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Geneva, August 6th, 1936.

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 to 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.)

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The Governing Body held its thirteenth session at Geneva on July 15th, 1936, under the chairmanship of M. Edouard HERRIOT.

There were present at the session the following regular members of the International Committee on Intellectual Co-operation:

M. M. ANESAKI, M. C. BIAŁOBRZESKI, M. J. CASTILLEJO, M. J. DANTAS, Count F. DEGENFELD-SCHONBURG, M. Ed. HERRIOT, M. J. HUIZINGA, Sir Sarvapalli RADHAKRISHNAN, M. G. DE REYNOLD, M. J. SUSTA, Mme. Cécile DE TORMAY.

The following substitute members:

H. E. M. V. A. BELAUNDE, replacing M. F. Garcia Calderon; M. P. C. CHANG, replacing M. Wu-Shi-Fee; Mr. Malcolm DAVIS, replacing M. J. Shotwell; M. G. OPRESCU, replacing M. Titulesco; M. V. SOKOLINE, replacing M. Obolensky-Ossinsky.

There were also present at the session: Sir Frank HEATH and M. Julien CAIN, members of the Directors' Committee, elected from outside the membership of the International Committee; M. Massimo PILOTTI, Deputy Secretary-General of the League of Nations; Dr. F. VIVALDI, Deputy Auditor of the League of Nations, responsible for the audit of the accounts of the International Institute of Intellectual Co-operation; M. J. D. DE MONTENACH, Secretary of the Organisation; and M. Henri BONNET, Director of the International Institute of Intellectual Co-operation.

Series of League of Nations Publications
XII.A. INTELLECTUAL CO-OPERATION
1936. XII.A. 1.

## I. FINANCIAL QUESTIONS.

The Governing Body was called upon as usual to deal with financial questions relating to three years:

(a) The year ending December 31st, 1935. With regard to this financial year, the Governing Body took note of the report submitted by the Deputy Auditor of the League,<sup>1</sup> from which it appears that "the situation (of receipts) as compared with the budget estimates is no worse; on the contrary, owing partly to the care with which the estimates were established, there is a marked improvement in comparison with recent years." Notwithstanding a certain falling-off in the sale of publications due to the depression in the book trade, the receipts nevertheless amounted to 108,025.98 French francs. Although the year 1935 was difficult, the Institute's financial situation is sound and the reserve fund stands at the same figure. The Governing Body considers this a praiseworthy result and congratulates the Director to whose vigilant zeal it is mainly due. It was only obtainable by means of constant efforts and exceptionally hard work on the part of the Institute's officials, on whom such heavy demands cannot reasonably be made continually.

(b) As regards the current financial year, ending on December 31st, 1936, the Governing Body heard a statement by the Director on the situation and noted that with one or two exceptions it is much the same as last year. Very strict measures have been taken to cover expenses, the full payment of Government grants being anticipated. Unfortunately, publications will have to be cut down to some extent as compared with 1935. During previous years, the sum allocated to this chapter was increased by the surplus from the preceding year. But there can no longer be any question of this supplementary appropriation to the chapter "Publications" now that the Institute's receipts have been reduced by 500,000 French francs, and unless new funds become available, it will be impossible for the Governing Body to increase the sum allocated to publications this year, as it has done in former years.

(c) As regards the next financial year opening on January 1st, 1937, the Governing Body took note of the draft budget for that year as drawn up by the Director.<sup>2</sup> The latter informed the Governing Body that this draft budget is 90,000 francs less than the previous budget. It amounts to 2,780,700 francs and will be balanced by means of reductions in the salaries of the staff and under various other items.

The item "Extraordinary Receipts" has been abolished; sums collected on this account in the course of the year will be included in "Miscellaneous Receipts". This modification should make the budget clearer and is in accordance with a previous recommendation on the part of the Auditor.

The necessary cuts have chiefly been made in the item relating to travelling expenses of officials, which is reduced by 50,000 francs. This change, however, is of a purely provisional character and can only be proposed for the year in question, during which the meetings of the Intellectual Co-operation Committee and several Committees of the Intellectual Co-operation Organisation and also the International Studies Conference will be held at Paris in connection with the Exhibition, which will considerably reduce the normal number of journeys by officials.

The chapters "Experts' Meetings" and "Contribution to Special Work" have not been modified. The Director draws the Governing Body's attention to the fact that even more than in previous years these activities of the Institute have been steadily pursued from last November until June of this year. The Institute has been assisted in this task by the grants made by certain organisations and foundations such as the Rockefeller Foundation. The latter has placed at its disposal the funds required for the preparation and holding of the International Studies Conference.

The Governing Body took note of this assistance with great satisfaction and decided to express its deep gratitude to the Rockefeller Foundation. It adopted the following resolution on the matter:

"The Governing Body of the Institute of Intellectual Co-operation is happy to express to the Board of Trustees of the Rockefeller Foundation its gratitude for the generous assistance given by the Foundation to the International Studies Conference and to the Institute of Intellectual Co-operation in its capacity as Secretariat of the Conference;

"The Governing Body has noted the marked development of scientific study of the most difficult problems of foreign politics which has been made possible by the placing of new resources at the disposal of the institutions dealing with international relations;

"The Governing Body is convinced that a valuable contribution to the solution of urgent problems will thus be made through a better understanding of realities;

"It is anxious that the Board of Trustees of the Foundation, which has done so much to further the development of international studies, should be informed of this opinion."

During the past year, publications cost the Institute approximately 300,000 francs. This is one of the most useful and highly appreciated forms of its activities, by means of which it is able to reach the largest number of intellectuals. An appropriation of 270,000 francs has been

<sup>1</sup> See Appendix 2 of the present document.

<sup>2</sup> See Appendix 1 of the present document.

made in the 1937 Budget under this chapter. The Director hopes, however, that the saving effected in certain printing expenses, and possibly certain new grants, may enable this activity of the Institute to be maintained at the same level as hitherto.

The Governing Body, while appreciating the Director's efforts to cut down expenditure, recommended on the one hand that the Institute's programme of work should not be increased, and on the other that advantage should be taken of the presence at Paris of the representatives of the National Committees in 1937 to endeavour to obtain not only the assurance (possibly in the form of an international convention) that the contributions granted by certain governments to the Institute will actually be paid but that further grants will be made.

In this connection the Governing Body adopted the following resolution approving the budget for the coming financial year:

“ The Governing Body of the Institute of Intellectual Co-operation,

“ Having taken cognisance of the Report and proposals of the Director of the Institute,<sup>1</sup> as also of the Auditor's Report for the financial year 1935:

“ (1) Approves the accounts for the financial year just closed and takes note of the conclusions of the Auditor's Report;

“ (2) Takes note of the explanations of the Director of the Institute with regard to the financial situation for the current year;

“ (3) Approves the draft budget for the financial year 1937 as set out in the Report submitted by the Director of the Institute;

“ Congratulates the Director on his administration of the Institute and on the financial results of his administration, which continue to be satisfactory in spite of difficult circumstances.”

## 2. STAFF QUESTIONS.

With reference to staff questions, the Governing Body took the following decisions:

(1) That the contracts of M. Belime and M. Mohr, Principal Secretaries, be renewed for two years.

(2) That the contracts of M. Attilio Rossi, Principal Secretary, and M. Paul Tisseau, Head of the Administrative Services, be terminated owing to their having reached the age limit.

(3) That the contracts of M. Raymond Weiss, Legal Adviser, M. Dominique Braga, Technical Adviser for Literary Questions, M. Foundoukidis, Secretary-General of the International Museums Office, MM. Lajti, Mercier and Mlle. Rothbarth, Secretaries, and M. Paul Ristorcelli, Accountant, be renewed for five years.

(4) That a five-year contract be granted to M. Castrilli.

(5) The Governing Body took note of the renewal by the Director for a further period of five years of the contracts of the following four head clerks: Mme. Fallot, M. Jahier, Mme. Koumany, M. Massoulier.

The Governing Body was anxious to pay a special tribute to the services rendered to the Institute by the two officials who have reached the age limit, M. Attilio Rossi, Principal Secretary and M. Paul Tisseau, Head of the Administrative Services. In carrying out their administrative duties, both of them have shown whole-hearted devotion to the work of intellectual co-operation. The Governing Body accordingly decided, in recognition of their services, to confer honorary membership upon them as a mark of its appreciation.

The departure of M. Rossi would entail the reorganisation of the Institute's services dealing with artistic questions. They will in future be amalgamated under the direction of M. Foundoukidis, who has hitherto discharged, to the Governing Body's satisfaction, the office of Secretary-General of the International Museums Office. The Governing Body left it to the Director to take the necessary steps with a view to this reorganisation. It also decided that on expiry of his contract as Principal Secretary, M. Attilio Rossi should co-operate for one year as expert in editing the *Bulletin of the Institutes of Art and Archeology* published by the Institute. A fee will be paid to M. Rossi in respect of these services.

## 3. GOVERNMENT GRANTS.

The Governing Body noted with satisfaction that all the Government contributions estimated for in the 1936 Budget had been paid in full and that the Reserve Fund of 400,000 francs remained intact.

It adopted the following resolution on this point:

“ The Governing Body of the International Institute of Intellectual Co-operation, profoundly grateful to those States which have for several years been making voluntary financial contributions to the Institute:

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<sup>1</sup> See Institute document C.A.53.1936.

“ Desires to thank them for this token of interest and confidence in its work, which is not only a moral encouragement for the Institute but is of indispensable material assistance in continuing that work;

“ Urges the Assembly of the League of Nations to stress the importance of such financial contributions by States and to encourage other States to make like contributions, at the same time drawing attention to the desirability of guaranteeing the continuity of such contributions by means of a convention.”

#### 4. “ INTELLECTUAL CO-OPERATION MONTH ” IN CONNECTION WITH THE PARIS EXHIBITION.

The Governing Body was called upon to decide various points relating to the administrative consequences for the Institute of the organisation of various intellectual co-operation events to take place at Paris in connection with the 1937 Exhibition.

A special credit has been allocated for the organisation of these events by the Commissariat of the 1937 Exhibition. A part of this credit will be placed at the Institute's disposal to meet the cost of those activities for which the Institute is responsible, and in particular the International Studies Conference and the General Conference of National Committees on Intellectual Co-operation. The total credit granted by the Exhibition Commissariat amounts to 157.500 French francs, which have been allocated as follows:

77,250 francs to the Secretariat of the Organisation;  
80,250 francs to the Institute.

The Governing Body approved the Director's proposal and noted that as a rule the supplementary expenses of the International Studies Conference are borne by the country in whose territory it is held. The Governing Body considers that, unless any unforeseen circumstances arise, the expenses of the next International Studies Conference, to be held at Paris in July 1937, should be covered by the credit included in the Institute's budget and the supplementary funds provided by the Exhibition Commissariat.

Moreover, these supplementary credits will enable the Institute to provide for the organisation of the General Conference of National Committees on Intellectual Co-operation. The Governing Body approved of the allocation of the credits proposed by the Executive Committee.

In the course of the exchange of views on the intellectual co-operation activities contemplated during the 1937 Exhibition, the Governing Body expressed the opinion that the meetings of the International Studies Conference should be held in private, but that the representatives of the National Committees present in Paris should be admitted as audience.

#### 5. DÉLÉGUÉS D'ÉTAT.

The Governing Body took note of the Director's Report on the results of the application of the rules adopted with a view to extending and intensifying the Institute's co-operation with the *Délégués d'Etat*. The results of the application of the Governing Body's decisions on this matter have been encouraging and the official relations of the Institute through the *Délégués* have thereby been facilitated. Thanks to the *Délégués d'Etat*, closer ties are being established with the official administrations.

The number of *Délégués d'Etat* is at present forty-six, and the Governing Body noted with satisfaction that certain Governments, when appointing new *Délégués*, had stressed the fact that their decision was to be regarded as a mark of appreciation of the Institute's work and as a desire to strengthen their co-operation with it.

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APPENDIX 1.

BUDGET FOR 1937.

I. RECEIPTS.

	French francs	French francs
I. <i>Grants by:</i>		
Austria . . . . .	1,000	
Brazil . . . . .	75,000	
Colombia . . . . .	8,300	
Denmark . . . . .	10,200	
Egypt . . . . .	37,700	
France . . . . .	2,000,000	
Hungary . . . . .	20,600	
Italy . . . . .	152,000	
Luxemburg . . . . .	2,000	
Mexico . . . . .	60,000	
Monaco . . . . .	2,000	
Poland . . . . .	30,000	
Portugal . . . . .	15,400	
Roumania . . . . .	25,000	
Switzerland . . . . .	24,500	
Venezuela . . . . .	12,000	
Yugoslavia . . . . .	25,000	
	<hr/>	2,500,700
II. <i>Miscellaneous Receipts:</i>		
Sale of publications . . . . .	150,000	
Miscellaneous . . . . .	90,000	
Contribution of the Italian National Committee . . . . .	40,000	
	<hr/>	280,000
III. <i>Extraordinary Receipts</i> . . . . .		—
Total receipts . . . . .		<hr/> 2,780,700

II. EXPENDITURE.

<i>Chapter I. — Staff.</i>		
A. Director, principal secretaries, Legal Adviser, heads of services and internal administration . . . . .	852,310	
B. Head clerks, clerks and secretary shorthand-typists . . . . .	482,600	
C. Minor staff . . . . .	118,000	
D. Allowances (family allowances, etc.) . . . . .	83,000	
E. Payment to the Pensions Fund . . . . .	80,000	
	<hr/>	1,615,910
<i>Chapter II.</i>		
A. Upkeep of buildings and furniture . . . . .	40,000	
B. Lighting and heating . . . . .	50,000	
C. Insurances . . . . .	20,000	
	<hr/>	110,000
<i>Chapter III.</i>		
A. Travelling expenses of members of the Directors' Committee and of the Auditor . . . . .	20,000	
B. Entertainment allowances:	French francs	
Directors' Committee (inclusive sum) . . . . .	5,000	
Director (inclusive sum) . . . . .	30,000	
Principal secretaries and heads of services . . . . .	5,000	
Inclusive sum for expenses of motor-car . . . . .	30,000	
	<hr/>	70,000
C. Journeys made by officials . . . . .	40,000	
D. Experts' meetings . . . . .	150,000	
E. Contribution to special work . . . . .	300,000	
F. Office expenses . . . . .	150,000	
G. Purchase of books . . . . .	5,000	
H. Publications . . . . .	270,000	
	<hr/>	1,005,000
<i>Chapter IV.</i>		
Provision for unforeseen expenditure . . . . .		49,790
<i>Chapter V.</i>		
Extraordinary expenditure (payment to Reserve Fund, etc.) . . . . .		—
Total expenditure . . . . .		<hr/> 2,780,700

APPENDIX 2.

AUDIT OF THE ACCOUNTS OF THE INTERNATIONAL INSTITUTE OF INTELLECTUAL  
CO-OPERATION FOR THE FINANCIAL YEAR 1935.

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

*Communicated to the Governing Body of the Institute on July 15th, 1936.*

The accounts of the Institute for the year 1935 have been audited in the usual manner within the time-limit laid down in the Statute and the Financial Regulations of the Institute.<sup>1</sup> The conclusions to be drawn from this audit and the results of the year's administration are summarised below in such detail as to give the usual accurate and comprehensive account of the financial situation during the year 1935 and of its bearing on the financial situation during the current year.

INCOME.

The income for the financial year represented by Government contributions amounted to 2,474,858.38 francs, a decline of 31,041.62 francs as compared with budget estimates and of 141,127.18 francs as compared with the income for the previous year. Thus, the decline in the Institute's principal source of income, which began in 1933, is continuing and the situation shows no improvement.<sup>2</sup>

It should be borne in mind, however, in this connection that, apart from the absolute decline in Government contributions, the situation as compared with the budget estimates is no worse. On the contrary, owing partly to the care with which the estimates were established, there is a marked improvement in comparison with recent years, as is apparent from the following table:

Year	Income from Government contributions		Percentage of income actually received as compared with estimated income
	Estimates	Actual receipts	
	Francs	Francs	
1925 . . . . .	1,025,000	1,025,000.—	100
1926 . . . . .	2,100,000	2,183,250.—	103.96
1927 . . . . .	2,115,000	2,514,501.44	118.88
1928 . . . . .	2,416,000	2,954,138.22	122.31
1929 . . . . .	2,883,000	3,182,957.30	110.40
1930 . . . . .	3,203,800	2,977,726.20	92.94
1931 . . . . .	3,288,800	3,023,692.25	91.90
1932 . . . . .	3,243,000	3,061,130.41	94.30
1933 . . . . .	3,015,000	2,764,438.03	91.68
1934 . . . . .	2,857,000	2,615,985.56	91.56
1935 . . . . .	2,505,900	2,474,858.38	98.76

<sup>1</sup> Article 13 of the Statute and of the Regulations.

<sup>2</sup> The following table gives some idea of the position since the Institute's inception:

Year	Income from Government contributions	Increase or Decrease as compared with the previous year	
		Increase	Decrease
		Francs	Francs
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
1934 . . . . .	2,615,985.56	—	— 148,452.47
1935 . . . . .	2,474,858.38	—	— 141,127.18

The usual summary of the various component parts of the income from Government contributions for the year 1935 will be found below:

	Francs
French contribution . . . . .	2,000,000.—
Other contributions provided for in the budget . . . . .	452,311.28
Contribution not provided for in the budget . . . . .	10,547.10
Arrears of contributions . . . . .	12,000.—
Profit on exchange <sup>1</sup> . . . . .	—
Total . . . . .	2,474,858.38

The contribution for which no provision was made in the budget, and which has been received as shown in the table, is that of Peru. The only contribution in arrears paid up during the financial year is that of Venezuela (12,000 francs) for the financial year 1933.

It should also be borne in mind that, by a specific decision similar to a decision previously adopted by the League of Nations,<sup>2</sup> the Governing Body of the Institute,<sup>3</sup> as a mark of sympathy with the Dominican Republic (which was still suffering from the great disaster of 1931), wrote off all this country's contributions in arrears. Accordingly, the credit in question (100,000 francs) will no longer appear in the accounts.

In consequence, the Government contributions which the Institute ought to receive, according to the figures shown in the budgets for the various financial years, are as follows:

Name of State	1928	1929	1930	1931	1932	1933	1934	1935
	Francs							
Austria . . .	—	—	—	—	5,000	3,929	1,000	—
Belgium . . .	—	—	75,000	75,000	—	—	—	—
Ecuador . . .	2,000	—	—	2,000	2,000	2,000	2,000	2,000
Mexico . . .	—	—	—	—	—	60,000 <sup>4</sup>	—	—
Venezuela . .	—	—	—	—	—	—	12,000	12,000 <sup>5</sup>
Egypt . . . .	—	—	—	—	—	—	—	39,300 <sup>6</sup>
Total . . . .	2,000	—	75,000	77,000	7,000	65,929	15,000	53,300

Viz:

<i>Arrears:</i>	Francs
1928 . . . . .	2,000
1929 . . . . .	—
1930 . . . . .	75,000
1931 . . . . .	77,000
1932 . . . . .	7,000
1933 . . . . .	65,929
1934 . . . . .	15,000
1935 . . . . .	53,300
Total contributions in arrears . . . . .	295,229

Turning from the Institute's principal source of income to other receipts (miscellaneous and extraordinary), we find that they were considerably lower than the budget estimate of 370,000 francs—viz., 193,551.01 francs—a decline of 176,448.19 francs. This was due to a general fall in all these receipts; but the main factor was the decline in the receipts from publications,<sup>7</sup> together with the complete absence, as in the previous year, of extraordinary receipts. For the second time, therefore—that is to say, since its introduction—this latter item has borne no relation to the corresponding estimate.<sup>8</sup> This leads me to lay stress on the consideration I have already placed before the Governing Body<sup>9</sup>—viz., that not only is there no ground whatever<sup>10</sup> for

<sup>1</sup> There was a small exchange profit (483.10 francs) on the Colombian, Portuguese and Swiss contributions, but this was completely absorbed by the loss on other contributions (771.82 francs).

<sup>2</sup> Resolution adopted by the Assembly of the League of Nations on October 11th, 1933.

<sup>3</sup> At its meeting held on July 18th, 1935.

<sup>4</sup> The Mexican Government paid a contribution of 60,000 francs during the financial year; but, on explicit instructions from that Government, it was brought into account as a contribution for 1935, and not as a payment of the arrears for 1933.

<sup>5</sup> The amount due from Venezuela for arrears of contributions (24,000 francs in all) was more than offset at December 31st, 1935, by other payments to the Institute by the Venezuelan Government. As, however, at the express desire of that Government, these payments were employed for a special publication of the Institute, which was paid for out of extra-budgetary funds, they could not be set off against the arrears.

<sup>6</sup> Egypt paid this contribution in May 1936.

<sup>7</sup> 108,025.78 francs as compared with 200,000 francs provided in the estimates and 143,865.96 francs during the previous financial year.

<sup>8</sup> 50,000 francs for the financial year 1934 and 60,000 francs for the financial year 1935.

<sup>9</sup> Meeting held on July 18th, 1935 (see Minutes).

<sup>10</sup> I need only point out in this connection that the item "Miscellaneous receipts" is so wide that it could easily be made to cover any extraordinary receipts which came to hand, and that contributions from States not mentioned by name in the budget (Peru, for instance, during the present year) are rightly included in the item "Contributions", to which they obviously belong by reason of their analogy.

introducing such an item in the budget, but that it is open to criticism and presents disadvantages for the reason that it introduces an element of uncertainty into the budget, which is liable to produce unexpected results.

The other items covered by miscellaneous receipts, together with the details, are as follows:

(a) *Interest on funds deposited in banks*, which produced 28,040.95 francs—over 8,000 francs more than the estimate (20,000 francs).

(b) *Special Italian contribution*, estimated at 40,000 francs and paid to the extent of 34,569.28.<sup>1</sup>

(c) *Miscellaneous receipts properly so called*, estimated at 50,000 francs, which amounted to 22,915 francs, made up as follows:

	Francs
Contribution to the upkeep of the <i>Salle des Fêtes</i> . . . . .	2,357.50
Sale of old furniture (waste paper, etc.) . . . . .	487.60
Repayments in respect of private telephone calls . . . . .	3,240.60
Reimbursement of duplicating expenses . . . . .	3,250.—
Reimbursement by the Carnegie Foundation for International Peace in settlement of the Eighth International Studies Conference (London, 1935) . . . . .	200.—
Contribution from the British Co-ordination Committee for International Studies towards the cost of the meeting of the said Conference in London . . . . .	11,984.—
Compensation paid by the <i>Séquanaise</i> Insurance Company in respect of an accident to the Institute's cyclist . . . . .	364.30
Deduction of 10% on the sums paid during the year 1935 for the publication of Japanese works <sup>2</sup> . . . . .	1,031.—
Total . . . . .	22,915.—

The amounts received by the Institute in 1935 were as follows:

	Francs
Government contributions . . . . .	2,474,858.38
Miscellaneous receipts . . . . .	193,551.01
Total . . . . .	2,668,409.39

*i.e.*, 207,490.61 francs less than the total budget estimate of 2,875,900 francs for the two items.<sup>3</sup>

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

While only two transfers between the different items in the budget were effected by the Directors' Committee<sup>4</sup> this year as in the previous year, the amount of these transfers was larger (50,600 francs). This is due to the fact that it was desired to take advantage of a sum available out of the appropriation for meetings of experts to bring the credits in respect of publications up to the figure for the previous year.

<sup>1</sup> There is a greater or smaller difference on this item every year because the Italian financial year does not coincide with that of the Institute, the former running from July 1st to June 30th and the latter from January 1st to December 31st.

<sup>2</sup> See the next paragraph relating to the special separate accounts in the budget.

<sup>3</sup> As usual, I append a table giving a general idea of the situation from the inception of the Institute to the close of the financial year 1935. I must duly point out, however, that, in spite of the decline in the absolute value of income, the situation, as I have already observed in the preceding table relating to income from Government contributions, shows some improvement as compared with the estimates:

Year	Estimated receipts	Actual receipts	Difference	Percentage of actual as compared with estimated receipts
	Francs	Francs	Francs	
1925 . . . . .	1,025,000	1,025,000.—	—	100
1926 . . . . .	2,100,000	2,210,515.85	+ 110,515.85	105.26
1927 . . . . .	2,115,000	2,549,497.84	+ 434,497.84	120.54
1928 . . . . .	2,431,000	2,989,836.70	+ 558,836.70	123.44
1929 . . . . .	2,896,000	3,306,213.58	+ 410,213.58	114.16
1930 . . . . .	3,260,000	3,096,266.32	— 163,733.68	94.97
1931 . . . . .	3,404,800	3,330,744.70	— 74,055.30	97.84
1932 . . . . .	3,365,000	3,277,470.14	— 87,529.86	97.39
1933 . . . . .	3,207,000	3,004,510.20	— 202,489.80	93.68
1934 . . . . .	3,218,000	2,862,736.62	— 355,263.38	88.96
1935 . . . . .	2,875,900	2,668,409.39	— 207,490.61	92.77

<sup>4</sup> At its meeting on December 20th, 1935.

In addition, as in the previous year, the Governing Body<sup>1</sup>, availing itself of the powers vested in it under Article 7 of the Financial Regulations, added to the budget the whole of the cash surplus from the previous year. This sum—viz., 140,763.23 francs—was allocated to the various chapters, the appropriation for which appeared to be inadequate<sup>2</sup>.

*Comparison between Receipts and Expenditure.*

The expenditure proper for the financial year reached a total of 2,854,629.09 francs. There was thus a small saving of 21,270.91 francs on the original expenditure estimate (2,875,900 francs), which shows how closely expenditure was estimated and how carefully those responsible have kept within the estimates. The financial year would, indeed, have closed with a corresponding surplus if all the sums due had actually been received.

As noted, however, they fell short by 207,490.61 francs, so that the only effect of the above-mentioned saving on estimates was to reduce the deficit by that amount, leaving a cash deficit of 186,219.70 francs.<sup>3</sup>

The deficit was covered partly by means of the whole of the cash surplus for the previous year (140,763.23 francs), which operation—as I have said—was authorised by the Governing Body, and partly by an advance from the Working Capital Fund (45,456.47 francs).<sup>4</sup>

Thus, the financial year actually ended in the above-mentioned cash deficit, which was covered in the manner indicated. The financial year 1935 does not therefore show a surplus.<sup>5</sup>

*Working Capital Fund.*

As stated above, it was necessary to draw 45,456.47 francs from this fund to cover the cash deficit during the financial year. Accordingly, the fund, which amounted at the end of the financial

<sup>1</sup> At its meeting on July 19th, 1935.

<sup>2</sup> The following table shows the transfers effected during the various financial years. Not only is this table a complete guide to the exactness of the estimates and their close approximation to the actual results, but, generally speaking, it also shows that there has been a considerable improvement, although unforeseen circumstances, such as the decline in receipts prevent a steady, gradual diminution of transfers from year to year:

Year	Transfers effected during the financial year Francs	Year	Transfers effected during the financial year Francs
1925 . . . . .	—	1931 . . . . .	8,020.—
1926 . . . . .	462,137.96	1932 . . . . .	30,000.—
1927 . . . . .	274,000.—	1933 . . . . .	93,334.—
1928 . . . . .	121,730.—	1934 . . . . .	12,000.—
1929 . . . . .	378,920.—	1935 . . . . .	50,600.—
1930 . . . . .	324,780.59		

<sup>3</sup> This figure does, in fact, represent the difference between the total expenditure mentioned above (2,854,629.09 francs) the and actual receipts during financial year (2,668,409.39 francs).

The following table shows the receipts for the various financial years since the inception of the Institute:

Year	Actual receipts during the financial year Francs	Expenditure Francs	Cash surplus Francs	Cash deficit Francs
1925 . . . . .	1,025,000.—	438,907.65	586,092.35	—
1926 . . . . .	2,210,515.85	2,518,481.59	—	307,965.74
1927 . . . . .	2,549,497.84	2,484,779.14	64,718.70	—
1928 . . . . .	2,989,836.70	3,093,917.37	—	104,080.67
1929 . . . . .	3,306,213.58	3,467,636.73	—	161,423.15
1930 . . . . .	3,096,266.32	3,228,589.44	—	132,323.12
1931 . . . . .	3,330,744.70	2,957,009.66	373,735.04	—
1932 . . . . .	3,277,470.14	3,175,315.58	102,154.56	—
1933 . . . . .	3,004,510.20	3,324,463.60	—	319,953.40
1934 . . . . .	2,862,736.62	2,887,539.49	—	24,802.87
1935 . . . . .	2,668,409.39	2,854,629.09	—	186,219.70

<sup>4</sup> For this purpose, a sum of 200,000 francs was taken from the Working Capital Fund during the year; but, as stated, only 45,456.47 francs was employed, the difference (154,543.53 francs) being refunded to the account. It is shown, accordingly, in the details of expenditure (Chapter V) appended to the present report.

<sup>5</sup> The following table shows the corresponding situation at the close of the various financial years since the Institute's inception:

Year	Sums still available at the close of the financial year (including the surpluses from previous financial years) (a) Francs	Amounts paid to the Working Capital Fund instituted in 1930 (b) Francs	Total sums set aside during the year (a) + (b) Francs
1925 . . . . .	586,092.35	—	586,092.35
1926 . . . . .	278,126.61	—	278,126.61
1927 . . . . .	351,157.76	—	351,157.76
1928 . . . . .	247,077.09	—	247,077.09
1929 . . . . .	85,700.44	—	85,700.44
1930 . . . . .	9,629.90	221,000	230,629.90
1931 . . . . .	383,364.94	—	383,364.94
1932 . . . . .	485,519.50	99,000	584,519.50
1933 . . . . .	165,566.10	80,000	245,566.10
1934 . . . . .	140,763.23	—	140,763.23
1935 . . . . .	—	—	—

year 1934 to 400,000 francs, was reduced by the above draft to 354,543.53 francs<sup>1</sup> at the end of the financial year 1935. Though slightly lower, therefore, it was still more than the 10% of the original estimates of expenditure for the following financial year, which is usually regarded as a sufficient percentage in the case of institutes of this kind.<sup>2</sup> It should, however, be added that, at the present moment, the fund has already been completely reconstituted.

*The Results of the Financial Year.*

The financial year 1935 thus closes:

- (a) With receipts falling short of the budget estimates by 207,490.61 francs;
- (b) With expenditure less than the original budget estimates by 21,270.91 francs;
- (c) With expenditure consequently exceeding actual income by 186,219.70 francs, which had to be met by an advance from the Working Capital Fund (45,456.47 francs) and the cash surplus from previous financial years. This surplus (140,763.23 francs) was accordingly wiped out when the accounts were closed;
- (d) With a Working Capital Fund of 354,543.53 francs;
- (e) With an asset of 295,229 francs in respect of unpaid Government contributions and 16,430.72 francs in respect of other items.

EXPENDITURE.

*Chapter I. — Staff.*

This chapter is in the usual form, there having been no important changes in the staff of the Institute. Expenditure amounted to 1,784,074.51 francs—within about 300 francs of the figure for the previous financial year, a small saving of 18,825.49 francs having been effected on the final appropriations under this chapter.

These appropriations, which were originally reduced by about 50,000 francs as compared with the previous year, on the basis of very close calculations, were slightly increased, as usual, during the financial year by the sum (31,000 francs) required for the usual New Year gratuities to employees. In addition, the figures were slightly adjusted (by 600 francs) by a transfer between the appropriations for two small items in this chapter.

As regards adherence to the establishment, which, since last year (see my last report), has been determined purely by financial possibilities, there is nothing to report. The number of officials and employees of the Institute was the same as in the previous year—*i.e.*, it is (as stated) in complete harmony with the financial possibilities. As in previous years, there are, of course, a few officials in addition to the staff allowed for by the establishment who are paid monthly out of Chapter III, E (“Contribution for special work”). There were eight such officials during the year (one less than during the previous financial year), the expenditure charged to Chapter III, E, on this account being 194,200 francs.<sup>3</sup>

*Chapter II. — Maintenance.*

In spite of a reduction of 10,000 francs in the appropriation as compared with the previous year, the saving effected on this chapter amounts to 29,780.70 francs. Only 80,219.30 francs was expended out of an appropriation of 110,000 francs—*viz.*, 5,000 francs less than during the previous year.

<sup>1</sup> The table of non-budget services appended to this report shows that the fund amounted to 240,000 francs on December 31st, 1935. This is due to the fact that at that date the Institute still owed the fund a cash sum of 114,543.53 francs which it had borrowed temporarily. This sum was repaid, however, during the supplementary financial period provided for in the Regulations (Article 13 of the Financial Regulations).

<sup>2</sup> At the close of the various financial years, the position of the Working Capital Fund (instituted at my instance in 1930) was as follows:

Year	Amount	Proportion as compared with the original estimates of expenditure for the following year
	Francs	%
1930 . . . . .	221,000	6.49
1931 . . . . .	221,000	6.57
1932 . . . . .	320,000	9.98
1933 . . . . .	400,000	12.43
1934 . . . . .	400,000	13.90
1935 . . . . .	354,543.53	12.35

As regards the year 1935, the sum advanced having been repaid to the fund and the latter having accordingly been brought up again to the amount of 400,000 francs, the percentage for 1935 is now, in fact, 13.93%—*viz.*, the maximum hitherto attained.

<sup>3</sup> The position as regards the Institute’s contribution in respect of the insurance of the said employees in addition to those allowed for by the establishment is also unchanged. This contribution is still charged to the item “Insurance” in the Chapter “Staff”.

Chapter III. — Working Expenses.

The same result is observed in the case of Chapter III; although the final appropriations were cut by more than 284,000 francs, there was nevertheless a saving of 101,882.82 francs.

The appropriation originally voted for this financial period (979,000 francs) was increased during the period by 106,000 francs, thus amounting to 1,085,000. Expenditure was only 983,117.18 francs; hence the above saving. In this connection it should be observed that the expenditure is about 33,000 francs lower than the corresponding expenditure for the previous financial period.

As regards the various detailed items, there is once again nothing to be said with regard to the first two (" Travelling expenses of members of the Directors' Committee " and " Entertainment allowances ").

The expenditure on " Travelling expenses of officials " amounted to 75,197.90 francs, or slightly (a little under 5,000 francs) less than in the previous financial period. As in past years, some of the expenditure under this item was in respect of the next item (" Meetings of experts ").

The expenditure under the latter head is also slightly higher, amounting to 98,493.50 francs (or about 12,000 francs more than in 1934).

There is a substantial decrease (more than 44,000 francs) on Item E (" Special work "), which shows expenditure amounting to 240,730.18 francs. The saving of 59,269.82 on the final appropriation for this item (300,000 francs) furnished the largest contribution to the total saving above mentioned on this chapter (101,882.82 francs).

The next two items (" Office expenses " and " Purchase of books ") are normal, and call for no special remark. In the case of the last item (" Publications ") the relevant expenditure amounted to 337,774.55 francs, or more than 5,000 francs in excess of the corresponding expenditure for the previous financial period. Compared with the appropriation for this item, which was raised during the year from 200,000 to 350,000 francs, the saving achieved was thus only 12,225.45 francs.

In discussing receipts, I mentioned that, as an offset to this expenditure, the budget had reckoned on 200,000 francs receipts. The Director of the Institute, notwithstanding the excellent corresponding results in the previous year, regarded this estimate as optimistic at a time when the publishing business was experiencing depression.<sup>1</sup> His opinion was justified by the event, as the receipts in question only amounted, as stated, to 108,025.78 francs.

Though this result undoubtedly constitutes an interruption of the progress which was being made, it does not nullify the existence of the upward tendency, for the receipts are still higher than those for 1933, nearly 50% higher than those for 1932, and almost double those for 1931.<sup>2</sup> Prudence is nevertheless indicated in regard to future estimates under this heading, if unpleasant surprises are to be avoided.

Chapter IV. — Unforeseen Expenditure.

The accounts show that the original appropriation of 15,000 francs under this head was raised during the year by 3,763.23 francs,<sup>3</sup> to 18,763.23 francs. The expenditure (7,218.10 francs), on the other hand, remained much below the limit originally fixed, so that there was a saving of 11,545.13 francs on the final appropriation.

EXTRA-BUDGETARY ACCOUNTS.

In connection with these accounts it may be generally remarked that, as a result of my repeated observations in previous reports on the question of the general expenditure borne by the Institute for the purposes covered by these accounts, the Governing Body has laid down the rule<sup>4</sup> that the Institute was entitled to some remuneration. The Institute accordingly decided that 10% of all contributions for special purposes should be transferred to the budget.

<sup>1</sup> See Minutes of the Governing Body's meeting of July 18th, 1935.

<sup>2</sup> The following table shows the receipts for the various financial periods since the Institute was founded:

Year	Receipts	Increase	Decrease
	from sales of publications Francs	as compared with the previous year Francs	Francs
1925 . . . . .	—	—	—
1926 . . . . .	—	—	—
1927 . . . . .	3,155.75	3,155.75	—
1928 . . . . .	6,851.45	3,695.70	—
1929 . . . . .	24,644.07	17,792.62	—
1930 . . . . .	67,204.43	42,560.36	—
1931 . . . . .	59,360.50	—	7,843.93
1932 . . . . .	73,024.20	13,663.70	—
1933 . . . . .	104,698.71	31,674.51	—
1934 . . . . .	143,865.96	39,167.25	—
1935 . . . . .	108,025.78	—	35,840.18

<sup>3</sup> This figure represents the exact amount of that part of the 1934 surplus which was not distributed over other chapters. The source of the increase is thus explained.

<sup>4</sup> Meeting of July 20th, 1934.



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

During the year, sales of the volumes in this collection produced an amount of 3,829 francs, which, added to the 160,048.15 francs still available in respect of these publications at the end of 1934, increased the total balance to 163,877.15 francs. In accordance with the decision of the competent 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 States	Year	Payments received		
		Amount of payment	Proceeds of sales	Total receipts
		Francs	Francs	Francs
Chile . . . . .	1928	30,874.70	1,940.—	32,814.70
Brazil . . . . .	1929	86,916.—	2,368.40	89,284.40
Venezuela . . . . .	1930	53,212.35	—	53,212.35
Argentine Republic . . . . .	1930	36,481.90	980.—	37,461.90
Cuba (Marti Committee) . . . . .	1932	12,677.50	—	13,866.50
Porto-Rico (Hostos Committee) . . . . .	1935	1,189.—	—	
	1933	17,497.35	—	
		238,848.80	5,288.40	244,137.20

Name of States	Expenditure									
	1929	1930	1931	1932	1933	1934	1935	General expenses	Total	Balance available
	Francs	Francs	Francs	Francs	Francs	Francs	Francs	Francs	Francs	Francs
Chile . . . . .	263.25	13,600	1,755.—	137.50	—	—	—	1,756.25	17,512.—	15,302.70
Brazil . . . . .	—	1,800	15,095.95	2,972.75	7,312	3,000.—	3,359.75	4,778.10	38,318.55	50,965.85
Venezuela . . . . .	—	—	—	—	5,000	18,226.05	—	2,847.20	26,073.25	27,139.10
Argentine Republic . . . . .	—	—	30.—	1,500.—	2,500	16,339.40	—	2,006.65	22,376.05	15,085.85
Cuba (Marti Committee) . . . . .	—	—	—	—	—	—	—	—	—	—
Porto-Rico (Hostos Committee) . . . . .	—	—	—	4,500.—	—	—	8,769.90	744.45	14,014.35	— 147.50
	—	—	—	—	—	—	7,215.05	937.25	8,152.30	9,345.05
	263.25	15,400	16,880.95	9,110.25	14,812	37,565.45	19,344.70	13,069.90	126,446.50	117,690.70

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

No change occurred in this account during the financial year 1935. At the close of 1935, therefore, the amount available was the same as at the close of 1933—viz., 36,465.76 francs.<sup>1</sup>

C. *International Studies Conference.*

To the balance of 34,359.50 francs left over at the end of the previous financial period out of the donations from the Rockefeller Foundation for this purpose there were added during 1935 further donations from the Foundation to the amount of 80,332.70 francs. At the end of the financial period, therefore, there was a total balance available of 114,692.20 francs.

Out of this sum there were expended for salaries,<sup>2</sup> fees, travelling expenses, translations, etc., 83,092.32 francs.<sup>3</sup> There thus remained available at the close of the year 31,599.88 francs.

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

No expenditure was incurred on this account during the financial year 1935. Accordingly, the balance of 16,495 francs left from the previous financial year out of the funds granted for this purpose by the Carnegie Endowment for International Peace remained intact.

<sup>1</sup> 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.

<sup>2</sup> Including 104.70 francs refunded to the Rockefeller Foundation.

<sup>3</sup> The salaries of staff temporarily engaged for the work in question amounted during the year to 36,152.72 francs.

E. *Japanese Collection.*

This new account has been opened to record a number of donations totalling 9,279 francs<sup>1</sup> contributed by Japanese societies and private individuals towards the cost of publication by the Institute of this collection.

Out of this amount, only 249 francs were spent during the year on translations and miscellaneous work.

At the close of the year there remained, therefore, a balance for the purpose of 9,030 francs.

CONCLUSION.

From the financial point of view, the year has certainly been a difficult one; but it is only fair to say that, considering the difficulties encountered, the results have been satisfactory. These difficulties have, moreover, been symptomatic for some years past, as the competent authorities have had to "trim" the budget of the Institute in order to secure equilibrium in the estimates.

Under such circumstances, the efforts of those responsible are in every way commendable, for they have managed to keep the Working Capital Fund intact and so not to touch the reserves for the future.

The entries, operations and all documents for receipts and expenditures have on examination been found fully in accordance with the current regulations. It is, therefore, my duty to declare the accounts of the Institute for the year 1935 to be in order.

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

ACCOUNTS FOR THE FINANCIAL YEAR 1935 (FROM JANUARY 1ST, 1935,  
TO MARCH 31ST, 1936).

CASH POSITION AT DECEMBER 31ST, 1935.

	Total	Budget services	Non-budget services
	Francs	Francs	Francs
Balance at December 31st, 1934	517,484.10	20,115.69	497,368.41
Actual receipts in 1935:			
(1) For the financial period			
1934 . . . . .	426,139.84		
(2) For the financial period			
1935 . . . . .	2,623,529.02		
(3) For non-budget services . . . . .	283,440.70		
	3,333,109.56	3,049,668.86	283,440.70
Total . . . . .	3,850,593.66	3,069,784.55	780,809.11
Actual expenditure in 1935:			
(1) For the financial period			
1934 . . . . .	305,492.30		
(2) For the financial period			
1935 . . . . .	2,760,207.14		
(3) For non-budget services . . . . .	329,527.77		
	3,395,227.21	3,065,699.44	329,527.77
Balance at December 31st, 1935.	455,366.45	4,085.11	451,281.34

<sup>1</sup> After deduction of 1,031 francs transferred to the budget of the Institute under the decision to which reference is made at the beginning of the Section "Extra-budgetary Accounts" (10% deduction on all contributions for special purposes).

BUDGET FOR 1935.

I. RECEIPTS.

	Francs	Francs
I. <i>Grants by:</i>		
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	
	<hr/>	2,505,900
II. <i>Miscellaneous receipts:</i>		
Interest on deposits . . . . .	20,000	
Sales of publications . . . . .	200,000	
Sundry . . . . .	50,000	
Contribution of the Italian National Committee . . . . .	40,000	
	<hr/>	310,000
III. <i>Extraordinary receipts</i> . . . . .		60,000
		<hr/>
Total receipts . . . . .		2,875,900

II. EXPENDITURE.

<i>Chapter I. — Staff.</i>		
A. Director, principal secretaries, Legal Adviser, secretaries and internal administration . . . . .	965,000	
B. Head clerks, clerks and shorthand-typists . . . . .	496,700	
C. Minor staff . . . . .	135,000	
D. Allowances (family allowances, etc.) . . . . .	88,000	
E. Payment to the Pensions Fund . . . . .	87,200	
	<hr/>	1,771,900
<i>Chapter II.</i>		
A. Upkeep of buildings and furniture . . . . .	40,000	
B. Lighting and heating . . . . .	50,000	
C. Insurances . . . . .	20,000	
	<hr/>	110,000
<i>Chapter III.</i>		
A. Travelling expenses of members of the Committee of Directors and of the Auditor . . . . .	20,000	
B. Entertainment allowances:		
Committee of Directors (lump-sum allowance)	5,000	
Director (lump-sum allowance) . . . . .	30,000	
Secretaries (entertainment allowance) . . . . .	5,000	
Lump-sum allowance for the costs of motor-car) . . . . .	30,000	
	<hr/>	70,000
C. Journeys made by officials . . . . .	84,000	
D. Experts' meetings . . . . .	150,000	
E. Contribution to special work . . . . .	300,000	
F. Office expenses . . . . .	150,000	
G. Purchase of books . . . . .	5,000	
H. Publications . . . . .	200,000	
	<hr/>	979,000
<i>Chapter IV.</i>		
Provision for unforeseen expenditure . . . . .		15,000
<i>Chapter V.</i>		
Payments to Reserve Fund ( <i>ad memorandum</i> ) . . . . .		—
		<hr/>
Total Expenditure . . . . .		2,875,900

RECEIPTS FOR FINANCIAL YEAR 1935

	Francs	Francs
<i>1. Grants by:</i>		
Austria . . . . .	834.—	
Brazil . . . . .	75,000.—	
Colombia . . . . .	9,849.93	
Denmark . . . . .	10,194.10	
France . . . . .	2,000,000.—	
Hungary . . . . .	20,600.—	
Italy . . . . .	152,000.—	
Luxemburg . . . . .	2,000.—	
Mexico . . . . .	60,000.—	
Monaco . . . . .	2,000.—	
Peru . . . . .	10,547.10	
Poland . . . . .	30,000.—	
Portugal . . . . .	15,311.30	
Roumania . . . . .	25,000.—	
Switzerland . . . . .	24,521.85	
Venezuela (1933) . . . . .	12,000.—	
Yugoslavia . . . . .	25,000.—	
	<hr/>	2,474,858.38
<i>2. Miscellaneous receipts:</i>		
Interest on deposits . . . . .	28,040.95	
Sale of publications . . . . .	108,025.78	
Contribution of the Italian National Committee <sup>1</sup> . . . . .	34,569.28	
Miscellaneous . . . . .	22,915.—	
	<hr/>	193,551.01
<i>3. Extraordinary receipts:</i>		
Loan from Working Capital Fund . . . . .		200,000.—
Total . . . . .		<hr/> 2,868,409.39

TRANSFERS AND SUPPLEMENTARY CREDITS FOR THE FINANCIAL YEAR 1935.

Items	Original credits	Transfers and supplementary credits		Final credits
		July 19th, 1935, Governing Body	December 20th, 1935, Directors' Committee	
<i>Chapter I. — Staff.</i>	Francs	Francs	Francs	Francs
B. Head clerks and clerks, etc. .	496,700	—	+ 600.—	497,300.—
C. Minor staff. . . . .	135,000	—	— 600.—	134,400.—
D. Allowances . . . . .	88,000	+ 31,000.—	—	119,000.—
<i>Chapter III.</i>				
C. Journeys made by officials .	84,000	+ 6,000.—	—	90,000.—
D. Experts' Meetings . . . . .	150,000	—	— 50,000.—	100,000.—
H. Publications . . . . .	200,000	+ 100,000.—	+ 50,000.—	350,000.—
<i>Chapter IV.</i>				
Provision for unforeseen expenses	15,000	+ 3,763.23	—	18,763.23
<i>Chapter V.</i>				
Payments to Reserve Fund . . . .	—	—	+154,543.53	154,543.53
		<hr/> 140,763.23	<hr/> 154,543.53	

<sup>1</sup> For 1934 . . . . .	Francs 11,000.—
For 1935 . . . . .	23,569.28
	<hr/> 34,569.28

DETAILED ACCOUNT OF EXPENDITURE DURING THE FINANCIAL PERIOD 1935.

Items	Total credits entered for the financial period	Actual expenditure		Total expenses for financial period	Cancelled credits
		From January 1st to December 31st, 1935	From January 1st to March 31st, 1936		
	Francs	Francs	Francs	Francs	Francs
<i>Chapter I. — Staff.</i>					
A. Director, principal secretaries, Legal Adviser, secretaries and internal administration . . . . .	965,000.—	964,998.96	—	964,998.96	1.04
B. Head clerks, clerks and shorthand-typists . . . . .	497,300.—	496,999.36	—	496,999.36	300.64
C. Minor Staff . . . . .	134,400.—	123,829.—	240.—	124,069.—	10,331.—
D. Allowances (family allowances, etc.) . . . . .	119,000.—	113,004.19	—	113,004.19	5,995.81
E. Payment to the Pension Fund . . . . .	87,200.—	85,003.—	—	85,003.—	2,197.—
<i>Chapter II.</i>					
A. Upkeep of buildings and furniture . . . . .	40,000.—	8,192.40	14,611.05	22,803.45	17,196.55
B. Lighting and heating . . . . .	50,000.—	20,848.55	19,142.60	39,991.15	10,008.85
C. Insurances . . . . .	20,000.—	17,424.70	—	17,424.70	2,575.30
<i>Chapter III.</i>					
A. Travelling expenses of members of the Directors' Committee and of the Auditor. . . . .	20,000.—	16,432.25	—	16,432.25	3,567.75
B. Entertainment allowances . . . . .	70,000.—	67,915.95	160.50	68,076.45	1,923.55
C. Journeys made by officials . . . . .	90,000.—	73,475.45	1,722.45	75,197.90	14,802.10
D. Experts' meetings . . . . .	100,000.—	98,493.50	—	98,493.50	1,506.50
E. Contribution to special work . . . . .	300,000.—	239,202.93	1,527.25	240,730.18	59,269.82
F. Office expenses . . . . .	150,000.—	121,789.55	20,791.—	142,580.55	7,419.45
G. Purchase of books . . . . .	5,000.—	1,650.45	2,181.35	3,831.80	1,168.20
H. Publications . . . . .	350,000.—	264,333.05	73,441.50	337,774.55	12,225.45
<i>Chapter IV.</i>					
Provision for unforeseen expenditure . . . . .	18,763.23	6,613.85	604.25	7,218.10	11,545.13
<i>Chapter V.</i>					
Payments to Reserve Fund . . . . .	154,543.53	40,000.—	114,543.53	154,543.53	—
Total . . . . .	3,171,206.76	3,760,207.14	248,965.48	3,009,172.62	162,034.14

RESULT OF FINANCIAL PERIOD 1935.

(Closed March 31st, 1936)

	Francs	Francs
<i>Transactions during the financial year 1935:</i>		
1. <i>Receipts:</i>		
a) January 1st to December 31st, 1935 . . . . .	2,623,529.02	
b) January 1st to March 31st, 1936 . . . . .	244,880.37	
Total . . . . .	2,868,409.39	2,868,409.39
2. <i>Expenditure:</i>		
a) January 1st to December 31st, 1935 . . . . .	2,760,207.14	
b) January 1st to March 31st, 1936 . . . . .	248,965.48	
Total . . . . .	3,009,172.62	3,009,172.62
Excess expenditure . . . . .		140,763.23
The result of the financial period 1934 showed a surplus of . . . . .		140,763.23
The final result of the financial period 1935 . . . . .		—

NON-BUDGET SERVICES.

	Balance on December 31st, 1934	Actual receipts 1935	Total receipts	Actual expenditure 1935	Balance on December 31st, 1935
	Francs	Francs	Francs	Francs	Francs
Latin-American Classics . . . . .	160,048.15	3,829.—	163,877.15	46,186.45	117,690.70
American Enquiry . . . . .	36,465.76	—	36,465.76	—	36,465.76
International Studies Conference (Rockefeller Foundation) . . . . .	34,359.50	80,332.70	114,692.20	83,092.32	31,599.88
Dictionary of Political Terms (Carnegie Endowment) . . . . .	16,495.—	—	16,495.—	—	16,495.—
Japanese Collection . . . . .	250,000.—	9,279.—	9,279.—	249.—	9,030.—
Working Capital Fund . . . . .	250,000.—	190,000.—	440,000.—	200,000.—	240,000.—
	497,368.41	283,440.70	780,809.11	329,527.77	451,281.34

VALUE OF FURNITURE APPEARING IN THE INVENTORY.

	Francs	Francs		Francs	Francs
<i>1928 :</i>			<i>1928 :</i>		
Depreciation on December 31st			Value of furniture acquired		
1927, 20 % . . . . .	164,463.80		up to December 31st, 1927 . . . . .	822,319.—	
20 % on value as at December			Purchases during the year . . . . .	32,248.80	
31st, 1928 . . . . .	<u>170,913.56</u>				<u>854,567.80</u>
		<u>335,377.36</u>			
<i>1929 :</i>			<i>1929 :</i>		
Balance as per last account . . . . .	335,377.36		Balance as per last account . . . . .	854,567.80	
20 % on value as at December			Purchases during the year . . . . .	85,711.75	
31st, 1929 . . . . .	<u>188,055.91</u>				<u>940,279.55</u>
		<u>523,433.27</u>			
<i>1930 :</i>			<i>1930 :</i>		
Balance as per last account . . . . .	523,433.27		Balance as per last account . . . . .	940,279.55	
20 % on value as at December			Purchases during the year . . . . .	7,102.70	
31st, 1930 . . . . .	<u>189,476.45</u>				<u>947,382.25</u>
		<u>712,909.72</u>			
<i>1931 :</i>			<i>1931 :</i>		
Balance as per last account . . . . .	712,909.72		Balance as per last account . . . . .	947,382.25	
20 % on value as at December			Purchases during the year . . . . .	6,369.60	
31st, 1931 . . . . .	<u>190,750.37</u>				<u>953,751.85</u>
		<u>903,660.09</u>			
<i>1932 :</i>			<i>1932 :</i>		
Balance as per last account . . . . .	903,660.09		Balance as per last account . . . . .	953,751.85	
Depreciation for the year . . . . .	<u>63,763.06</u>		Purchases during the year . . . . .	13,671.30	
		<u>967,423.15</u>			<u>967,423.15</u>
<i>1933 :</i>			<i>1933 :</i>		
Balance as per last account . . . . .	967,423.15		Balance as per last account . . . . .	967,423.15	
Depreciation for the year . . . . .	<u>25,872.55</u>		Purchases during the year . . . . .	25,872.55	
		<u>993,295.70</u>			<u>993,295.70</u>
<i>1934 :</i>			<i>1934 :</i>		
Balance as per last account . . . . .	993,295.70		Balance as per last account . . . . .	993,295.70	
Depreciation for the year . . . . .	<u>4,837.65</u>		Purchases during the year . . . . .	4,837.65	
		<u>998,133.35</u>			<u>998,133.35</u>
<i>1935 :</i>			<i>1935 :</i>		
Balance as per last account . . . . .	998,133.35		Balance as per last account . . . . .	998,133.35	
Depreciation for the year . . . . .	<u>7,187.60</u>		Purchases during the year . . . . .	7,187.60	
		<u>1,005,320.95</u>			<u>1,005,320.95</u>



