

**UNITED NATIONS STAFF UNION**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM**  
**JULY 1, 2011 TO DECEMBER 31, 2016**

**UNITED NATIONS STAFF UNION**  
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## **INDEPENDENT AUDITORS' REPORT**

The Audit Committee  
United Nations Staff Union  
New York, New York

### **Report on the Financial Statements**

We have audited the accompanying financial statements of United Nations Staff Union, which comprise the statement of financial position as of December 31, 2016, and the related statements of support and revenue, expenses and changes in fund balance and cash flows for the period from July 1, 2011 through December 31, 2016, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Nations Staff Union as of December 31, 2016, and the changes in its net assets and its cash flows for the period from July 1, 2011 through December 31, 2016 in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "The RFB CPA Group, PLLC". The signature is written in a cursive, slightly slanted style.

The RFB CPA Group, PLLC  
Great Neck, New York  
May 15, 2017

**UNITED NATIONS STAFF UNION  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2016**

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ASSETS

Cash and cash equivalents	\$	636,074
Time certificates of deposit		1,743,511
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	\$	<u>2,379,585</u>

LIABILITIES AND FUND BALANCE

Accounts payable and accrued expenses	\$	4,666
Fund balance		2,374,919
		<hr/>
	\$	<u>2,379,585</u>

**UNITED NATIONS STAFF UNION**  
**STATEMENT OF SUPPORT AND REVENUE, EXPENSES AND CHANGES IN FUND BALANCE**  
**PERIOD FROM JULY 1, 2011 THROUGH DECEMBER 31, 2016**

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SUPPORT AND REVENUE	
Contributions	\$ 528,674
Interest and dividend	99,160
Other	39,454
MetLaw Hyatt – Legal Plans	21
Reversal of Staff Day Revenue	<u>(9,994)</u>
TOTAL SUPPORT AND REVENUE	<u>657,315</u>
EXPENSE	
Travel and Sustenance	351,478
Public Relations	131,415
International Affiliation	131,000
Legal advice and support	82,439
Donations	37,100
Training	34,495
Accounting and Auditing	29,862
Hospitality	25,640
Consultants	13,000
Electronic voting	11,262
Staff day fund write-off	8,088
Office Supplies and Equipment	4,993
Security & Independence	2,837
Outreach communication	2,686
Sponsorships	2,000
Miscellaneous Expense	1,479
Bank service charges	1,006
Subscription to publication	497
Web hosting	<u>467</u>
TOTAL EXPENSE	<u>871,744</u>
EXPENSES IN EXCESS OF SUPPORT AND REVENUE	(214,429)
FUND BALANCE, JUNE 30, 2011	<u>2,589,348</u>
FUND BALANCE, DECEMBER 31, 2016	<u>\$ 2,374,919</u>

**UNITED NATIONS STAFF UNION**  
**STATEMENT OF CASH FLOWS**  
**PERIOD FROM JULY 1, 2011 THROUGH DECEMBER 31, 2016**

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CASH FLOWS FROM OPERATING ACTIVITIES:	
EXPENSES IN EXCESS OF SUPPORT AND REVENUE	\$ (214,429)
Adjustments to reconcile expenses in excess of support and revenue to net cash used in operating activities:	
Changes in assets and liabilities:	
Write-off of due from staff day fund	8,088
Reversal of staff day revenue	9,994
Increase in accounts payable and accrued expenses	( 57,289)
	( 39,207)
NET CASH USED IN OPERATING ACTIVITIES	( 253,636)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Decrease in Time Certificates of Deposit	44,430
NET DECREASE IN CASH	( 209,206)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD (REVISED)	845,280
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 636,074

**UNITED NATIONS STAFF UNION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016**

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**NOTE 1 – ORGANIZATION**

United Nations Staff Union (the “Staff Union”) is a not-for-profit organization created on April 26, 1950 under the Statute of the Staff Union of the United Nations Secretariat. The Staff Union primary purposes are to:

- Contribute to the promotion of the objectives of the Charter of the United Nations
- Promote and safeguard the rights, interest and welfare of all members of the staff of the United Nations
- Maintain relations and cooperation with staff organizations and similar bodies of other intergovernmental organizations
- Provide the Secretary-General and member states the views of the staff on issues affecting staff welfare and conditions of service, and seek resolution of issues arising therefrom.
- The Staff Union is tax-exempt and is exempt from filing income tax returns.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 3 – CASH AND CASH EQUIVALENTS**

All highly liquid investments with original maturities of three months or less are considered to be cash equivalents. All cash and certificates of deposit are held by the United Nations Federal Credit Union (UNFCU). The Staff Union maintains cash balances at a financial institution in excess of federally insured limits.

**NOTE 4 - LIABILITIES**

In 2014, the Staff Union established a formal relationship with the American Federation of Teachers (AFT) for the Staff Union’s benefit. Two monthly invoices from AFT for a total of \$4,666 are reflected on the Staff Union’s statement of financial position and are included in accounts payable and accrued expenses.

**NOTE 5 – CONTRIBUTIONS**

The Staff Union’s primary source of support and income is from monthly contributions made by its dues paying members. Contributions are voluntary and are recognized in the period contributed by the members.



**UNITED NATIONS STAFF UNION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016**

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NOTE 6 – STAFF DAY - WRITE-OFF, AND REVERSAL OF REVENUE

As of March 12, 2015, the Staff Union wrote-off as uncollectible \$8,088 which was due from the Staff Day fund. On December 31, 2016 the Staff Union reversed \$9,994 in Staff Day revenue and cash in UNFCU that was recorded in error prior to July 1, 2011.

NOTE 7 – SUBSEQUENT EVENTS

For purposes of disclosure in the financial statements, the Staff Union has evaluated subsequent events through May 15, 2017, the date the financial statements were initially available to be issued.

NOTE 8 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The Staff Union has adopted the fair value measurement accounting standard. This standard establishes a hierarchy for determining the fair value of financial assets and liabilities, which are measured on a recurring basis. The hierarchy consists of three levels of valuations based on the evidence used to determine the valuation. The standard requires that the highest level of valuation available be used.

A “Level 1” valuation is a quoted market price for a particular or identical asset in a market that is actively trading. A valuation is considered “Level 2” when a quoted market price in an active market is not available, but all necessary inputs into the calculation of fair value represent data observable in an active market. A valuation is considered “Level 3” when any significant component of the fair value calculation is based on data that is not observable in an active market, but rather is based on estimates by management.

The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments:

Cash and cash equivalents – The carrying amounts of cash and cash equivalents approximate their fair value.

Time certificates of deposit – The carrying amounts of time certificates of deposit approximate their fair value.

The carrying amounts in the table are included in the statement of financial position under the indicated captions:

	<u>December 31, 2016</u>	
	<u>Carrying Amount</u>	<u>Fair Value</u>
Financial assets:		
Cash and cash equivalents	\$ 636,074	\$ 636,074
Time certificates of deposit	<u>1,743,511</u>	<u>1,743,511</u>
	<u>\$ 2,379,585</u>	<u>\$ 2,379,585</u>