	18 537		58 000	34 332		94 600	52 869	55.9
Communicable disease prevention, eradication and control	23 786	10 648		110 500	39 554		134 286	50 202	37.4
Research and product development for communicable diseases	3 468	3 002		111 000	31 662		114 468	34 664	30.3
Malaria	17 140	9 301		109 000	49 224		126 140	58 525	46.4
Tuberculosis	12 031	6 686		112 500	56 741		124 531	63 427	50.9
Surveillance, prevention and management of noncommunicable diseases	23 480	12 021		14 000	10 049		37 480	22 070	58.9
Tobacco	9 983	4 896		10 500	4 823		20 483	9 719	47.5
Health promotion	16 664	8 937		31 500	15 949		48 164	24 886	51.7
Injuries and disabilities	5 133	2 675		12 500	4 237		17 633	6 912	39.2
Mental health and substance abuse	14 356	6 409		9 500	4 704		23 856	11 113	46.6
Child and adolescent health	15 849	8 478		51 500	19 852		67 349	28 330	42.1
Research and programme development in reproductive health	9 070	4 022		58 000	30 631		67 070	34 653	51.7
Making pregnancy safer	13 211	6 970		25 500	5 989		38 711	12 959	33.5
Women's health	4 094	2 116		11 000	2 972		15 094	5 088	33.7
HIV/AIDS	18 116	11 483		200 000	42 818		218 116	54 301	24.9
Sustainable development	14 840	8 176		14 000	9 951		28 840	18 127	62.9
Nutrition	9 526	4 651		11 000	5 705		20 526	10 356	50.5
Health and environment	39 946	17 931		47 000	23 729		86 946	41 660	47.9
Food safety	9 453	4 921		13 000	1 525		22 453	6 446	28.7
Emergency preparedness and response	8 037	4 921		111 000	90 106		119 037	95 027	79.8
Essential medicines: access, quality and rational use	18 947	8 529		32 500	18 474		51,447	27 003	52.5
Immunization and vaccine development	16 646	8 025		420 500	296 386		437,146	304 411	69.6
Blood safety and clinical technology	14 135	6 633		10 500	4 936		24,635	11 569	47.0
Evidence for health policy	30 106	14 181		50 500	16 746		80,606	30 927	38.4
Health information management and dissemination	28 662	15 036		17 500	10 156		46 162	25 192	54.6
Research policy and promotion	9 217	4 280		11 000	3 759		20 217	8 039	39.8
Organization of health services	107 466	55 257		52 500	21 935		159 966	77 192	48.3
Governing bodies	21 791	11 168		6 000	3 220		27 791	14 388	51.8
Resource mobilization, and external cooperation and partnerships	22 264	11 842		16 000	11 945		38 264	23 787	62.2
Programme planning, monitoring and evaluation	6 826	3 644		4 500	2 289		11 326	5 933	52.4
Human resources development	16 412	9 426		18 500	11 236		34 912	20 662	59.2
Budget and financial management	22 341	10 599		21 500	15 142		43 841	25 741	58.7
Infrastructure and informatics services	93 715	49 544		81 000	48 507		174 715	98 051	56.1
Director-General, Regional Directors and independent functions	21 670	13 242		7 000	7 052		28 670	20 294	70.8
WHO's presence in countries	111 130	68 926		37 500	16 588		148 630	85 514	57.5
Substantive areas of work - total	846 111	447 113		1 908 000	972 924		2 754 111	1 420 037	51.6
Miscellaneous									
Exchange rate hedging	15 000	14 550		5 000			20 000	14 550	
Real Estate Fund	6 000	5 820			2 563		6 000	8 383	
Information Technology Fund	10 000	9 700		25 000	23 692		35 000	33 392	a/
Security Fund	3 000	2 910		6 000	11 465		9 000	14 375	a/
Miscellaneous - total	34 000	32 980		36 000	37 720		70 000	70 700	
Total - ALL OFFICES	880 111	480 093	54.5	1 944 000	1 010 644	52.0	2 824 111	1 490 737	52.8

^{a/} Funds were transferred from the regular budget and from the Special Account for Servicing Costs to the Information Technology Fund and the Security Fund. The amounts transferred are treated as expenditure under the regular budget and the Special Account for Servicing Costs. The amounts transferred are treated as income in the Information Technology Fund and the Security Fund and eventually as expenditure in line with the activities undertaken within those areas. This accounting treatment is necessary to maintain the integrity of the individual funds while it does lead to duplication of expenditure under the total column.

Table 3

**Budget and expenditure summary - by office
as at 31 December 2004**

(in thousands of US dollars)

	Regular budget						
	Country		Regional		Total regular budget		
	Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure	%
	2004-2005	2004	2004-2005	2004	2004-2005	2004	
Regional Office for Africa	122 333	66 854	69 402	36 739	191 735	103 593	54.0
Regional Office for the Americas	40 818	19 528	32 409	15 753	73 227	35 281	48.2
Regional Office for South-East Asia	69 719	41 573	23 735	13 409	93 454	54 982	58.8
Regional Office for Europe	13 493	5 363	41 289	23 333	54 782	28 696	52.4
Regional Office for the Eastern Mediterranean	50 576	23 920	31 773	18 743	82 349	42 663	51.8
Regional Office for the Western Pacific	40 052	20 687	31 984	14 739	72 036	35 426	49.2
<i>Sub-total - Regional Offices</i>	336 991	177 925	230 592	122 716	567 583	300 641	53.0
Global (Headquarters)					312 528	179 452	57.4
Total	336 991	177 925	230 592	122 716	880 111	480 093	54.5

Table 3 (continued)

Country		Other sources					Total		
		Regional		Total other sources					
Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure		Programme budget	Expenditure	
2004-2005	2004	2004-2005	2004	2004-2005	2004	%	2004-2005	2004	%
358 500	89 223	194 500	156 179	553 000	245 402	44.4	744 735	348 995	46.9
64 000	3 241	30 000	6 922	94 000	10 163	10.8	167 227	45 444	27.2
128 000	60 735	63 500	17 116	191 500	77 851	40.7	284 954	132 833	46.6
60 000	15 935	43 500	35 324	103 500	51 259	49.5	158 282	79 955	50.5
149 500	102 062	52 500	30 632	202 000	132 694	65.7	284 349	175 357	61.7
70 000	20 231	51 500	25 148	121 500	45 379	37.3	193 536	80 805	41.8
830 000	291 427	435 500	271 321	1 265 500	562 748	44.5	1 833 083	863 389	47.1
				678 500	447 896	66.0	991 028	627 348	63.3
830 000	291 427	435 500	271 321	1 944 000	1 010 644	52.0	2 824 111	1 490 737	52.8

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Table 4

**Budget and expenditure summary by area of work - by office
as at 31 December 2004***(in thousands of US dollars)*

Area of work	Regular budget			Other sources			Total		
	Programme budget	Expenditure	%	Programme budget	Expenditure	%	Programme budget	Expenditure	%
	2004-2005	2004		2004-2005	2004		2004-2005	2004	
Global (Headquarters)									
Communicable disease surveillance	17 128	8 019		18 000	21 772		35 128	29 791	84.8
Communicable disease prevention, eradication and control	7 143	3 636		36 000	13 396		43 143	17 032	39.5
Research and product development for communicable diseases	2 752	2 819		100 000	31 472		102 752	34 291	33.4
Malaria	5 868	2 510		31 000	21 077		36 868	23 587	64.0
Tuberculosis	2 546	1 203		25 000	27 501		27 546	28 704	104.2
Surveillance, prevention and management of noncommunicable diseases	7 757	3 654		9 000	7 018		16 757	10 672	63.7
Tobacco	3 877	2 268		3 000	2 371		6 877	4 639	67.5
Health promotion	3 058	1 462		22 000	14 997		25 058	16 459	65.7
Injuries and disabilities	2 145	1 315		7 000	3 514		9 145	4 829	52.8
Mental health and substance abuse	4 608	2 216		2 500	2 746		7 108	4 962	69.8
Child and adolescent health	4 664	2 463		19 000	10 560		23 664	13 023	55.0
Research and programme development in reproductive health	3 433	1 906		46 000	27 233		49 433	29 139	58.9
Making pregnancy safer	1 593	948		11 000	4 826		12 593	5 774	45.8
Women's health	1 535	1 078		7 000	2 401		8 535	3 479	40.8
HIV/AIDS	5 073	5 185		23 000	18 006		28 073	23 191	82.6
Sustainable development	3 290	2 329		6 000	5 258		9 290	7 587	81.7
Nutrition	3 172	1 679		7 000	4 564		10 172	6 243	61.4
Health and environment	10 858	4 992		18 000	15 873		28 858	20 865	72.3
Food safety	3 470	2 537		3 500	1 474		6 970	4 011	57.5
Emergency preparedness and response	1 691	1 118		6 000	17 887		7 691	19 005	247.1
Essential medicines: access, quality and rational use	7 091	3 335		22 000	12 990		29 091	16 325	56.1
Immunization and vaccine development	7 323	3 807		63 000	45 437		70 323	49 244	70.0
Blood safety and clinical technology	5 166	2 525		7 500	3 286		12 666	5 811	45.9
Evidence for health policy	13 424	5 606		16 000	11 381		29 424	16 987	57.7
Health information management and dissemination	13 128	6 631		12 000	9 118		25 128	15 749	62.7
Research policy and promotion	4 221	2 035		4 000	2 374		8 221	4 409	53.6
Organization of health services	9 277	5 259		17 000	10 025		26 277	15 284	58.2
Governing bodies	18 512	9 014		6 000	3 065		24 512	12 079	49.3
Resource mobilization, and external cooperation and partnerships	12 798	6 668		5 000	2 900		17 798	9 568	53.8
Programme planning, monitoring and evaluation	2 562	1 625		3 000	1 306		5 562	2 931	52.7
Human resources development	8 570	5 335		12 000	8 000		20 570	13 335	64.8
Budget and financial management	12 330	5 571		14 000	10 873		26 330	16 444	62.5
Infrastructure and informatics services	55 318	28 449		51 000	29 651		106 318	58 100	54.6
Director-General, Regional Directors and independent functions	12 182	6 927		7 000	6 694		19 182	13 621	71.0
WHO's presence in countries	965	348		3 000	1 693		3 965	2 041	51.5
Substantive areas of work - total	278 528	146 472		642 500	412 739		921 028	559 211	60.7
Miscellaneous									
Exchange rate hedging	15 000	14 550		5 000			20 000	14 550	
Real Estate Fund	6 000	5 820					6 000	5 820	
Information Technology Fund	10 000	9 700		25 000	23 692		35 000	33 392	a/
Security Fund	3 000	2 910		6 000	11 465		9 000	14 375	a/
Miscellaneous - total	34 000	32 980		36 000	35 157		70 000	68 137	
Total - Global (Headquarters)	312 528	179 452	57.4	678 500	447 896	66.0	991 028	627 348	63.3

a/ See Table, 2 Footnote a/

Table 4 (continued)

**Budget and expenditure summary by area of work - by office
as at 31 December 2004**

(in thousands of US dollars)

Regional Office for Africa

Area of work	Regular budget					
	Country		Regional		Total regular budget	
	Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure
	2004-2005	2004	2004-2005	2004	2004-2005	2004
Communicable disease surveillance	5 324	3 313	2 277	1 336	7 601	4 649
Communicable disease prevention, eradication and control	3 184	1 501	1 132	708	4 316	2 209
Research and product development for communicable diseases	208	21	377	157	585	178
Malaria	2 018	841	1 122	516	3 140	1 357
Tuberculosis	1 538	575	973	316	2 511	891
Surveillance, prevention and management of noncommunicable diseases	2 467	739	2 438	1 251	4 905	1 990
Tobacco	253	41	696	369	949	410
Health promotion	4 825	2 542	687	340	5 512	2 882
Injuries and disabilities	201	77	273	376	474	453
Mental health and substance abuse	1 410	384	1 341	238	2 751	622
Child and adolescent health	3 028	877	1 212	539	4 240	1 416
Research and programme development in reproductive health	1 446	686	1 653	1 064	3 099	1 750
Making pregnancy safer	3 044	1 472	2 082	866	5 126	2 338
Women's health	542	260	855	344	1 397	604
HIV/AIDS	2 945	1 153	2 994	1 476	5 939	2 629
Sustainable development	1 997	727	1 619	697	3 616	1 424
Nutrition	1 866	238	925	416	2 791	654
Health and environment	4 341	1 726	2 237	950	6 578	2 676
Food safety	1 292	205	397	180	1 689	385
Emergency preparedness and response	2 080	980	1 216	799	3 296	1 779
Essential medicines: access, quality and rational use	2 170	612	1 597	722	3 767	1 334
Immunization and vaccine development	1 544	400	412	218	1 956	618
Blood safety and clinical technology	1 243	429	1 860	810	3 103	1 239
Evidence for health policy	694	129	1 493	661	2 187	790
Health information management and dissemination	295	229	3 649	2 244	3 944	2 473
Research policy and promotion	204	32	711	431	915	463
Organization of health services	20 581	11 070	7 454	3 912	28 035	14 982
Governing bodies			1 363	1 073	1 363	1 073
Resource mobilization, and external cooperation and partnerships	395		1 996	1 178	2 391	1 178
Programme planning, monitoring and evaluation			801	452	801	452
Human resources development			2 423	1 250	2 423	1 250
Budget and financial management			3 572	1 646	3 572	1 646
Infrastructure and informatics services			12 778	8 003	12 778	8 003
Director-General, Regional Directors and independent functions			1 701	801	1 701	801
WHO's presence in countries	51 198	35 595	1 086	400	52 284	35 995
Total - Africa	122 333	66 854	69 402	36 739	191 735	103 593

Table 4 (continued)

Other sources						Total		
Country		Regional		Total other sources				
Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure	%
2004-2005	2004	2004-2005	2004	2004-2005	2004	2004-2005	2004	
4 000	1 592	14 000	4 750	18 000	6 342	25 601	10 991	42.9
18 000	1 799	24 000	17 883	42 000	19 682	46 316	21 891	47.3
3 000		3 000	21	6 000	21	6 585	199	3.0
7 000	5 044	33 000	12 287	40 000	17 331	43 140	18 688	43.3
15 000	2 643	4 000	1 978	19 000	4 621	21 511	5 512	25.6
	9	1 000	637	1 000	646	5 905	2 636	44.6
500	101	1 000	236	1 500	337	2 449	747	30.5
500	23	500	84	1 000	107	6 512	2 989	45.9
500	434		15	500	449	974	902	92.6
1 000	2	500	19	1 500	21	4 251	643	15.1
3 000	1 068	9 000	5 571	12 000	6 639	16 240	8 055	49.6
1 000	556	1 000	756	2 000	1 312	5 099	3 062	60.1
7 000	35	500	351	7 500	386	12 626	2 724	21.6
500	44	500	46	1 000	90	2 397	694	29.0
92 000	6 498	23 000	4 855	115 000	11 353	120 939	13 982	11.6
2 000	213	500	404	2 500	617	6 116	2 041	33.4
			11		11	2 791	665	23.8
	266	1 000	58	1 000	324	7 578	3 000	39.6
1 000		500	2	1 500	2	3 189	387	12.1
33 000	7 241	4 000	1 369	37 000	8 610	40 296	10 389	25.8
	1 655	8 000	1 517	8 000	3 172	11 767	4 506	38.3
137 000	54 952	44 000	86 471	181 000	141 423	182 956	142 041	77.6
500	20	500	65	1 000	85	4 103	1 324	32.3
7 000	69	3 000	327	10 000	396	12 187	1 186	9.7
	1		49		50	3 944	2 523	64.0
3 000	7	500	88	3 500	95	4 415	558	12.6
8 000	3 199	3 000	1 173	11 000	4 372	39 035	19 354	49.6
						1 363	1 073	78.7
			1 017		1 017	2 391	2 195	91.8
		500	780	500	780	1 301	1 232	94.7
		3 000	1 922	3 000	1 922	5 423	3 172	58.5
		5 000	3 194	5 000	3 194	8 572	4 840	56.5
2 000		3 000	6 964	5 000	6 964	17 778	14 967	84.2
						1 701	801	47.1
12 000	1 752	3 000	1 279	15 000	3 031	67 284	39 026	58.0
358 500	89 223	194 500	156 179	553 000	245 402	744 735	348 995	46.9

Table 4 (continued)

**Budget and expenditure summary by area of work - by office
as at 31 December 2004**

(in thousands of US dollars)

Area of work	Regular budget					
	Country		Regional		Total regular budget	
	Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure
	2004-2005	2004	2004-2005	2004	2004-2005	2004
Communicable disease surveillance	340		1 604	220	1 944	220
Communicable disease prevention, eradication and control	4 198	569	3 880	1 481	8 078	2 050
Research and product development for communicable diseases						
Malaria	43	471	493	902	536	1 373
Tuberculosis		1 089	439	606	439	1 695
Surveillance, prevention and management of noncommunicable diseases	1 415	550	524	366	1 939	916
Tobacco			397	192	397	192
Health promotion	1 652	789	474	150	2 126	939
Injuries and disabilities						
Mental health and substance abuse	104	89	1 524	789	1 628	878
Child and adolescent health	38	379	571	151	609	530
Research and programme development in reproductive health	1 593				1 593	
Making pregnancy safer		468	305	212	305	680
Women's health	36				36	
HIV/AIDS	104	27	498	320	602	347
Sustainable development	990	431	764	254	1 754	685
Nutrition	71	25	1 111	567	1 182	592
Health and environment	4 626	2 128	1 728	630	6 354	2 758
Food safety	450	261	459	253	909	514
Emergency preparedness and response						
Essential medicines: access, quality and rational use	388	157	255	123	643	280
Immunization and vaccine development	322	133	1 328	460	1 650	593
Blood safety and clinical technology	48	6	612	269	660	275
Evidence for health policy	2 802	1 329	1 365	526	4 167	1 855
Health information management and dissemination			2 145	862	2 145	862
Research policy and promotion			399		399	
Organization of health services	11 951	4 768	4 434	2 640	16 385	7 408
Governing bodies			278		278	
Resource mobilization, and external cooperation and partnerships			1 139	1 185	1 139	1 185
Programme planning, monitoring and evaluation						
Human resources development			634	336	634	336
Budget and financial management			1 604	712	1 604	712
Infrastructure and informatics services			2 680	1 168	2 680	1 168
Director-General, Regional Directors and independent functions			765	379	765	379
WHO's presence in countries	9 647	5 859			9 647	5 859
Total - the Americas	40 818	19 528	32 409	15 753	73 227	35 281

Table 4 (continued)

Country		Other sources				Total		
		Regional		Total other sources		Programme		%
Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure	budget	Expenditure	
2004-2005	2004	2004-2005	2004	2004-2005	2004	2004-2005	2004	
3 000		2 000	49	5 000	49	6 944	269	3.9
2 000	546	3 000	232	5 000	778	13 078	2 828	21.6
		3 000	34	3 000	34	3 000	34	1.1
5 000	1	2 000	339	7 000	340	7 536	1 713	22.7
2 000	1 000	500	729	2 500	1 729	2 939	3 424	116.5
		500	477	500	477	2 439	1 393	57.1
	(1)	500	148	500	147	897	339	37.8
1 000		500	32	1 500	32	3 626	971	26.8
	1		93		94		94	
500	1	500	124	1 000	125	2 628	1 003	38.2
4 000	223	500	887	4 500	1 110	5 109	1 640	32.1
500	74	500		1 000	74	2 593	74	2.9
2 000	6		10	2 000	16	2 305	696	30.2
1 000	158			1 000	158	1 036	158	15.3
8 000	40	4 000	477	12 000	517	12 602	864	6.9
1 000	209	500	71	1 500	280	3 254	965	29.7
500		500	201	1 000	201	2 182	793	36.3
4 000		500	24	4 500	24	10 854	2 782	25.6
1 000		1 000	11	2 000	11	2 909	525	18.0
15 000		2 000	168	17 000	168	17 000	168	1.0
	111	500	157	500	268	1 143	548	47.9
2 000		500	1 316	2 500	1 316	4 150	1 909	46.0
			80		80	660	355	53.8
3 000		1 000	122	4 000	122	8 167	1 977	24.2
			4		4	2 145	866	40.4
	25	500	15	500	40	899	40	4.4
3 000	4	1 500	211	4 500	215	20 885	7 623	36.5
						278		
						1 139	1 185	104.0
500		500	349	1 000	349	1 634	685	41.9
			132		132	1 604	844	52.6
2 000		3 000		5 000		7 680	1 168	15.2
			1		1	765	380	49.7
3 000	843	500	429	3 500	1 272	13 147	7 131	54.2
64 000	3 241	30 000	6 922	94 000	10 163	167 227	45 444	27.2

Table 4 (continued)

**Budget and expenditure summary by area of work - by office
as at 31 December 2004**

(in thousands of US dollars)

Regional Office for South-East Asia

Area of work	Regular budget					
	Country		Regional		Total regular budget	
	Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure
	2004-2005	2004	2004-2005	2004	2004-2005	2004
Communicable disease surveillance	2 064	1 408	1 287	843	3 351	2 251
Communicable disease prevention, eradication and control	1 305	1 188	330	135	1 635	1 323
Research and product development for communicable diseases	106	5	25		131	5
Malaria	2 017	1 344	702	421	2 719	1 765
Tuberculosis	1 570	1 007	380	84	1 950	1 091
Surveillance, prevention and management of noncommunicable diseases	3 124	2 827	380	222	3 504	3 049
Tobacco	1 916	775	431	242	2 347	1 017
Health promotion	1 533	547	333	409	1 866	956
Injuries and disabilities	969	295	353	188	1 322	483
Mental health and substance abuse	1 328	943	390	188	1 718	1 131
Child and adolescent health	2 113	1 566	791	440	2 904	2 006
Research and programme development in reproductive health	631	135	50		681	135
Making pregnancy safer	2 458	1 432	519	177	2 977	1 609
Women's health	357	209	330	191	687	400
HIV/AIDS	1 966	1 076	703	479	2 669	1 555
Sustainable development	1 156	699	751	443	1 907	1 142
Nutrition	565	450	330	183	895	633
Health and environment	4 049	1 757	1 016	674	5 065	2 431
Food safety	937	415	296	5	1 233	420
Emergency preparedness and response	1 058	612	330	199	1 388	811
Essential medicines: access, quality and rational use	2 744	1 481	430	194	3 174	1 675
Immunization and vaccine development	1 315	726	442	295	1 757	1 021
Blood safety and clinical technology	1 218	779	465	167	1 683	946
Evidence for health policy	1 599	1 081	1 180	568	2 779	1 649
Health information management and dissemination	93		881	513	974	513
Research policy and promotion	795	420	479	526	1 274	946
Organization of health services	12 743	7 793	2 839	1 038	15 582	8 831
Governing bodies			298	201	298	201
Resource mobilization, and external cooperation and partnerships	786		358	53	1 144	53
Programme planning, monitoring and evaluation	377		820	491	1 197	491
Human resources development			712	436	712	436
Budget and financial management			842	489	842	489
Infrastructure and informatics services			2 877	1 763	2 877	1 763
Director-General, Regional Directors and independent functions			1 385	1 152	1 385	1 152
WHO's presence in countries	16 827	10 603			16 827	10 603
Total - South-East Asia	69 719	41 573	23 735	13 409	93 454	54 982

Table 4 (continued)

Country		Other sources				Total		
		Regional		Total other sources				
Programme budget 2004-2005	Expenditure 2004	Programme budget 2004-2005	Expenditure 2004	Programme budget 2004-2005	Expenditure 2004	Programme budget 2004-2005	Expenditure 2004	%
1 000	941	4 000	(11)	5 000	930	8 351	3 181	38.1
3 000	1 991	15 000	1 038	18 000	3 029	19 635	4 352	22.2
	16	500	16	500	32	631	37	5.9
2 000	1 118	6 000	782	8 000	1 900	10 719	3 665	34.2
31 000	7 423	1 000	2 490	32 000	9 913	33 950	11 004	32.4
		500	432	500	432	4 004	3 481	86.9
500	5	1 000	238	1 500	243	3 847	1 260	32.8
1 000			93	1 000	93	2 866	1 049	36.6
		500	29	500	29	1 822	512	28.1
500	20		88	500	108	2 218	1 239	55.9
1 000	42	2 000	330	3 000	372	5 904	2 378	40.3
3 000	865		175	3 000	1 040	3 681	1 175	31.9
1 000	4	500	221	1 500	225	4 477	1 834	41.0
		500	(1)	500	(1)	1 187	399	33.6
13 000	2 680	5 000	959	18 000	3 639	20 669	5 194	25.1
1 000	471	500	68	1 500	539	3 407	1 681	49.3
		500	4	500	4	1 395	637	45.7
1 000	348	500	76	1 500	424	6 565	2 855	43.5
1 000		500	1	1 500	1	2 733	421	15.4
5 000	3 141	1 000	1 692	6 000	4 833	7 388	5 644	76.4
	79		298		377	3 174	2 052	64.7
49 000	40 783	16 000	2 766	65 000	43 549	66 757	44 570	66.8
500	193		(2)	500	191	2 183	1 137	52.1
4 000	92	2 000	69	6 000	161	8 779	1 810	20.6
500	87	500	35	1 000	122	1 974	635	32.2
	37		16		53	1 274	999	78.4
4 000	141	1 000	60	5 000	201	20 582	9 032	43.9
						298	201	67.4
	170		355		525	1 144	578	50.5
						1 197	491	41.0
		500	322	500	322	1 212	758	62.5
		500	193	500	193	1 342	682	50.8
2 000		3 000	3 197	5 000	3 197	7 877	4 960	63.0
			(22)		(22)	1 385	1 130	81.6
3 000	88	500	1 109	3 500	1 197	20 327	11 800	58.1
128 000	60 735	63 500	17 116	191 500	77 851	284 954	132 833	46.6

Table 4 (continued)

**Budget and expenditure summary by area of work - by office
as at 31 December 2004**

(in thousands of US dollars)

Regional Office for Europe

Area of work	Regular budget					
	Country		Regional		Total regular budget	
	Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure
	2004-2005	2004	2004-2005	2004	2004-2005	2004
Communicable disease surveillance	277	43	841	481	1 118	524
Communicable disease prevention, eradication and control			50		50	
Research and product development for communicable diseases						
Malaria	101	119	50		151	119
Tuberculosis	340	32	822	263	1 162	295
Surveillance, prevention and management of noncommunicable diseases	519	75	840	583	1 359	658
Tobacco	250	100	474	226	724	326
Health promotion	282	50	466	250	748	300
Injuries and disabilities	41	18	50	40	91	58
Mental health and substance abuse	620	77	802	584	1 422	661
Child and adolescent health	212	144	524	290	736	434
Research and programme development in reproductive health	101	33		11	101	44
Making pregnancy safer	264	197	554	344	818	541
Women's health	21		50	13	71	13
HIV/AIDS	200	101	1 119	270	1 319	371
Sustainable development	138	8	611	387	749	395
Nutrition	73	56	474	324	547	380
Health and environment	283	81	2 685	1 433	2 968	1 514
Food safety	76	62	445	186	521	248
Emergency preparedness and response	80	37	486	283	566	320
Essential medicines: access, quality and rational use	239	248	474	351	713	599
Immunization and vaccine development	160	87	574	403	734	490
Blood safety and clinical technology	66	26	326	253	392	279
Evidence for health policy	557	331	3 752	2 338	4 309	2 669
Health information management and dissemination	71	3	4 762	2 543	4 833	2 546
Research policy and promotion			288	221	288	221
Organization of health services	1 514	200	2 904	1 614	4 418	1 814
Governing bodies			651	432	651	432
Resource mobilization, and external cooperation and partnerships	563		524	267	1 087	267
Programme planning, monitoring and evaluation			1 318	384	1 318	384
Human resources development			2 254	1 296	2 254	1 296
Budget and financial management			1 516	1 054	1 516	1 054
Infrastructure and informatics services			8 637	4 687	8 637	4 687
Director-General, Regional Directors and independent functions			1 186	895	1 186	895
WHO's presence in countries	6 445	3 235	780	627	7 225	3 862
Total - Europe	13 493	5 363	41 289	23 333	54 782	28 696

Table 4 (continued)

Country		Other sources				Total		
		Regional		Total other sources				
Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure	%
2004-2005	2004	2004-2005	2004	2004-2005	2004	2004-2005	2004	
1 000	21	1 000	658	2 000	679	3 118	1 203	38.6
500			37	500	37	550	37	6.7
1 000	283	2 000	639	3 000	922	3 151	1 041	33.0
6 000	4 554	2 000	1 251	8 000	5 805	9 162	6 100	66.6
500		1 000	205	1 500	205	2 859	863	30.2
500	67	500	702	1 000	769	1 724	1 095	63.5
1 000	28	3 000	576	4 000	604	4 748	904	19.0
500	3	500	92	1 000	95	1 091	153	14.0
1 000	190	1 000	1 367	2 000	1 557	3 422	2 218	64.8
1 000	84	2 000	387	3 000	471	3 736	905	24.2
3 000	23	500	174	3 500	197	3 601	241	6.7
1 000	2		244	1 000	246	1 818	787	43.3
500		500	314	1 000	314	1 071	327	30.5
7 000	921	3 000	1 510	10 000	2 431	11 319	2 802	24.8
500	27		2 264	500	2 291	1 249	2 686	215.1
1 500	65	500	45	2 000	110	2 547	490	19.2
3 000	20	12 000	6 570	15 000	6 590	17 968	8 104	45.1
1 000		500	9	1 500	9	2 021	257	12.7
4 000	6 345	1 000	430	5 000	6 775	5 566	7 095	127.5
	36	500	446	500	482	1 213	1 081	89.1
12 000	534	4 000	4 512	16 000	5 046	16 734	5 536	33.1
500	30		245	500	275	892	554	62.1
3 000	6	2 000	3 954	5 000	3 960	9 309	6 629	71.2
1 000		500	482	1 500	482	6 333	3 028	47.8
			1 168		1 168	288	1 389	482.3
3 000	2 425	1 000	2 140	4 000	4 565	8 418	6 379	75.8
			69		69	651	501	77.0
			48		48	1 087	315	29.0
			179		179	1 318	563	42.7
		500	303	500	303	2 754	1 599	58.1
		500	518	500	518	2 016	1 572	78.0
2 000		3 000	2 531	5 000	2 531	13 637	7 218	52.9
			367		367	1 186	1 262	106.4
4 000	271	500	888	4 500	1 159	11 725	5 021	42.8
60 000	15 935	43 500	35 324	103 500	51 259	158 282	79 955	50.5

Table 4 (continued)

**Budget and expenditure summary by area of work - by office
as at 31 December 2004**

(in thousands of US dollars)

Area of work	Regional Office for the Eastern Mediterranean					
	Country		Regular budget		Total regular budget	
	Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure
	2004-2005	2004	2004-2005	2004	2004-2005	2004
Communicable disease surveillance	1 836	1 142	940	383	2 776	1 525
Communicable disease prevention, eradication and control	783	275	645	582	1 428	857
Research and product development for communicable diseases						
Malaria	1 599	951	635	128	2 234	1 079
Tuberculosis	1 197	557	430	137	1 627	694
Surveillance, prevention and management of noncommunicable diseases	1 213	466	476	229	1 689	695
Tobacco	287	32	414	125	701	157
Health promotion	1 387	676	695	809	2 082	1 485
Injuries and disabilities	295	112	354	130	649	242
Mental health and substance abuse	541	214	468	201	1 009	415
Child and adolescent health	1 181	621	384	43	1 565	664
Research and programme development in reproductive health			57		57	
Making pregnancy safer	787	326	576	161	1 363	487
Women's health	35	16	293		328	16
HIV/AIDS	786	484	563	188	1 349	672
Sustainable development	3 020	1 820	504	381	3 524	2 201
Nutrition	173	120	259	167	432	287
Health and environment	2 715	579	1 509	1 294	4 224	1 873
Food safety	394	86	369	168	763	254
Emergency preparedness and response	699	668	263	183	962	851
Essential medicines: access, quality and rational use	1 204	333	513	114	1 717	447
Immunization and vaccine development	1 157	343	446	216	1 603	559
Blood safety and clinical technology	1 504	617	650	178	2 154	795
Evidence for health policy	965	336	952	392	1 917	728
Health information management and dissemination	663	241	1 338	1 067	2 001	1 308
Research policy and promotion	1 358	73	450	463	1 808	536
Organization of health services	12 577	7 916	5 688	2 623	18 265	10 539
Governing bodies			228	157	228	157
Resource mobilization, and external cooperation and partnerships	194		739	1 785	933	1 785
Programme planning, monitoring and evaluation			685	428	685	428
Human resources development			1 043	453	1 043	453
Budget and financial management			1 331	567	1 331	567
Infrastructure and informatics services			5 328	2 779	5 328	2 779
Director-General, Regional Directors and independent functions			2 548	2 212	2 548	2 212
WHO's presence in countries	12 026	4 916			12 026	4 916
Total - Eastern Mediterranean	50 576	23 920	31 773	18 743	82 349	42 663

Table 4 (continued)

Country		Other sources				Total		
		Regional		Total other sources		Programme		%
Programme budget 2004-2005	Expenditure 2004	Programme budget 2004-2005	Expenditure 2004	Programme budget 2004-2005	Expenditure 2004	Programme budget 2004-2005	Expenditure 2004	
2 000	143	4 000	6	6 000	149	8 776	1 674	19.1
3 000	636	1 000	218	4 000	854	5 428	1 711	31.5
500		1 000	102	1 500	102	1 500	102	6.8
7 000	770	5 000	1 159	12 000	1 929	14 234	3 008	21.1
13 000	2 501	1 000	713	14 000	3 214	15 627	3 908	25.0
500	124	500	513	1 000	637	2 689	1 332	49.5
500	68	1 000	329	1 500	397	2 201	554	25.2
500	10		93	500	103	2 582	1 588	61.5
500	3	500	44	1 000	47	1 649	289	17.5
1 000	1	500	14	1 500	15	2 509	430	17.1
3 000	12	2 000	397	5 000	409	6 565	1 073	16.3
500	338	500	71	1 000	409	1 057	409	38.7
1 000			77	1 000	77	2 363	564	23.9
500	1		1	500	2	828	18	2.2
7 000	1 596	3 000	456	10 000	2 052	11 349	2 724	24.0
500	225		260	500	485	4 024	2 686	66.7
	5		364		369	432	656	151.9
500	30	500	319	1 000	349	5 224	2 222	42.5
1 000		500	8	1 500	8	2 263	262	11.6
33 000	51 936	2 000	(489)	35 000	51 447	35 962	52 298	145.4
	240	500	121	500	361	2 217	808	36.4
59 000	35 627	19 000	18 078	78 000	53 705	79 603	54 264	68.2
500	12			500	12	2 654	807	30.4
2 500	3	2 000	335	4 500	338	6 417	1 066	16.6
1 000	247	1 000	133	2 000	380	4 001	1 688	42.2
1 000	5	500	11	1 500	16	3 308	552	16.7
4 000	1 494	1 000	251	5 000	1 745	23 265	12 284	52.8
						228	157	68.9
			634		634	933	2 419	259.3
		1 000	24	1 000	24	1 685	452	26.8
		500	210	500	210	1 543	663	43.0
		500	53	500	53	1 831	620	33.9
2 000		3 000	5 619	5 000	5 619	10 328	8 398	81.3
			12		12	2 548	2 224	87.3
4 000	6 035	500	496	4 500	6 531	16 526	11 447	69.3
149 500	102 062	52 500	30 632	202 000	132 694	284 349	175 357	61.7

Table 4 (continued)

**Budget and expenditure summary by area of work - by office
as at 31 December 2004**

(in thousands of US dollars)

Regional Office for the Western Pacific

Area of work	Regular budget					
	Country		Regional		Total regular budget	
	Programme	Expenditure	Programme	Expenditure	Programme	Expenditure
	budget		budget		budget	
	2004-2005	2004	2004-2005	2004	2004-2005	2004
Communicable disease surveillance	1 324	910	1 358	439	2 682	1 349
Communicable disease prevention, eradication and control	939	513	197	60	1 136	573
Research and product development for communicable diseases						
Malaria	1 330	572	1 162	526	2 492	1 098
Tuberculosis	807	268	989	549	1 796	817
Surveillance, prevention and management of noncommunicable diseases	1 397	635	930	424	2 327	1,059
Tobacco	464	172	524	354	988	526
Health promotion	843	676	429	237	1 272	913
Injuries and disabilities	323	94	129	30	452	124
Mental health and substance abuse	663	268	557	218	1 220	486
Child and adolescent health	591	695	540	270	1 131	965
Research and programme development in reproductive health	54	128	52	59	106	187
Making pregnancy safer	388	72	641	295	1 029	367
Women's health		3	40	2	40	5
HIV/AIDS	504	345	661	379	1 165	724
Sustainable development						
Nutrition	225	201	282	225	507	426
Health and environment	1 766	711	2 133	976	3 899	1 687
Food safety	504	356	364	207	868	563
Emergency preparedness and response	27	41	107	1	134	42
Essential medicines: access, quality and rational use	1 010	444	832	415	1 842	859
Immunization and vaccine development	684	429	939	508	1 623	937
Blood safety and clinical technology	744	465	233	109	977	574
Evidence for health policy	452	462	871	422	1 323	884
Health information management and dissemination	10		1 627	703	1 637	703
Research policy and promotion	59	33	253	46	312	79
Organization of health services	11 930	4 642	3 574	1 782	15 504	6 424
Governing bodies			461	291	461	291
Resource mobilization, and external cooperation and partnerships	1 006		1 766	706	2 772	706
Programme planning, monitoring and evaluation		53	263	211	263	264
Human resources development			776	320	776	320
Budget and financial management			1 146	560	1 146	560
Infrastructure and informatics services			6 097	2 695	6 097	2 695
Director-General, Regional Directors and independent functions		158	1 903	718	1 903	876
WHO's presence in countries	12 008	7 341	148	2	12 156	7 343
Substantive areas of work - total	40 052	20 687	31 984	14 739	72 036	35 426
Miscellaneous						
Real Estate Fund						
Total - Western Pacific	40 052	20 687	31 984	14 739	72 036	35 426

Table 4 (continued)

Country		Other sources				Total		
		Regional		Total other sources		Programme		%
Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure	Programme budget	Expenditure	
2004-2005	2004	2004-2005	2004	2004-2005	2004	2004-2005	2004	
2 000	2 882	2 000	1 529	4 000	4 411	6 682	5 760	86.2
3 000	842	2 000	936	5 000	1 778	6 136	2 351	38.3
			1		1		1	
4 000	3 631	4 000	2 094	8 000	5 725	10 492	6 823	65.0
7 000	2 075	5 000	1 883	12 000	3 958	13 796	4 775	34.6
	102	500	532	500	634	2 827	1 693	59.9
500	159	1 000	400	1 500	559	2 488	1 085	43.6
1 000	156	500	(142)	1 500	14	2 772	927	33.4
2 000	8	500	1	2 500	9	2 952	133	4.5
500	45		87	500	132	1 720	618	35.9
2 000	143	3 000	148	5 000	291	6 131	1 256	20.5
1 000	261	500	105	1 500	366	1 606	553	34.4
1 000		500	213	1 500	213	2 529	580	22.9
			8		8	40	13	32.5
9 000	3 191	3 000	1 629	12 000	4 820	13 165	5 544	42.1
1 000	365	500	116	1 500	481	1 500	481	32.1
500	229		218	500	447	1 007	873	86.7
4 000	61	2 000	83	6 000	144	9 899	1 831	18.5
1 000		500	20	1 500	20	2 368	583	24.6
4 000	52	1 000	334	5 000	386	5 134	428	8.3
	168	1 000	656	1 000	824	2 842	1 683	59.2
11 000	2 415	4 000	3 495	15 000	5 910	16 623	6 847	41.2
500	912		95	500	1 007	1 477	1 581	107.0
3 000	200	2 000	188	5 000	388	6 323	1 272	20.1
500		500		1 000		2 637	703	26.7
1 000		500	13	1 500	13	1 812	92	5.1
5 000	726	1 000	86	6 000	812	21 504	7 236	33.6
			86		86	461	377	81.8
		11 000	6 821	11 000	6 821	13 772	7 527	54.7
						263	264	100.4
500		500	130	1 000	130	1 776	450	25.3
		1 000	179	1 000	179	2 146	739	34.4
2 000		3 000	545	5 000	545	11 097	3 240	29.2
						1 903	876	46.0
3 000	1 608	500	96	3 500	1 704	15 656	9 047	57.8
70 000	20 231	51 500	22 585	121 500	42 816	193 536	78 242	40.4
			2 563		2 563		2 563	
70 000	20 231	51 500	25 148	121 500	45 379	193 536	80 805	41.8

Table 5

Financial implementation by category of expenditure and sources of funds 2004

(in thousands of US dollars)

Category of expenditure	Sources of funds									
	Regular Budget		Voluntary Fund for Health Promotion		Special Account for Servicing Costs		Other funds including United Nations sources		Total	
		%		%		%		%		%
Salaries and common staff costs	248 264	51.7	70 267	9.5	30 582	23.7	25 703	18.2	374 816	25.1
Short-term staff	56 726	11.8	170 539	23.0	28 972	22.5	16 899	12.0	273 136	18.3
Consultants	2 561	0.5	22 539	3.0	457	0.4	927	0.7	26 484	1.8
Temporary advisers	4 139	0.9	22 809	3.1	457	0.4	5 156	3.6	32 561	2.2
Members of expert committees, study groups and scientific groups	529	0.1	99	0.0	145	0.1	3	0.0	776	0.1
Governing body delegates and members	151	0.0	+3	0.0	154	0.1			308	0.0
Travel on official business	12 548	2.6	29 272	4.0	2 976	2.3	3 443	2.4	48 239	3.2
Research contracts	229	0.0	15 175	2.0	85	0.1	12 171	8.6	27 660	1.9
Contractual services for translation, printing, data processing and other operations	45 559	9.5	108 185	14.6	12 242	9.5	14 963	10.6	180 949	12.1
Supplies and materials, rental and maintenance of premises and equipment, stationery, utilities and communications	36 151	7.5	84 279	11.4	22 345	17.3	32 302	22.8	175 077	11.7
Supplies and services in kind			453	0.1					453	0.0
Acquisition of furniture and equipment	8 532	1.8	24 751	3.3	10 856	8.4	3 165	2.2	47 304	3.2
Acquisition and improvement of premises	71	0.0	630	0.1	859	0.7	504	0.4	2 064	0.1
Fellowships and other educational activities	17 592	3.7	15 222	2.1	252	0.2	4 040	2.9	37 106	2.5
Local cost subsidies	23 544	4.9	172 429	23.3	1 058	0.8	8 978	6.3	206 009	13.8
General project costs - The Americas	11 061	2.3	7 224	1.0	140	0.1	846	0.6	19 271	1.3
- Other			(101 693)	(13.7)	15 527	12.1	(5 173)	(3.7)	(91 339)	(6.1)
Hedging operations	(19 235)	(4.0)							(19 235)	(1.3)
Other expenditure, including programme support costs and joint activities with the United Nations	31 671	6.7	98 316	13.2	1 718	1.3	17 472	12.4	149 177	10.1
Total	480 093	100.0	740 499	100.0	128 825	100.0	141 399	100.0	1 490 816	100.0
Eliminations (see Statement I)										
Transfers between technical cooperation programmes							(109 489)			
Programme support costs							(68 428)		(177 917)	
Total - WHO programme activities									1 312 899	

Glossary of budgetary and financial terms 2004

This glossary of budgetary and financial terms provides an explanation of the main terms used in the two documents that present the WHO financial framework. The Programme Budget is approved by the Health Assembly and is a plan in programmatic terms for the work of the Organization in the biennium. The Financial Report, which is audited on a biennial basis, provides information on the actual income and expenditure of the Organization and shows the assets and liabilities at the end of each year. The report of the External Auditor is presented together with the Financial Report and enables Member States and other readers of the Financial Report to know that an independent audit has taken place and whether there are any significant issues that require attention. The External Auditor also gives an opinion as to whether the Financial Report for the biennium presents fairly, in all respects, the financial position of the Organization. The biennial Financial Report and the Interim Financial Report of the Organization together with reports of the External Auditor are accepted by the Health Assembly.

Account: a formal record of an asset, liability, revenue or expense in which the effects of transactions are indicated in terms of money or some other unit of measurement.

Accounting, cash basis of: the method of recording transactions by which income and expenditure and other costs are recorded on the basis of actual collection or disbursement of cash in a given period.

Accrual: the accrual basis of accounting for revenue in each financial period means that income is recognized when it is due and not when it is received. Accrual of expenditure in each financial period means that costs are recognized when obligations arise or liabilities are incurred and not when payments are made.

Appropriation: an amount voted by the Health Assembly for a specified purpose and for a financial period. This represents a ceiling, a maximum figure against which regular budget obligations may be incurred. Effective appropriation: represents the amount of the appropriation after taking into account any transfers which the Director-General is authorized to make between appropriation sections.

Appropriation resolution: a resolution by the Health Assembly approving the regular budget appropriations for a financial period and their financing. The appropriation resolution also notes the amount of the expenditure in the programme budget to be financed from other sources.

Assessment, scale of: a scale established by the Health Assembly to apportion the amount required for the regular budget net assessments of the Organization for a given period among Member States.

Budget: a plan in financial terms for the carrying out of a programme of activities in a specific period. A programme budget focuses upon the work to be undertaken and the objectives sought through that work: it emphasizes the ends to be achieved and translates them into the costs required for their implementation. Decisions relate both to resource levels, financing and to results to be achieved.

Budget, effective working: represents that part of the approved regular budget against which the Director-General is authorized to incur obligations.

Budget, working: represents that part of the programme budget that has been allocated as adjusted by transfers between appropriation sections and/or Offices. The working budget comprises allocations from the regular budget and other sources.

Disbursements: payment in cash.

Exchange rate hedging: this mechanism seeks to maintain the level of the budget so that the activities represented by the budget approved by the Health Assembly may be carried out irrespective of the effect of any fluctuation of currencies against the US dollar.

Expenditure: expenditure for a financial period is the total amount of obligations. This figure represents the sum of disbursements and unliquidated obligations made against an appropriation or other sources.

Fund accounting: the method of accounting under which each fund is maintained as a distinct financial and accounting entity with a separate, self-balancing group of accounts.

Imprest accounts: a fund or an account established with a fixed amount and maintained at that level by periodic replenishments of the sums disbursed. Generally, imprest accounts are used for making payments in Country Office locations.

Internal borrowing: a mechanism by which, once the Working Capital Fund has been fully utilized, other available funds are used in order to finance regular budget implementation pending the receipt of assessed contributions. Internal borrowing is repaid when Member States pay their arrears of assessed contributions.

Liability: a current obligation arising from past events, the settlement of which is expected to result in an outflow of resources from the Organization.

These include:

- i. Contributions or payments received in advance;
- ii. Borrowings payable within one year;
- iii. Unliquidated obligations;
- iv. Accounts payable, including inter-fund balances payable and other accounts payable;
- v. Other funds and special accounts;
- vi. Other liabilities;
- vii. Borrowings payable after one year.

Obligation: a commitment or undertaking that creates a legal liability against the resources of the Organization.

Obligation, unliquidated: that part of an obligation which has not been disbursed, i.e. an outstanding liability.

Revolving fund: a fund established so that income from specific activities may be used to cover the costs of those activities. Any surplus may be carried forward to a future period.

Savings on unliquidated obligations: the balance remaining within unliquidated obligations after payment of all liabilities under those obligations.

Tax Equalization Fund: a fund to which is credited the revenue from Staff Assessment and which is reduced by:

- i. Refunds to staff for income taxes levied on their emoluments;
- ii. Credits against the assessed contributions of Members, in proportion to their assessments but less any income taxes they have levied on the emoluments received from the Organization by their nationals or others liable to such taxes.

Unobligated balance: that part of an appropriation, contribution or allotment which has not been obligated. The unobligated balance of regular budget appropriations at the end of the financial period could either be funded in part, in total or not at all depending on the extent to which assessed contributions have been collected. Any funded part of the unobligated balance of regular budget appropriations is credited to Miscellaneous Income. The unfunded part of the unobligated balance of regular budget appropriations represents the amount of the budget appropriations that cannot be implemented. The unfunded part is credited to Miscellaneous Income only when the underlying outstanding assessed contributions are collected.

Working Capital Fund: a fund established by the Health Assembly for the purpose of financing regular budget implementation pending receipt of assessed contributions. Withdrawals from the fund are reimbursed when Members eventually pay their arrears of assessed contributions.