

JOINT COMMISSION
OF THE EMPRESS SHŌKEN FUND
No. 78

Geneva, April 1987

Sixty-sixth distribution of income

The Empress Shōken Fund commemorates this year its 75th anniversary.

The Joint Commission entrusted with the distribution of the income of the Empress Shōken Fund met in Geneva on 10 and 17 February and on 2 April 1987. The Japanese Red Cross Society was represented at the first meeting by His Excellency, Mr. Kazuo Chiba, Ambassador and Permanent Representative of the Permanent Mission of Japan in Geneva. The second meeting took place in presence of Mr. Keiichi Fukuyama, First Secretary. The new Ambassador and Permanent Representative of Japan, His Excellency, Mr. Yoshio Hatano was present at the third meeting.

The Commission noted the statement of accounts and the situation of the Fund as at 31 December 1986 and confirmed that the balance available amounted to 253,699.55 Swiss francs.

In examining the applications, the Joint Commission reviewed the experiences of the past few years. The Commission noted that the following criteria which it had established were still valid:

- a. to restrict the number of allocations and thereby increasing the allocations so as to permit the beneficiary National Societies to implement the plans envisaged;
- b. to uphold only those from developing National Societies unable to have their projects financed otherwise and, among such Societies, whenever feasible those which have hitherto benefited least from assistance from the Empress Shōken Fund;

- c. to refrain from considering the requests from those National Societies which have not conformed to the requirements under Article 7 of the Regulations according to which the beneficiary National Societies are expected to submit a proper report on the use of the allocations received.

The Joint Commission furthermore decided that:

- d. In the event of an allocation the secretariat of the Joint Commission will decide whether purchase arrangements will be made by the Relief Supplies Service of the League, or directly by the beneficiary Society.
- e. If the item(s) requested is (are) immediately available on the local market or can be manufactured locally, the National Society will submit to the Joint Commission an original offer or pro-forma invoice of the local firm, established in English, French or Spanish and indicating a reliable date of delivery. In accordance with internationally accepted business rules the Joint Commission will transfer 50% of the indicated price. This will enable the National Society to place the order.
- f. Since the accounts of the Empress Shôken Fund are reviewed every year by an auditor, the joint Commission will transmit the remainder of the sum only after having received from the beneficiary Society copies of the seller's or manufacturer's delivery form and of the final invoice on which the initial down payment is duly entered.
- g. If the goods are to be imported from abroad, the Relief Supplies Service of the League will handle all purchase and shipping arrangements. The beneficiary Society may wish to communicate to the Joint Commission the name and full address of its shipping agent.
- h. Allocations remaining unclaimed or unused after twelve months are to be withdrawn and added to the amount available for the next distribution.

Twenty National Societies submitted requests for allocations from the 66th distribution of income and the Joint Commission decided to make the following grants based on the above-mentioned criteria:

SWISS FRANCS	
1. The Bahamas Red Cross Society	35,000
To purchase an ambulance	
2. Jordan National Red Crescent Society	17,000
To purchase equipment for the emergency department, Red Crescent Hospital, Amman	

3. Pakistan Red Crescent Society To purchase a Mitsubishi vehicle for relief work	30,000
4. The Philippine National Red Cross To purchase a 12-passenger van for relief work	30,000
5. Red Cross Society of Saint Lucia To purchase a Toyota Land Cruiser for training of volunteers	30,000
6. Sao Tome and Principe Red Cross To purchase a Toyota Land Cruiser for social services	35,000
7. Sierra Leone Red Cross Society To purchase a duplicating machine and first-aid kits for primary health care project	6,500
8. Red Cross Society of Suriname To purchase an ambulance for first aid training	35,000
9. Uruguayan Red Cross To purchase a Ford Pick-up for relief work	35,000

The Joint Commission decided that the unused balance of 199.55 Swiss francs will be added to the income available for the 67th distribution.

Pursuant to the Fund's regulations, each beneficiary Society must submit to the Joint Commission a report on results achieved in using the equipment purchased with the grant. The Joint Commission recommends that these descriptive reports should be sent no later than eighteen months after receiving the allocation, accompanied, if possible, by photographs illustrating the activities carried out as part of the project financed with the allocation.

Past experience has shown that every year a number of beneficiary Societies do not quite seem to know what kind of reports they are expected to submit on the use made of their grants.

The report should show whether the allocation has enabled the Society to implement the programme and whether the programme has in fact met the needs of the population.

Answers to these questions and to others of more direct relevance to each individual Society should appear in the reports on the utilization of grants and will enable the Joint Commission to form an opinion on results achieved.

The Joint Commission unfortunately cannot gauge what has been achieved with an allocation if the beneficiary Society sends in for instance only an acknowledgement of receipt (no matter how detailed), an invoice of the purchase of equipment, a logbook for the use of a vehicle or a few photographs of an ambulance. Stating that a hospital has received the equipment without giving a precise description of the use of the equipment offers no indication of the results achieved with it.

The Joint Commission needs a full and detailed report to discharge one of its mandates, which is to control the use to which donations are put, and this in itself constitutes a gesture of solidarity with the Red Cross and Red Crescent Movement. Only faultless management of the Fund can foster confidence among donors and prompt them to contribute towards it.

The Joint Commission furthermore reminds beneficiaries of Article 6 of the Regulations which prohibits them assigning the grant for purposes other than those specified without the previous consent of the Joint Commission.

67th Distribution — 1988

In accordance with the regulations, the 1987 income will be distributed in 1988. To facilitate National Societies to make applications in conformity with the Regulations, the Joint Commission will send in the near future model application forms to all National Societies. Requests for allocation must be submitted to the Secretariat of the Joint Commission before 31 December 1987.

For the Joint Commission:

*League of Red Cross and
Red Crescent Societies:*

Mr. H. Høegh
Mr. B. Bergman
Mr. P. Tischhauser

*International Committee
of the Red Cross:*

Mr. M. Aubert (Chairman)
Mr. M. Martin
Mr. S. Nessi

Mr. P. Züger (Interim Secretary) *

* On 1 May 1987 the League resumed the secretariat of the Joint Commission. Mr. P. Tischhauser has been appointed as Secretary.

Empress Shôken Fund

BALANCE SHEET AS AT 31.12.1986
(with previous year's figures for comparison)

		31.12.1986	31.12.1985
ASSETS	Sw. fr.	Sw. fr.	Sw. fr.
Current assets			
Accounts receivable		30,994.42	17,105.07
League of Red Cross and Red Crescent Societies, current account		11,536.16	—
Investment securities	4,580,703.05		
Less: Provision for depreciation (Note 1)	<u>(862,365.18)</u>	3,718,337.87	3,572,691.55
(Market value: Sw. fr. 4,772,000.—)			
Bank deposits:			
— fixed deposits	413,427.00		
— cash	<u>167,839.52</u>	<u>581,266.52</u>	<u>633,278.19</u>
		<u>4,342,134.97</u>	<u>4,223,074.81</u>
LIABILITIES			
Own funds			
Capital (Note 2)		3,954,922.90	3,697,963.96
Balance available (Note 3)		<u>253,699.55</u>	<u>256,531.36</u>
		<u>4,208,622.45</u>	<u>3,954,495.32</u>
Provision			
Provision for future expenses (Note 4)		<u>26,131.92</u>	<u>21,282.60</u>
Accounts payable			
League of Red Cross and Red Crescent Societies, current account		—	123,689.71
National Societies, allocations to be withdrawn		<u>107,380.60</u>	<u>123,607.18</u>
		<u>107,380.60</u>	<u>247,296.89</u>
		<u>4,342,134.97</u>	<u>4,223,074.81</u>

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 1986**
(with previous year's figures for comparison)

	1986	1985
	Sw. fr.	Sw. fr.
INCOME		
Interest income from securities	207,189.85	207,510.25
Interest on bank deposits	<u>32,715.70</u>	<u>41,371.48</u>
	<u>239,905.55</u>	<u>248,881.73</u>
EXPENDITURE		
Provision for 1986 administrative expenses, pursuant to Article 7 of the Fund's Regulations (<i>Note 4</i>) . . .	<u>14,394.35</u>	<u>7,466.43</u>
(Effective administrative expenses: Sw. fr. 9,545.03 in 1986 Sw. fr. 8,397.25 in 1985)		
RESULTS		
<i>Excess of income over expenditure (net)</i>	<u><u>225,511.20</u></u>	<u><u>241,415.30</u></u>

NOTES ON FINANCIAL STATEMENTS AS AT 31 DECEMBER 1986

NOTE 1 — PROVISION FOR SECURITIES DEPRECIATION

Provision credited with the net result of sale of securities, as set out below:

	SW. FR.	SW. FR.
Balance as at 1 January 1986		595,856.20
Profit on sale and redemption of securities	317,413.45	
Loss and redemption of securities and on exchange rates	<u>(50,904.47)</u>	<u>266,508.98</u>
Balance as at 31 December 1986		<u><u>862,365.18</u></u>

NOTE 2 — FUND CAPITAL AS AT 31 DECEMBER 1986

This account was increased by various contributions received in 1986:

Capital as at 1 January 1986		3,697,963.96
Contribution from Government of Japan	101,224.83	
Contribution from the Japanese Red Cross	155,069.71	
Contribution from Japanese visitors	<u>664.40</u>	<u>256,958.94</u>
Capital as at 31 December 1986		<u><u>3,954,922.90</u></u>

NOTE 3 — ESTABLISHING BALANCE AVAILABLE AS AT 31 DECEMBER 1986

Balance available as at 31 December 1985	256,531.36
Distribution for 1986, pursuant to the Joint Commission's decision of March 1986:	
– Allocation to nine National Sociétés	<u>(254,000.00)</u>
	2,531.36
Net results for 1986	225,511.20
Transfer of unused amounts of allocations made before 31.12.1984	<u>25,656.99</u>
Balance available as at 31 December 1986	<u><u>253,699.55</u></u>

NOTE 4 — PROVISION FOR FUTURE EXPENSES

Pursuant to Article 7 of the Regulations of the Fund, an annual lump sum is allocated to this reserve account, while effective expenses are debited from it. Its situation in 1986 was as follow:

Balance as at 31.12.1985	21,282.60
Lump-sum allocation for 1986	<u>14,394.35</u>
	35,676.95
Effective administrative expenses in 1986	<u>(9,545.03)</u>
Balance as at 31 December 1986	<u><u>26,131.92</u></u>