



THIRD ITEM ON THE AGENDA

**Financial questions relating to the
International Institute for Labour Studies**

**(b) Authorization to accept
contributions and gifts**

1. The Board of the International Institute for Labour Studies will consider at its 45th Session, on 14 November 2003, the acceptance of contributions and gifts to the Institute and review the financial statements concerning the Institute's Endowment Fund as at 31 December 2002. A copy of the paper submitted to the Board on the subject is attached.¹
2. The Committee will be advised on the results of the Board's deliberations and will at that point be invited to make a recommendation to the Governing Body in respect of the acceptance of contributions and gifts to the Institute.

Geneva, 8 October 2003.

¹ INS.B.XLV/3.

Appendix

INTERNATIONAL INSTITUTE FOR LABOUR STUDIES

INS.B.XLV/3

BOARD

45th Session
Geneva, November 2003

THIRD ITEM ON THE AGENDA

Acceptance of contributions and gifts

Endowment Fund

1. Since the 44th Session of the Board, there has been no contribution to the Endowment Fund.
2. The financial statement of the Institute's Endowment Fund as at 31 December 2002, prepared by the Treasury and Accounts Branch of the ILO, is appended.

Phelan Legacy

3. The financial position of the Phelan Legacy as at 31 December 2002, prepared by the Treasury and Accounts Branch of the ILO, is appended.

Geneva, 16 September 2003.

Appendix

Endowment Fund of the International Institute for Labour Studies

Income and expenditure account for the year 1 January 2002 to 31 December 2002 (in US dollars)

| | | |
|--|----------------|-------------------------|
| Fund balance as at 1 January 2002 | | 4 293 708 |
| Adjustment to the opening balance | | 19 887 |
| Movement in the value of the Fund: | | |
| Interest income | 52 333 | |
| Net loss on sale of investments | (55 413) | |
| Revaluation gain | 28 332 | |
| Administrative charges | <u>(5 099)</u> | |
| | | 20 153 |
| Less: transfer of income to IILS operational activities | | <u>(26 166)</u> |
| Fund balance as at 31 December 2002 | | <u>4 307 582</u> |

Statement of assets, liabilities and Fund balance as at 31 December 2002 (in US dollars)

| | | |
|---|--|-------------------------|
| Assets | | |
| Investments: Managed portfolio including bonds and shares ¹ | | 4 722 744 ² |
| Accrued income | | <u>47 088</u> |
| Total assets | | <u>4 769 832</u> |
| Liabilities and Fund balance | | |
| Accumulated Fund balance on 31 December 2002 | | 4 307 582 |
| Accounts payable | | <u>462 250</u> |
| Total liabilities and Fund balance | | <u>4 769 832</u> |

¹ At cost, net of a provision of US\$280,396 for a loss on sale realized in March 2003.

² Market value as at 31 December 2002 was US\$4,197,667 and at 31 July 2003 US\$4,654,114.

**Financial position of the Phelan Legacy,
1 January to 31 December 2002 (in US dollars)**

| | | |
|---|--------------|-----------------------|
| Fund balance as at 1 January 2002 | | 619 456 |
| Adjustment to the opening balance | | (18 345) |
| Movement in the value of the Fund | | |
| Interest income | 6 244 | |
| Net loss on sale of investments | (6 589) | |
| Revaluation gain | 3 380 | |
| Administrative charges | <u>(608)</u> | |
| | | 2 427 |
| Transfer to fellowship | | <u>(25 000)</u> |
| Fund balance as at 31 December 2002 | | <u>578 538</u> |
| The Fund is held as follows: | | |
| Investments: Managed portfolio including bonds and shares ³ | | 563 515 ⁴ |
| Accrued income | | 5 618 |
| Accounts receivable | | <u>9 405</u> |
| | | <u>578 538</u> |

³ At cost, net of a provision of US\$33,457 for a loss on sale realized in March 2003.

⁴ Market value as at 31 December 2002 was US\$500,863 and at 31 July 2003 was US\$555,326.