

[Communicated to the Council
and the Members of the League.]

Official No.: **C.338.M.155.** 1934. XII.

Geneva, August 9th, 1934.

LEAGUE OF NATIONS

INTELLECTUAL CO-OPERATION ORGANISATION

**REPORT OF THE GOVERNING BODY OF THE INTERNATIONAL
INSTITUTE OF INTELLECTUAL CO-OPERATION**

Submitted by Professor G. Oprescu, on behalf of the Governing Body of the International Institute of Intellectual Co-operation, addressed to the Council of the League of Nations and the Government of the French Republic, and communicated to all the Members of the League of Nations.

(Article 14 of the Organic Statute of the International Institute of Intellectual Co-operation.)

CONTENTS.

	Page
Text of the Report	1
Appendices :	
1. Report by the Director of the Institute to the Governing Body, approved by the Latter at its Eleventh Session, July 1934	3
2. Audit of the Accounts of the Institute for the Financial Year 1933 : Report by Dr. F. Vivaldi, Deputy Auditor of the League of Nations	5

The Governing Body of the International Institute of Intellectual Co-operation held its eleventh session at Geneva on July 20th, under the Chairmanship of M. Emile BOREL, replacing M. E. Herriot.

Present : M. M. ANESAKI, M. NIETO-CABALLERO (replacing M. Sanin Cano), M. J. CASTILLEJO, M. J. DANTAS, M. Börje KNÖS (replacing M. G. Forssell), Professor Gilbert MURRAY, M. G. OPRESCU (replacing M. Titulesco), M. PIETROMARCHI (replacing M. Rocco), Sir Sarvapalli RADHAKRISHNAN, M. G. DE REYNOLD, M. H. VON SRBIK, M. J. SUSTA, M. H. L. TIENSHE HU (replacing M. Wu-Shi-Fee).

Sir Frank HEATH also attended the meetings as a member of the Directors' Committee. M. Roland-Marcel, the second member of the Directors' Committee, wrote regretting his inability to be present. Representing the Secretariat of the League of Nations : M. PILOTTI, Deputy Secretary-General, M. DE MONTENACH, Secretary of the Intellectual Co-operation Organisation ; representing the International Institute of Intellectual Co-operation : M. H. BONNET.

M. VIVALDI, Deputy Auditor of the League of Nations, also attended this session.

In accordance with the Statutes, the administration of the Institute during the past year has been in the hands of the Directors' Committee and the Director. The Directors' Committee met three times, simultaneously with the Executive Committee of the Committee on Intellectual Co-operation, in December 1933 and in April and July 1934.

At its present session, the Governing Body first heard the Director's observations regarding the administrative and financial position of the Institute. A detailed report had been submitted in writing to the members of the Governing Body. The latter approved the Director's report and congratulated M. Bonnet on the manner in which he had carried out the Governing Body's decisions during the past year.

The Governing Body then examined the second item on its agenda, concerning financial questions. It first heard M. Vivaldi, who made a very detailed and fully documented statement with regard to the financial year 1933. This statement showed that, in spite of the financial difficulties with which the Institute was faced in 1933, and the development of its activities, it had been able to meet all its obligations. Naturally, this result was not obtained without sacrifice. The Director and the Directors' Committee were obliged during the year to draw considerably on the surpluses left over from previous years. Fortunately, it was found possible to increase the reserve fund from 316,000 francs to 400,000 francs, thus constituting a very appreciable safeguard against future contingencies. In spite of the transactions referred to above, the surpluses still amounted at the end of the financial year to 165,566.10 francs. The situation is therefore satisfactory; the Auditor said that there was reason to hope that it would improve and that 1934 might yield even better results.

The Governing Body, after noting the Auditor's report, approved the closed accounts for 1933 and adopted the proposal of the Directors' Committee to the effect that 125,000 francs—to be taken from the surpluses—should be allotted to Chapter III, H (Publications) for the current year. The total under this heading will thus be brought up to 325,000 francs. The Governing Body decided that, of the remainder of the surplus from the financial year 1933 (40,566.10 francs), 10,816.10 francs should be allotted to the item "Journeys made by officials", and 29,750 francs to bonuses for the staff, at the rate of 50 per cent as compared with the previous year (1932).

The Director then gave further details regarding certain reductions that he proposed to introduce in the 1934 budget in order to bring it into line with the definitely ascertainable income for the current year. The reductions were to be made in the following item: staff, 80,000 francs. The Governing Body approved the proposed reductions.

In regard to the draft budget for the next financial year (1935), the Governing Body approved the proposals contained in the Director's report. The latter drew the Governing Body's attention to the fact that, in conformity with the decisions reached by the French Government, the variable portion of the grant hitherto accorded to the Institute, for which no provision had been made in the French Government's agreement with the League, was no longer forthcoming, owing to financial circumstances. He had been obliged to take this reduction into account in drafting his proposals for expenditure. Among other smaller reductions, the credits allotted to meetings of experts, and the contribution to special work, had been reduced by 125,000 and 100,000 francs respectively, as compared with the credits for the previous year. The Governing Body approved the budget for the financial year 1935, as proposed by the Director. It also agreed to a suggestion made by the Directors' Committee concerning the possibility of remedying, as far as possible, the reduction of these credits. For instance, if any supplementary credits became available, in addition to expected revenue, they would be allotted in the first place to these two chapters.

As regards the third item on its agenda, the Governing Body was informed by the Director that no essential change had occurred in the staff or organisation of the Institute, except the departure of Dr. Picht, a principal secretary. The latter having tendered his resignation, the Director of the Institute had felt bound to accept it. He had not taken any steps to replace Dr. Picht, as the other two officials in that Section had, owing to their experience, been able to cope with the whole work of the Section, and should therefore be allowed to continue to do so. In so doing, the Director had followed the present practice of the League, which had also decided, for reasons of economy, not to replace any officials retiring in the course of the year.

The Director informed the Governing Body of the results of the decisions which the latter had taken in 1933 concerning staff pensions. The system adopted has given general satisfaction, the whole staff being affiliated to the Caisse nationale des retraites pour la vieillesse.

The Director of the Institute read to the Governing Body a letter from M. Pasquier, headmaster of a public school and president of an ex-servicemen's association, asking whether the Institute could accept a foundation, of an amount not defined, the proceeds of which would be devoted to granting an annual prize to the best work published during the year calculated to encourage international goodwill and to serve the cause of peace. The Director said that he had only sent a provisional reply, as he was anxious to consult the Governing Body on the point of principle. After discussion, the Governing Body agreed that the question of principle would have to be decided first of all, taking into account the special circumstances of this particular case and the League's general rules in respect of the acceptance of gifts or foundations. The Governing Body also thought that it would be desirable in this case to examine the possibility of responsibilities or charges devolving upon the Committee on Intellectual Co-operation or the Institute if it undertook to award an annual prize. The Governing Body instructed the Director to collect all information to enable the Directors' Committee to go into the matter more fully in accordance with the principles laid down by the Governing Body.

Appendix 1.

REPORT BY THE DIRECTOR OF THE INTERNATIONAL INSTITUTE OF INTELLECTUAL CO-OPERATION TO THE GOVERNING BODY, APPROVED BY THE LATTER AT ITS ELEVENTH SESSION, JULY 1934.

I. STAFF.

Since the Governing Body's last session in July 1933, only one change has been made in the composition of the Institute's staff, as the result of the resignation of Dr. Werner Picht, Principal Secretary. This resignation was accepted by the Directors' Committee at its meeting on December 20th, 1933, when it also requested the Director of the Institute to express to M. Picht its appreciation of the services rendered by him in the course of the seven years during which he has been in charge of the University Relations Service.

As Dr. Picht cannot be replaced, his work has been distributed between two other officials of the Institute — M. Lajti, who has been put in charge of University Relations, and Mr. Chalmers Wright, who will act as Secretary of the Permanent Conference on Higher International Studies and be responsible for the work relating to social and political sciences. Both these officials are fully competent to carry out these duties.

As usual, a list of the higher staff of the Institute, as on July 1st, 1934, is attached to the present report (see Sub-Appendix 1).

II. BUDGET.

The draft budget for the financial year 1935, which is herewith submitted to the Governing Body for examination, balances revenue and expenditure at 2,875,900 francs, which is 342,100 francs less than the figure for the current financial year.

This falling off in our receipts is due to the reduction of the French subvention and to losses on exchange.

The necessity for balancing the budget compels us to propose to you reductions in expenditure corresponding in amount to this decrease of 342,100 francs.

The reductions concern the following items :

	Francs
<i>Chapter I: Staff</i>	80,000
This reduction is mainly due to the non-replacement of Dr. Picht, who has resigned.	
<i>Chapter II: Upkeep of Buildings and Furniture</i>	10,000
<i>Chapter III:</i>	Francs
B. Entertainment allowances	5,000
C. Officials' travelling expenses	6,000
D. Experts' meetings	125,000
E. Special work	100,000
F. Office expenses	10,000
G. Purchase of books	500
	<hr/> 246,500
<i>Chapter IV: Unforeseen</i>	6,600
	<hr/>
Total reductions	342,100

The proposed reductions have already been carefully examined by the Directors' Committee at its session on April 13th last. However regrettable these measures may be, it will still be possible, as shown in the report submitted to the Committee and thanks to the improvement in the Institute's organisation and machinery, to carry out the programme of work adopted. In normal times, this progress would have been more rapid, but we venture to hope that these restrictions will be merely temporary. Moreover, the Institute is endeavouring to add to its resources.

The steady increase in the proceeds from the sale of our publications and the promise of new subventions enable us to view its future financial prospects with a certain optimism.

The Use of the Surplus from the Financial Year 1933.

According to the Auditor's report, the financial year 1933 showed a surplus of revenue over expenditure amounting to 165,566.10 francs. In its resolution of April 13th last, the Directors' Committee proposed to allocate a sum of 125,000 francs out of this surplus to Chapter III, Item H : " Publications for the current financial year ", the appropriation for that chapter being thus increased to 325,000 francs.

In accordance with the decision of the Directors' Committee of July 14th, 1934, 10,816.10 francs will be allocated out of the 1933 surplus of 40,566.10 francs to Chapter III, Item C : " Officials' Travelling Expenses ", and 29,750 francs to gratuities to the staff.

Sub-Appendix 1.

HIGHER STAFF OF THE INTERNATIONAL INSTITUTE
OF INTELLECTUAL CO-OPERATION

M. BELIME, Principal Secretary (French).
M. MOHR, Principal Secretary (Norwegian).
M. ROSSI, Principal Secretary (Italian).
M. WEISS, Legal Adviser (French).
M. BRAGA, Technical Adviser for Literary Questions (Brazilian).
M. ESTABLIER, Secretary (Spanish).
M. FOUNDOUKIDIS, General Secretary of the International Museums Office (Greek).
M. DE HENZEL, Secretary (Polish).
M. LAJTI, Secretary (Hungarian).
M. MERCIER, Secretary (Belgian).
M. PISTOLESE, Secretary (Italian).
Mlle. ROTHBARTH, Secretary (German).
M. SATO, Secretary (Japanese).
M. SECRÉTAN, Secretary (Swiss).
Mr. WRIGHT, Secretary (British).
M. TISSEAU, Chief of the Administrative Services (French).
M. MAAS GEESTERANUS¹, Assistant Legal Adviser (Dutch).
M. CASTRILLI¹ (Italian).

Sub-Appendix 2.

DRAFT BUDGET FOR 1935.

		RECEIPTS.	
I. <i>Subventions of States.</i>			Francs
Austria	. . . . .	1,000	
Brazil	. . . . .	75,000	
Colombia	. . . . .	9,400	
Denmark	. . . . .	10,800	
Ecuador	. . . . .	2,000	
Egypt	. . . . .	39,300	
France	. . . . .	2,000,000	
Hungary	. . . . .	20,600	
Italy	. . . . .	152,000	
Luxemburg	. . . . .	2,000	
Mexico	. . . . .	60,000	
Monaco	. . . . .	2,000	
Poland	. . . . .	30,000	
Portugal	. . . . .	15,300	
Roumania	. . . . .	25,000	
Switzerland	. . . . .	24,500	
Venezuela	. . . . .	12,000	
Yugoslavia	. . . . .	25,000	
			2,505,900
II. <i>Miscellaneous Receipts.</i>			
Interest on deposits	. . . . .	20,000	
Sales of publications	. . . . .	200,000	
Sundry	. . . . .	50,000	
Subvention from the Italian National Committee	. . . . .	40,000	
			310,000
III. <i>Extraordinary Receipts</i>			60,000
Total receipts			2,875,900

¹ These officials receive no remuneration, but have the rank of secretary.

EXPENDITURE.

		Francs	Francs
<i>Chapter I. — Staff.</i>			
A.	Director, Principal Secretaries, Legal Adviser, Secretaries and internal administration	965,000	
B.	Chief clerks, clerks and shorthand-typists	496,700	
C.	Junior staff	135,000	
D.	Allowances (family allowances, etc.)	88,000	
E.	Payment to the Caisse des Retraites	87,200	
			1,771,900
<i>Chapter II.</i>			
A.	Upkeep of buildings and furniture	40,000	
B.	Heating and lighting	50,000	
C.	Insurance	20,000	
			110,000
<i>Chapter III.</i>			
A.	Travelling expenses of members of Directors' Committee and of the Auditor	20,000	
B.	Entertainment allowances :	Francs	
	Directors' Committee (lump sum).	5,000	
	Director (lump sum)	30,000	
	Secretaries (entertainment allowance)	5,000	
	Lump sum for motor-car expenses	30,000	
		70,000	
C.	Officials' travelling expenses	84,000	
D.	Experts' meetings	150,000	
E.	Contributions for special work	300,000	
F.	Office expenses	150,000	
G.	Purchase of books	5,000	
H.	Publications	200,000	
			889,000
<i>Chapter IV.</i>			
	Provision for unforeseen expenditure		15,000
<i>Chapter V.</i>			
	Contributions to Reserve Fund (<i>ad memorandum</i>)		—
Total expenditure			2,875,900

Appendix 2.

AUDIT OF THE ACCOUNTS OF THE INSTITUTE FOR THE FINANCIAL YEAR 1933.

REPORT BY DR. F. VIVALDI, DEPUTY AUDITOR OF THE LEAGUE OF NATIONS.

Communicated to the Governing Body of the Institute on July 20th, 1934.

In accordance with the Organic Statute and Financial Regulations¹ of the Institute, I have examined the accounts for the financial year 1933, and here set down, as usual, the results of my audit together with such comments as seem appropriate.

INCOME.

The income represented by Government contributions, which maintained last year the tendency to improvement noticed in 1931, showed a decline in 1933, falling from 3,061,130.41 francs to 2,764,438.03 francs.²

¹ Article 13 of the Statute and of the Regulations.

² In order to provide the higher authorities with a comprehensive view of the position of the institute in this respect, from its inception to the present day, I here recapitulate the total income from Government contributions in each financial year. It should, however, be noted, as regards the decrease which occurred in the financial year 1933, that several contributions were received after the close of the period.

Year	Income from Government contributions	Increase as compared with the previous year	Decrease
1925	1,025,000.—		
1926	2,183,250.—	+ 1,158,250.—	
1927	2,514,501.44	+ 331,251.44	
1928	2,954,138.22	+ 439,636.78	
1929	3,182,957.30	+ 228,819.08	
1930	2,977,726.20		— 190,847.35
1931	3,023,692.25	+ 45,966.05	
1932	3,061,130.41	+ 37,438.16	
1933	2,764,438.03		— 296,692.38

The following table summarises the various component parts of the total income :

	Francs
French contribution	2,353,125.— ¹
Other contributions provided for in the budget	361,914.74
New contributions	—
Arrears of contributions	49,398.29
Profit on exchange ²	—
	<hr/> 2,764,438.03

With regard to arrears of contributions, it should be noted that, on April 12th, 1933, the Directors' Committee authorised the Director of the Institute to make an arrangement with the Governments concerned to write off these items in consideration of the payment of a lump sum in one year.

In pursuance of this decision — the legitimacy of which under the constitutional rules of the Institute seems to depend upon its ratification by the Governing Body — the Director, during the financial year, made an agreement with Poland for the settlement of all previous accounts by a payment of 30,000 francs.

In consequence of this, and of the other payments made during the year, the State contributions which the Institute ought to receive, according to the figures shown in the budgets of the various financial years, are as follows :

Name of State	1928	1929	1930	1931	1932	1933
	(In francs)					
Austria	—	—	—	—	5,000	3,929.—
Belgium	—	—	75,000	75,000	—	—
Colombia	—	15,000	15,000	15,000	15,000	5,587.90
Czechoslovakia	—	—	73,000	73,000	73,000	—
Dominican Republic	—	25,000	25,000	25,000	25,000	—
Ecuador	2,000	—	—	2,000	2,000	2,000.—
Egypt	—	—	—	—	—	58,000.—
Mexico	—	—	—	—	—	60,000.—
Monaco	—	—	—	—	—	2,000.—
Venezuela	—	—	—	12,000	12,000	12,000.—
Total	2,000	40,000	188,000	202,000	132,000	143,516.90 ³

Viz. :

Arrears for the financial year :	Francs
1928	2,000.—
1929	40,000.—
1930	188,000.—
1931	202,000.—
1932	132,000.—
1933	143,516.90

Total of the contributions in arrears 707,516.90

The amounts due have therefore decreased by only 82,099.35 francs in relation to those (789,616.25 francs) which remained due at the end of the preceding year.

With regard to extraordinary receipts, which were estimated at 192,000 francs, they actually amounted to 240,072.17 francs. The detail of these receipts is as follows :

(a) *Interest on funds deposited in banks*, which figured in the estimates at 12,000 francs, but produced 25,370.11 francs — more than double the amount — chiefly due to the working capital fund and to the satisfactory cash situation in the early part of the year on account of the balance from the previous year and extra-budgetary funds.

(b) *Proceeds of the sale of publications*, with which I shall deal in due course. The amount continued to increase as noticed in previous years, reaching 104,698.71 francs, as compared with 73,024.20 francs in the previous year.

¹ The French contribution originally amounted to 2,000,000 francs and was subsequently (1928) increased to 2,500,000 francs, and is shown at that figure in the Institute's budget, but it had already been reduced in the previous year by 5 per cent on the last instalment (see my previous report, document A.12.1933.XII). During the financial year 1933, there was a further reduction, bringing the contribution down to the figure shown in the text.

² There was, strictly speaking, an exchange profit (1,729.93 francs, to be exact) on the Hungarian, Portuguese and Swiss contributions, but it was completely absorbed by the loss on another contribution.

³ Nearly all the countries mentioned in this column paid their contributions in the year 1934 or stated that they would be paid very shortly.

(c) *Special Italian contribution*, estimated at 40,000 francs and paid to the extent of 29,000 francs.¹

(d) *Miscellaneous receipts properly so called*, which amounted to 81,003.35 francs. The detail is as follows :

	Francs
Contributions to the upkeep of the Salle des Fêtes	4,297.50
Sale of old furniture and waste paper	691.—
Repayments in respect of private telephone calls	5,083.10
Reimbursement of the postal charges in respect of the publication relating to popular art	654.05
Reimbursement of duplicating expenses	4,909.80
Contribution by the Greek Government to the expenses incurred by the Institute in 1931 for its participation in the Athens Congress held in October of that year to study problems relating to the protection and preservation of artistic and historical monuments ²	30,000.—
Contribution from the Royal Institute of International Affairs, London, to the Institute's expenses for the Conference held in London (May-June 1933) for the scientific study of international relations (£100)	8,598.—
Reimbursement by the League of Nations of certain expenses incurred by the Institute in connection with the above-mentioned Conference	408.95
Reimbursement of certain expenses incurred by the Institute in connection with the meeting of a Committee of Experts for the co-ordination of scientific terminology at Madrid in May 1933	1,491.10
Reimbursement by the Spanish Government of certain expenses incurred by the Institute in connection with the meeting of the Committee for Arts and Letters of the Intellectual Co-operation Organisation at Madrid (May 1933)	19,869.85
Contribution by the National Library, Warsaw, to the publication of the <i>Index Translationum</i> (special number for Poland)	5,000.—
Total	81,003.35

* * *

The amounts received by the Institute in 1933 were thus as follows :

	Francs
State contributions	2,764,438.03
Miscellaneous receipts	240,072.17
Total	3,004,510.20

— i.e., 202,489.80 francs less than the budget estimate of 3,207,000 francs.³

Modifications made in the Budget in the Course of the Year.

Before examining the actual expenditure, I must mention the changes made in the original estimates during the year and giving the same total as those for income (3,207,000 francs).

Of these changes, four transfers, voted by the Directors' Committee on two occasions,⁴ represent those that may be said to have had no appreciable effect on the structure of the budget as voted. They consisted of transfers from one item to another totalling 93,334 francs.⁵

¹ The difference was paid in full during the current financial year.

² See my report on the accounts for 1931.

³ The following table gives a general idea of the situation from the inception of the Institute to the close of the financial year 1933 :

	Estimated receipts	Actual receipts	Difference
1925	1,025,000	1,025,000.—	—
1926	2,100,000	2,210,515.85	+ 110,515.—
1927	2,115,000	2,549,497.84	+ 434,497.84
1928	2,431,000	2,989,836.70	+ 558,836.70
1929	2,896,000	3,306,213.58	+ 410,213.58
1930	3,260,000	3,096,266.32	— 163,733.68
1931	3,404,000	3,330,744.70	— 74,055.30
1932	3,365,000	3,277,470.14	— 87,529.86
1933	3,207,000	3,004,510.20	— 202,489.80

⁴ At the meetings on December 18th, 1932, and December 20th, 1933.

⁵ See table in the Institute's accounts appended to this report.

On the other hand, the general structure of the budget was considerably altered — as in the two previous years, but to an even greater degree — by various increases of credits, amounting in all to 377,629.90 francs. For this purpose, a large part of the surplus from the previous financial year (485,519.50 francs) was used, in virtue of the powers vested in the Governing Body under Article 7 of the Financial Regulations.

The addition of this amount to the original estimated expenditure (3,207,000 francs) brought it up to 3,584,629.90 francs.

As in the previous year, however, the increases in question are not really increases of credits in the strict sense, except to the extent of a smaller sum than that mentioned above, inasmuch as this character cannot be regarded as applying to the mere passage through the budget of 80,000 francs to be paid into the working capital fund, and the entry of the usual 9,629.90 francs remaining in hand since the end of 1930 in respect of a payment still outstanding from that year.¹ Hence, only the difference — *i.e.*, 297,000 francs — is to be regarded as a genuine increase in credits.

Comparison between Receipts and Expenditure.

The expenditure for the financial year reached a total of 3,324,463.60 francs, representing an increase of 117,463.60 francs over the original estimates. It is proper, however, again to observe that, as already stated, 80,000 francs were paid into the working capital fund (thus, in fact, remaining in the Institute's hands as a reserve), while 9,629.90 francs represented a liability in respect of an earlier year. For the year 1933, therefore, the actual excess of expenditure over the original estimates should properly be reduced from 117,463.60 francs to 27,883.70 francs.

The situation being thus exhibited in its true light, we must remark that the excess of expenditure over income appears greater in the cash account for the financial year. As I have said elsewhere, the real income was only 3,004,510.20 francs, and consequently the year's receipts were insufficient to meet the corresponding expenditure to the extent of 319,953.40 francs. This, therefore, is the sum taken from the supplementary credits voted during the year, and so in actual fact expended out of the cash surplus from the previous year.

Unexpended Surplus from the Financial Year 1932.

This surplus, therefore, amounting to 485,519.50 francs, was reduced at the end of the financial year 1933 to 165,566.40 francs.

Working Capital Fund.

The position of the working capital fund, on the other hand, is more satisfactory. As previously stated, 80,000 francs were paid into the fund from the above-mentioned surplus. Besides this, in accordance with Article 8 of the Financial Regulations, the extra-budgetary account for the publication of the Acts and Memoranda of the International Congress of Popular Arts held at Prague in October 1928 repaid to the working capital fund the 3,514.25 francs borrowed from it in the previous year.²

At December 31st, 1933, therefore, the working capital fund of the Institute, which amounted to 316,485.75 francs at the end of 1932, had reached the sum of exactly 400,000 francs.

The Results of the Financial Year.

The financial year 1933 thus closed :

- (a) With receipts falling short of the budget estimates by 202,489.80 francs ;
- (b) With expenditure exceeding the original budget estimates by 117,463.60 francs ;
- (c) With expenditure exceeding actual income by 319,953.40 francs, which was made good out of the cash surplus from the previous year, this being thus reduced, when the accounts were closed, to 165,566.40 francs ;
- (d) With a working capital fund of 400,000 francs ;
- (e) With an asset of 707,516.90 francs in respect of claims for unpaid contributions by States.

EXPENDITURE.

Chapter I. — Staff.

The above-mentioned increase of 377,629.90 francs voted by the Governing Body in the budget for 1933, involving the corresponding withdrawal from the cash surplus for 1932, was allotted to the "Staff" chapter to the extent of 105,000 francs, or nearly one-third. It should, moreover, be stated at once that this fact is in no way connected with any increase in expenditure on salaries, the appropriation for which remained intact as originally estimated, and, indeed, allowed of certain savings.

¹ This sum, as mentioned in my previous reports, should have been paid to the heirs of an architect of the French Government in consideration of the inspection by him of certain work on the premises of the Institute. This payment, which it had not previously been possible to make because the persons concerned had not yet furnished evidence of their rights as heirs, was finally effected in the financial year under consideration.

² See my previous report (document A.12.1933.XII).

The increase in question was authorised to the extent of 57,500 francs to enable gratuities to be paid to the staff as in the previous year, and to the extent of 47,500 francs to put into effect the Governing Body's decision to affiliate the staff to the Caisse nationale française des Retraites pour la vieillesse, in accordance with Article 26 of the Staff Regulations.

In addition to this considerable change in the original estimate for the chapter, and in its actual structure, minor transfers of funds took place between different items of the chapter — viz., an increase of 20,334 francs in the appropriation for salaries of head clerks and clerks, and corresponding decreases of 19,000 francs and 1,334 francs respectively in the appropriation for salaries of assistant clerks and shorthand-typists. This was due to the creation by the Directors' Committee of a tenth clerk's post, additional to the nine provided for by the establishment and in the budget.¹

These changes increased the appropriation for this chapter from 1,772,500 francs to 1,877,500 francs of which 1,842,279.07 francs were expended.

As regards adherence to the establishment — a matter which, as usual, I investigated with care — the situation in 1933 remained practically the same as in the previous year. I do not think, however, that I need dwell upon the subject, as the position has now been changed by the new rules subsequently approved, in which some suggestions that I made to the Director are incorporated.

Lastly, I would add that the accounts for 1933 make it clear that, in addition to the staff allowed for by the establishment, there is another staff paid monthly on the basis of a fixed annual sum included in Chapter III, Item E ("Contribution to Special Work"). This staff again consisted of eight persons, and cost 205,298.12 francs in all.²

Chapter II. — Maintenance.

The appropriation for this chapter also showed a slight increase of 5,000 francs, representing a transfer from the credit for unforeseen expenses (Chapter IV), and allotted to staff insurance. It was not necessary, however, to make use of this increase, as the savings effected on the original appropriation (135,000 francs) made it possible to meet the whole of the expenditure (108,172.54 francs).

Chapter III. — Working Expenses.

To this chapter, 180,000 francs were allotted out of the above-mentioned surplus from the financial year 1932. The total appropriation for the chapter was thus increased from 1,255,500 francs to 1,438,500 francs. The expenditure (1,266,461.49 francs) exceeded that for the previous year by over 80,000 francs (chiefly owing to greater expenses connected with publications), but still left a large part — 172,038.51 francs — of the increase untouched.

With regard to details, which are of special interest, inasmuch as this is the chapter most closely concerned with the Institute's essential aims, Items A ("Travelling Expenses of Members of the Directors' Committee") and B ("Entertainment Allowances") call for no remarks other than those made last year, apart from a very small increase of expenditure on each item (936.45 francs and 1,667.60 francs respectively).

The item "Travelling Expenses of Officials", the original appropriation for which (90,000 francs) had to be increased to 110,000 francs in the course of the year, shows a total expenditure of 107,846.50 francs, but this is 5,939.95 francs less than in 1932. As I had occasion to remark in my previous report, however, the next item ("Meetings of Experts") sometimes contributes to this expenditure by directly defraying, under another head, other similar expenditure.

There was, on the other hand, a substantial increase in expenditure (17,895.85 francs) over the previous year on Item D ("Meetings of Experts"), on which, in all, 226,046.65 francs were spent. This sum is, however, much less than the amount (300,000 francs) voted by the higher authorities in the budget estimates for this item, so that the savings effected enabled 68,000 francs to be transferred to Item H ("Publications") of the same chapter.

Item E ("Special Work"), with expenditure amounting to 282,130.52 francs, also reveals a slight increase (7,314.22 francs) over the previous year, but a very considerable saving (117,869.48 francs) as compared with the estimates. As I said a little earlier, this item continued to cover the salaries of eight supernumerary employees and the fixed allowances to which I have referred in previous reports.³ There was also an increase in the cost of translations from and into various languages, which, having risen from 10,676.50 francs in 1931 to 25,058.65 francs in 1932, reached the sum of 38,252.20 francs in the year under review.

Item F ("Office Expenses") continued to be somewhat costly. Although the appropriations had been increased (150,000 francs as compared with 116,000 francs in the previous year), the grant of a further increase of 35,000 francs was found necessary during

¹ This transfer, which was more than a mere shifting of funds, therefore made a substantial change in the budget, since it altered an essential element in the structure of the budget — namely, the establishment of staff. At its meeting in July 1933, however, the Governing Body approved the 1934 budget, which embodied this change. The Governing Body must therefore be considered, at all events as from that date, to have implicitly approved the change.

² I note that the Institute's contribution in respect of the insurance of this staff additional to establishment had to be charged to the new heading "Insurance" in the "Staff" chapter. This entailed a certain complication in the entries and a contradiction between the two items.

³ Including 600 francs a year to a shorthand-typist attached to the office of one of the principal secretaries, and 4,800 francs to an ex-employee of the Institute who works at home for the Museums Offices.

the year. To view this matter correctly, however, its relation to the development of the Institute's publications and work in general must be borne in mind. This development inevitably affects expenditure under this chapter. It should further be noted that, as against the appropriation thus raised to a total of 185,000 francs, expenditure amounted to 167,393.85 francs, which, notwithstanding what has been said above, was still less than in the previous year.

For the next item ("Purchase of Books"), the usual modest initial credit of 5,500 francs did not prove sufficient, having to be increased by 3,000 francs. A sum of 1,890.55 francs, however, remained unexpended.

The last item of the chapter is that relating to "Publications". The credit for this item was raised in the course of the year from the original figure of 200,000 francs to 393,000 francs, of which 390,706.42 francs were spent — 60,774.34 francs more than in the previous year.

The following table shows, according to custom, the expenditure in connection with each of the Institute's publications : ¹

Name of publication	Expenditure	Receipts	Claims outstanding
	Francs	Francs	Francs
<i>Intellectual Co-operation</i> (11 numbers, including 5 double numbers)	49,197.08	8,204.34	—
<i>Information Bulletin</i> (7 numbers, including 3 double numbers)	11,689.30	699.60	—
<i>Mouseion</i> (4 numbers, including 2 double numbers) and <i>Monthly Information</i>	58,987.25	24,072.03	623.—
<i>Index Translationum</i> (4 numbers and 1 special number for Poland)	46,492.79	7,318.63	50.65
<i>Scientific Museums</i> (9 numbers, including 3 double numbers)	16,224.55	811.65	—
<i>Bulletin of International School Correspondence</i>	1,671.—	Not on sale	—
<i>Conversations on the Future of Civilisation</i>	15,200.—	439.—	156.—
<i>Towards a League of Minds</i> (French and English editions)	17,938.70	1,330.34	38.25
<i>Why War?</i> (English, French and German editions)	16,890.—	10,584.05	771.55
<i>The Intellectual Rôle of the Press</i>	13,350.—	600.—	96.—
<i>School Broadcasting</i>	13,540.—	3,552.56	191.70
<i>L'entente des peuples par la jeunesse</i>	8,586.30	602.—	—
<i>International Understanding through Youth</i>	10,362.—	30.—	—
<i>La radiodiffusion et la paix</i>	8,570.—	171.50	—
<i>Broadcasting and Peace</i>	10,800.—	60.—	—
<i>Bibliothèques populaires et loisirs ouvriers</i>	15,752.60	4,210.60	73.75
<i>Advanced Holiday Courses in Europe</i>	21,585.15	2,508.—	7.50
<i>School-Textbook Revision and International Understanding</i>	17,780.—	222.50	30.—
<i>International Directory of Museums:</i>			
Netherlands	4,971.—	15.50	—
France	2,180.—	51.—	162.—
<i>Publications of the International Museums Office:</i>			
<i>The Preservation of Monuments</i>	1,490.—	7.50	—
<i>The Preservation of Paintings</i>	4,732.50	65.—	30.—
Miscellaneous printing (prospectuses, etc.)	22,716.40	—	—
Total	390,706.42	65,555.—	2,220.40

The figures in this table are comparable with those of the previous year only to a small extent, because, owing to the development of this branch of the Institute's work, the 1933 list contains a considerable number of publications that were not included in the previous list. This explains and justifies the above-mentioned increase in the total expenditure.

I must now add that 5,000 francs representing the contribution from the National Library at Warsaw for the publication of the special number of the *Index Translationum* shown in the table should properly be deducted from the total expenditure given in the first column, thus reducing the real expenditure to 385,706.42 francs. It should also be borne in mind, as regards receipts (second column), that there should be added to these the sum of 39,142.91 francs received in respect of the sale of publications of previous years and of claims unpaid at the end

¹ As I explained last year, I have endeavoured to show in the table the financial results in connection with each publication, solely for the information of the higher authorities; for the nature of this publishing activity of the Institute makes it increasingly clear that that activity cannot be fairly judged from a purely commercial standpoint.

of the previous financial year. We thus obtain for receipts from publications the total figure of 104,698.71 francs, which I mentioned above (see "Income").

Other Chapters. — Unforeseen Expenses, Payment to the Working Capital Fund, and Expenses Outstanding in respect of Past Financial Years.

The original appropriation for unforeseen expenses (44,000 francs) was reduced, as already stated, by 5,000 francs transferred to Chapter II, Item C ("Insurance"). Of the remaining 39,000 francs, only 17,920.60 francs were expended, the greater part (15,000 francs) being accounted for by the refund of the expenses incurred for removal from Paris to Oxford¹ by the former Assistant Director of the Institute, who left as long ago as 1930; the intention being to settle finally the question of this ex-official's claims against the Institute.

As regards Chapters V ("Payment to Reserve Fund") and VI ("Balances Payable in respect of Past Financial Years"), there is also no observation to be made this year, seeing that the former was merely a necessary entry to pass the sum of 80,000 francs from the cash account to the working capital fund, while the latter was used to effect the payment of 9,629.90 francs due, as stated, to the heirs of an architect of the French Government.

SEPARATE SPECIAL BUDGET ACCOUNTS.

A. Publication of the Collection of Latin-American Classics.

The sum of 199,111.60 francs, which remained available for this purpose at the end of the year 1932 was increased in 1933 by 17,537.35 francs, of which 17,497.35 francs² were paid by the Hostos Committee of Porto Rico for the publication of essays by Eugenio Maria de Hostos. The remainder of the sum added to the fund (40 francs) represents the proceeds of the sale of volumes in the series. As no decision has been taken by the competent higher authorities on the question raised by me in my previous report as to the expediency of including the proceeds in question in this special extra-budgetary account, instead of among the Institute's receipts, I feel bound to call attention to the fact that this point still requires to be settled.³

In accordance with the decision of the higher authorities, this account has to be subdivided into as many accounts as there are contributions. The position is shown in the following table:

Name of State	Year	Payments received			Expenditure						Balance available
		Amount of payment	Contribution to the general expenses of publication (5 per cent of the payment)	Portion of the payment to be used exclusively for texts of interest to the State making the payment	1929	1930	1931	1932	1933	Total	
		Francs	Francs	Francs	Francs	Francs	Francs	Francs	Francs	Francs	Francs
Chile . . .	1928	30,874.70	1,543.75	29,330.95	263.25	13,600	1,755.—	137.50	—	15,755.75	13,575.20
Brazil . .	1929	86,916.—	4,345.80	82,570.20	—	1,800	15,095.95	2,945.50	7,312	27,153.45	55,416.75
Venezuela .	1930	77,212.35	3,860.60	73,351.75	—	—	—	—	5,000	5,000.—	68,351.75
Argentine Republic	1930	36,481.90	1,824.10	34,657.80	—	—	30.—	1,500.—	2,500	4,030.—	30,627.80
Martí Committee	1932	12,677.50	633.85	12,043.65	—	—	—	4,500.—	—	4,500.—	7,543.65
Hostos Committee .	1933	17,497.35	874.15	16,623.20	—	—	—	—	—	—	16,623.20
		261,659.80	13,082.25 ⁴	248,577.55	263.25	15,400	16,880.95	9,083.—	14,812	56,439.20	192,138.35 ⁵

¹ This payment was made by a special decision of the Governing Body (session of July 1933). (See the similar case referred to in one of my earlier reports, document A.19.1932.XII.)

² \$1,000.

³ To make the matter perfectly clear, I quote what I said in my previous report on the subject of the proceeds of the sale of volumes in the series (see document A.12.1933.XII):

"Since this is the first time that such proceeds have been added in the accounts to the funds available for this purpose, it is my duty to draw the special attention of the higher authorities to the matter, in order that they may decide whether this system should be continued, or whether, taking into account the assistance given by the Institute to this work in the form of staff and in other ways, it would not be right to include the proceeds in question among the Institute's receipts instead of among the extra-budgetary resources of this special account. I would point out that there are strong arguments in favour of both solutions, the former appearing more in keeping with the separate nature of the two accounts, and the second more just."

⁴ Of this sum, only 7,503.65 francs had been expended by the end of 1933; there consequently remained 5,578.60 francs for general expenses.

⁵ This sum is brought up to the figure shown in the annexed table for "Non-budget services" (199,436.95 francs) by adding the 5,578.60 francs mentioned in note ¹ above, and 1,720 francs representing proceeds of sales (40 francs in 1934 and 1,680 francs in the previous year, as shown in my report for that year).



B. *Enquiry concerning the Institution of International University Exchanges and the Measures taken in Various Countries of Europe to encourage such Exchanges (American Enquiry).*

Out of the sum of 37,490.76 francs¹ remaining available for this purpose at the end of the financial year 1932, only 1,025 francs were spent. At the close of the financial year 1933, therefore, there remained a balance of 36,465.76 francs in this account.

C. *Publication of the Acts and Memoranda of the International Congress of Popular Arts held at Prague in October 1928.*

The fund set aside for this purpose, which was completely exhausted during the financial year 1932, was reconstituted in 1933 out of the proceeds of the sale of the volume, which amounted to 9,470 francs.

It was thus possible, as stated above, to repay unconditionally the 3,514.25 francs borrowed in the previous year from the Institute's working capital fund, while still leaving a net balance of 5,955.75 francs, of which 2,970 francs were spent in purchasing copies of the volume for resale. The account therefore closes with a credit balance of 2,985.75 francs.

It will be seen that the financial transactions relating to the printing of the volume were finally closed during the year, with the favourable result anticipated by me in my previous report. A second operation has now been begun, which consists in employing the proceeds of the sale of the volume — which now represent an absolutely net profit — to buy more copies from the printer in order to resell them at a further profit.

D. *Expenses of a Competent Scholar in connection with the Research Programme worked out at the Fifth Session of the Conference of Institutes for the Scientific Study of International Relations.*

As I explained in my previous report, the Rockefeller Foundation, by letter dated July 20th, 1932, placed at the Institute's disposal a sum of \$1,500 for the above purpose, of which it paid two-thirds (equivalent to 25,523.75 francs in French currency) in the same year.

Out of this sum, an advance of 3,000 francs was granted forthwith to the general Rapporteur on "The State and Economic Life" at the sixth session of the above-mentioned Conference. Vouchers for the use made of this advance have been duly submitted to me.

	Francs
The balance of	22,523.75
was increased during the year by :	
(a) The final third of the above-mentioned donation equivalent to	10,862.50
(b) A further donation from the same Foundation	39,417.12
giving a total amount available of	72,803.37
Out of this sum	29,588.37
were expended for travelling expenses, translation and copying, all with the sanction of the Foundation.	
There thus remained available at the close of the financial year 1933	43,215.—

E. *Preparation of the "Lexicon of Political Terms".*

Out of the sum of 25,495 francs² granted for this purpose in 1932 by the Carnegie Endowment for International Peace, which sum was still intact at the end of that financial year, 3,000 francs were spent in 1933 in refunding travelling expenses and allowances. At the close of the year under consideration, therefore, 22,495 francs remained available in this account.

CONCLUSION.

The foregoing report clearly shows the main characteristic of the year. Although expenditure has increased, it cannot therefore be deduced — and this is borne out by the detailed examination which I made — that there has been any remission in that care for economy on the part of the administrators which had yielded such excellent results in the previous year. The increase in expenditure is, in fact, directly proportionate to the increase in the Institute's activity, which is plainly indicated by the item "Publications" and which must be regarded as the outcome of a very natural advance on the upward path.

¹ Derived from payments made in previous years by the American Council on Education and placed to the Institute's account through the Secretariat of the League of Nations.

² \$1,000.

If, therefore, taken all in all, the financial situation seems to have deteriorated, the sole cause is to be found in the decline in receipts, which have not merely failed to keep pace with the increase of activity but have actually fallen back. The amounts already received during the current year, however, even in respect of arrears for 1933, justify the belief that the above-mentioned decline will prove to be merely temporary and that, therefore, that admirable proportion between activity and resources which was noted last year will speedily be restored.

As regards particular items of expenditure, no comment worth mentioning is required ; the few minor questions that did arise were settled in complete agreement at personal interviews.

I accordingly declare the accounts of the Institute for the year 1933 to be in order.

Rome, July 5th, 1934.

(Signed) Dr. F. VIVALDI,
Deputy Auditor of the League of Nations.

CASH POSITION AT DECEMBER 31st, 1933.

	Total	Budget services	Non-budget services
	Francs	Francs	Francs
Balance at December 31st, 1932	986,795.07	383,351.57	603,443.50
Actual receipts in 1933 : Francs			
(1) For the financial period			
1932	346,448.30		
(2) For the financial period			
1933	2,829,258.02		
(3) For non-budget services 160,801.22	3,336,507.54	3,175,706.32	160,801.22
Total	4,323,302.61	3,559,057.89	764,244.72
Actual expenditure in 1933 :			
(1) For the financial period			
1932	244,280.37		
(2) For the financial period			
1933	3,156,524.96		
(3) For non-budget services 59,646.26	3,460,451.59	3,400,805.33	59,646.26
Balance at December 31st, 1933	862,851.02	158,252.56	704,598.46

BUDGET FOR 1933.

RECEIPTS.

I. Grants by:	Francs	Francs
Austria	5,000	
Brazil	75,000	
Colombia	15,000	
Denmark	23,000	
Ecuador	2,000	
Egypt	58,000	
France	2,500,000	
Hungary	20,000	
Italy	152,000	
Luxemburg	2,000	
Mexico	60,000	
Monaco	2,000	
Portugal	15,000	
Roumania	25,000	
Switzerland	24,000	
Venezuela	12,000	
Yugoslavia	25,000	
Carried forward.		3,015,000

		Francs
	<i>Brought forward.</i>	3,015,000
II. <i>Miscellaneous Receipts:</i>	Francs	
Interest on deposits	12,000	
Sales of publications	100,000	
Sundry	7,600	
Contribution of the "Deutsche Hochschule für Politik"	32,400	
Contribution of the Italian National Committee on Intellectual Co-operation	40,000	
	<hr/>	192,000
III. <i>Extraordinary Receipts (ad memorandum)</i>	—	
Total receipts		<hr/> 3,207,000

	EXPENDITURE.	
Chapter I. — <i>Staff.</i>		
1 Director	120,000	
4 Principal Secretaries	290,000	
1 Legal Adviser	70,000	
10 Secretaries	450,000	
Internal administration	110,000	
9 Head clerks and clerks	227,400	
17 Assistant clerks and shorthand-typists	270,100	
Minor staff	135,000	
Allowances (family allowances, etc.)	100,000	
	<hr/>	1,772,500
Chapter II.		
A. Upkeep of buildings and furniture	60,000	
B. Lighting and heating	60,000	
C. Insurances.	15,000	
	<hr/>	135,000
Chapter III.		
A. Travelling expenses of members of the Committee of Directors	30,000	
B. Entertainment allowances :		
Committee of Directors (lump sum allowance)	10,000	
Director (lump sum allowance)	30,000	
Secretaries (entertainment allowance)	10,000	
Lump sum allowance for the costs of Director's motor-car	30,000	
	<hr/>	80,000
C. Journeys made by officials	90,000	
D. Experts' meetings	300,000	
E. Contribution to special work	400,000	
F. Office expenses	150,000	
G. Purchase of books	5,500	
H. Publications	200,000	
	<hr/>	1,255,500
Chapter IV.		
Provision for unforeseen expenditure		44,000
Chapter V.		
Payments to Reserve Fund (<i>ad memorandum</i>)		—
Chapter VI.		
Balance payable in respect of past financial years (<i>ad memorandum</i>)		—
Total expenditure		<hr/> 3,207,000

RECEIPTS FOR FINANCIAL YEAR 1933.

I. Grants by:

	Francs	Francs
Austria	1,071.—	
Brazil	75,000.—	
Colombia	9,412.10	
Denmark	12,000.—	
France	2,353,125.—	
Hungary	20,611.50	
Italy (Balance 1932 and total 1933) . .	156,100.—	
Luxemburg	2,000.—	
Poland	30,000.—	
Portugal (1932 and 1933)	30,596.58	
Roumania	25,000.—	
Switzerland	24,521.85	
Yugoslavia	25,000.—	
		2,764,438.03

II. Miscellaneous Receipts:

Interest on deposits	25,370.11	
Sale of Publications	104,698.71	
Contribution of the Italian National Committee	29,000.—	
Miscellaneous	81,003.35	
		240,072.17
		3,004,510.20

TRANSFERS AND SUPPLEMENTARY CREDITS FOR THE FINANCIAL YEAR 1933.

Items	Original credits	Transfers and supplementary credits			Final credits
		December 18th, 1932 : Directors' Committee	July 19th, 1933 : Governing Body	December 20th, 1933 : Directors' Committee	
<i>Chapter I. — Staff.</i>	Francs	Francs	Francs	Francs	Francs
Secretaries	450,000	—	—	— 1,334	448,666.—
Head clerks and clerks . .	227,400	+ 19,000	—	+ 1,334	247,734.—
Assistant clerks and short-hand-typists	270,100	— 19,000	—	—	251,100.—
Allowances	100,000	—	+ 57,500.—	—	157,500.—
Pensions Fund	—	—	+ 47,500.—	—	47,500.—
<i>Chapter II.</i>					
C. Insurances	15,000	+ 5,000	—	—	20,000.—
<i>Chapter III.</i>					
C. Journeys made by officials	90,000	—	+ 20,000.—	—	110,000.—
D. Experts' meetings . .	300,000	—	—	— 68,000	232,000.—
F. Office expenses . . .	150,000	—	+ 35,000.—	—	185,000.—
G. Purchase of books . .	5,500	—	+ 3,000.—	—	8,500.—
H. Publications	200,000	—	+ 125,000.—	+ 68,000	393,000.—
<i>Chapter IV.</i>					
Provision for unforeseen expenses	44,000	— 5,000	—	—	39,000.—
<i>Chapter V.</i>					
Payments to Reserve Fund	—	—	+ 80,000.—	—	80,000.—
<i>Chapter VI.</i>					
Balances payable in respect of past financial years .	—	—	+ 9,629.90	—	9,629.90
		—	+ 377,629.90	—	

DETAILED ACCOUNT OF EXPENDITURE DURING THE FINANCIAL PERIOD 1933.

Items	Total credits entered for the financial period	Actual expenditure		Total expenses for financial period	Cancelled credits
		From January 1st to December 31st, 1933	From January 1st to March 31st, 1934		
	Francs	Francs	Francs	Francs	Francs
<i>Chapter I. — Staff.</i>					
Director	120,000.—	120,000.—	—	120,000.—	—
Principal Secretaries . . .	290,000.—	289,999.70	—	289,999.70	0.30
Legal Adviser	70,000.—	69,999.94	—	69,999.94	0.06
Secretaries	448,666.—	442,815.16	—	442,815.16	5,850.84
Internal administration .	110,000.—	109,999.76	—	109,999.76	0.24
Head clerks and clerks . .	247,734.—	247,033.02	—	247,033.02	700.98
Assistant clerks and short-hand-typists	251,100.—	244,899.10	—	244,899.10	6,200.90
Minor staff	135,000.—	130,536.15	117.—	130,653.15	4,346.85
Allowances (family allowances)	157,500.—	148,131.74	—	148,131.74	9,368.26
Pensions Fund	47,500.—	38,747.50	—	38,747.50	8,752.50
<i>Chapter II.</i>					
A. Upkeep of buildings and furniture . . .	60,000.—	20,610.35	19,411.23	40,021.58	19,978.42
B. Lighting and heating . . .	60,000.—	24,690.45	26,102.71	50,793.16	9,206.84
C. Insurances	20,000.—	17,357.80	—	17,357.80	2,642.20
<i>Chapter III.</i>					
A. Travelling expenses of members of the Directors' Committee . . .	30,000.—	15,857.35	1,263.80	17,121.15	12,878.85
B. Entertainment allowances	80,000.—	68,606.95	—	68,606.95	11,393.05
C. Journeys made by officials	110,000.—	91,593.80	16,252.70	107,846.50	2,153.50
D. Experts' meetings . . .	232,000.—	217,673.90	8,372.75	226,046.65	5,953.35
E. Contribution to special work	400,000.—	272,706.77	9,423.75	282,130.52	117,869.48
F. Office expenses . . .	185,000.—	140,820.10	26,573.75	167,393.85	17,606.15
G. Purchase of books . . .	8,500.—	3,027.50	3,581.95	6,609.45	1,890.55
H. Publications	393,000.—	343,497.32	47,209.10	390,706.42	2,293.58
<i>Chapter IV.</i>					
Provision for unforeseen expenditure . . .	39,000.—	17,920.60	—	17,920.60	21,079.40
<i>Chapter V.</i>					
Payments to Reserve Fund . . .	80,000.—	80,000.—	—	80,000.—	—
<i>Chapter VI.</i>					
Balances payable in respect of past financial years . .	9,629.90	—	9,629.90	9,629.90	—
	3,584,629.90	3,156,524.96	167,938.64	3,324,463.60	260,166.30

RESULT OF FINANCIAL PERIOD 1933.

Transactions during the financial period 1933:

1. Receipts :	Francs	Francs
(a) January 1st to December 31st, 1933 . .	2,829,258.02	
(b) January 1st to March 31st, 1934 . . .	175,252.18	
Total	3,004,510.20	3,004,510.20
2. Expenditure :		
(a) January 1st to December 31st, 1933 . .	3,156,524.96	
(b) January 1st to March 31st, 1934 . . .	167,938.64	
Total	3,324,463.60	3,324,463.60
Excess expenditure		319,953.40
The result of the financial period 1932 showed a surplus of		485,519.50
The final result of the financial period 1933 is a surplus of		165,566.10

NON-BUDGET SERVICES.

	Balance on December 31st, 1932	Actual receipts 1933	Total receipts	Actual expenditure 1933	Balance on December 31st, 1933
	Francs	Francs	Francs	Francs	Francs
Latin-American Classics . .	199,111.60	17,537.35	216,648.95	17,212.—	199,436.95
American Enquiry	37,490.76	—	37,490.76	1,025.—	36,465.76
Acts and Memoranda of the International Congress of Popular Arts	—	9,470.—	9,470.—	6,484.25	2,985.75
Scientific study of interna- tional relations (Rockefeller Foundation).	22,523.75	50,279.62	72,803.37	29,588.37	43,215.—
Dictionary of political terms (Carnegie Grant)	25,495.—	—	25,495.—	3,000.—	22,495.—
Reserve Fund	316,485.75	83,514.25	400,000.—	—	400,000.—
Sums received in advance .	2,336.64	—	2,336.64	2,336.64	—
	603,443.50	160,801.22	764,244.72	59,646.26	704,598.46

VALUE OF FURNITURE APPEARING IN THE INVENTORY.

	Francs	Francs		Francs	Francs
1928 :			1928 :		
Depreciation on Decem- ber 31st, 1927. 20 per cent	164,463.80		Value of furniture acquir- ed up to December 31st, 1927	822,319.—	
Add 20 % on value as at December 31st, 1928 .	170,913.56		Additions during the year	32,248.80	
		<u>335,377.36</u>			<u>854,567.80</u>
1929 :			1929 :		
Balance as per last account	335,377.36		Balance as per last account	854,567.80	
Add 20 % on value as at December 31st, 1929 .	188,055.91		Additions during the year	85,711.75	
		<u>523,433.27</u>			<u>940,279.55</u>
1930 :			1930 :		
Balance as per last account	523,433.27		Balance as per last account	940,279.55	
Add 20 % on value as at December 31st, 1930 .	189,476.45		Additions during the year	7,102.70	
		<u>712,909.72</u>			<u>947,382.25</u>
1931 :			1931 :		
Balance as per last account	712,909.72		Balance as per last account	947,382.25	
Add 20 % on value as at December 31st, 1931 .	190,750.37		Additions during the year	6,369.60	
		<u>903,660.09</u>			<u>953,751.85</u>
1932 :			1932 :		
Balance as per last account	903,660.09		Balance as per last account	953,751.85	
Add Depreciation for the year	63,763.06		Additions during the year	13,671.30	
		<u>967,423.15</u>			<u>967,423.15</u>
1933 :			1933 :		
Balance as per last account	967,423.15		Balance as per last account	967,423.15	
Add Depreciation for the year	25,872.55		Additions during the year	25,872.55	
		<u>993,295.70</u>			<u>993,295.70</u>

