

**Consolidated Annual Financial  
Report of the Administrative Agent  
of  
the Pakistan One Fund**

**for the period 1 January to 31 December 2013**

**Multi-Partner Trust Fund Office  
Bureau of Management  
United Nations Development Programme  
[GATEWAY: http://mptf.undp.org](http://mptf.undp.org)**

**PARTICIPATING ORGANIZATIONS**



Food and Agriculture  
 Organizat



International Labour  
 Organisat



International Org  
 Migration



Joint United nations  
 Programme



UNDP(MDTF/PUNO only).



United Nations  
 Environment Pro



United Nations  
 Educational, Sc



United Nations  
 Population Fund



UN Centre for Human  
 Settlement



UN High Commissioner  
 for Refug



United Nations Children's  
 Fund

**CONTRIBUTORS**



Australian Agency for Int'l Development



DEPARTMENT FOR INT'L DEVELOPMENT  
 (DFID)



Expanded DaO Funding Window



NETHERLANDS, Government of



NORWAY, Government of



SPAIN, Government of



SWISS AGY FOR DEVELOPMENT &  
 COOPERATION



UN Industrial  
Development Orga



UN Office for Drug and  
Crime



UNWOMEN



World Food Programme



World Health  
Organization

## DEFINITIONS

### **Allocation**

Amount approved by the Steering Committee for a project/programme.

### **Approved Project/Programme**

A project/programme including budget, etc., that is approved by the Steering Committee for fund allocation purposes.

### **Contributor Commitment**

Amount(s) committed by a donor to a Fund in a signed Standard Administrative Arrangement with the UNDP Multi-Partner Trust Fund Office (MPTF Office), in its capacity as the Administrative Agent. A commitment may be paid or pending payment.

### **Contributor Deposit**

Cash deposit received by the MPTF Office for the Fund from a contributor in accordance with a signed Standard Administrative Arrangement.

### **Delivery Rate**

The percentage of funds that have been utilized, calculated by comparing expenditures reported by a Participating Organization against the 'net funded amount'.

### **Indirect Support Costs**

A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. UNDG policy establishes a fixed indirect cost rate of 7% of programmable costs.

### **Net Funded Amount**

Amount transferred to a Participating Organization less any refunds transferred back to the MPTF Office by a Participating Organization.

### **Participating Organization**

A UN Organization or other inter-governmental Organization that is an implementing partner in a Fund, as represented by signing a Memorandum of Understanding (MOU) with the MPTF Office for a particular Fund.

### **Project Expenditure**

The sum of expenses and/or expenditure reported by all Participating Organizations for a Fund irrespective of which basis of accounting each Participating Organization follows for donor reporting.

### **Project Financial Closure**

A project or programme is considered financially closed when all financial obligations of an operationally completed project or programme have been settled, and no further financial charges may be incurred.

### **Project Operational Closure**

A project or programme is considered operationally closed when all programmatic activities for which Participating Organization(s) received funding have been completed.

### **Project Start Date**

Date of transfer of first instalment from the MPTF Office to the Participating Organization.

### **Total Approved Budget**

This represents the cumulative amount of allocations approved by the Steering Committee.

## 2013 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the Pakistan One Fund using the pass-through funding modality as of 31 December 2013. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address: <http://mptf.undp.org/factsheet/fund/PK100>.

### 1. SOURCES AND USES OF FUNDS

As of 31 December 2013, seven contributors have deposited US\$ 81,314,224 in contributions and US\$ 552,836 has been earned in interest,

bringing the cumulative source of funds to US\$ 81,867,061.

Of this amount, US\$ 80,826,183 has been transferred to 16 Participating Organizations, of which US\$ 74,066,018 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 813,142. Table 1 provides an overview of the overall sources, uses, and balance of the Pakistan One Fund as of 31 December 2013.

**Table 1. Financial Overview, as of 31 December 2013 (in US Dollars)\***

	Annual 2012	Annual 2013	Cumulative
<b>Sources of Funds</b>			
Gross Contributions	4,830,000	3,330,281	81,314,224
Fund Earned Interest and Investment Income	20,104	1,756	319,126
Interest Income received from Participating Organizations	74,293	8,365	233,710
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
<b>Total: Sources of Funds</b>	<b>4,924,397</b>	<b>3,340,401</b>	<b>81,867,061</b>
<b>Use of Funds</b>			
Transfers to Participating Organizations	12,149,117	5,059,978	80,826,183
Refunds received from Participating Organizations	(2,277)	(1,579,456)	(1,581,733)
<b>Net Funded Amount to Participating Organizations</b>	<b>12,146,841</b>	<b>3,480,522</b>	<b>79,244,450</b>
Administrative Agent Fees	48,300	33,303	813,142
Direct Costs: (Steering Committee, Secretariat...etc.)	-	-	-
Bank Charges	23	82	920
Other Expenditures	-	-	-
<b>Total: Uses of Funds</b>	<b>12,195,164</b>	<b>3,513,907</b>	<b>80,058,512</b>
<b>Change in Fund cash balance with Administrative Agent</b>	<b>(7,270,767)</b>	<b>(173,505)</b>	<b>1,808,549</b>
Opening Fund balance (1 January)	9,252,821	1,982,054	-
<b>Closing Fund balance (31 December)</b>	<b>1,982,054</b>	<b>1,808,549</b>	<b>1,808,549</b>
Net Funded Amount to Participating Organizations	12,146,841	3,480,522	79,244,450
Participating Organizations' Expenditure	17,501,309	15,532,692	74,066,018
<b>Balance of Funds with Participating Organizations</b>			<b>5,178,432</b>

\* Due to rounding of numbers, totals may not add up. This applies to all numbers in this report.

## 2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this Fund as of 31 December 2013.

**Table 2. Contributors' Deposits, as of 31 December 2013 (in US Dollars)\***

Contributors	Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Total
Australian Agency for Int'l Development	12,376,080	-	12,376,080
DEPARTMENT FOR INT'L DEVELOPMENT (DFID)	3,238,118	-	3,238,118
Expanded DaO Funding Window	23,981,000	-	23,981,000
NETHERLANDS, Government of	7,811,680	-	7,811,680
NORWAY, Government of	17,617,066	3,330,281	20,947,346
SPAIN, Government of	12,000,000	-	12,000,000
SWISS AGY FOR DEVELOPMENT & COOPERATION	960,000	-	960,000
<b>Grand Total</b>	<b>77,983,944</b>	<b>3,330,281</b>	<b>81,314,224</b>

### 3. INTEREST EARNED

Interest income is earned in two ways: 1) on the balance of funds held by the Administrative Agent ('Fund earned interest'), and 2) on the balance of funds held by the Participating Organizations ('Agency earned interest') where their Financial Regulations and Rules allow return of interest

to the AA. As of 31 December 2013, Fund earned interest amounts to US\$ 319,126 and interest received from Participating Organizations amounts to US\$ 233,710, bringing the cumulative interest received to US\$ 552,836. Details are provided in the table below.

**Table 3. Sources of Interest and Investment Income, as of 31 December 2013 (in US Dollars)\***

Interest Earned	Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Total
<b>Administrative Agent</b>			
Fund Earned Interest and Investment Income	317,370	1,756	319,126
<b>Total: Fund Earned Interest</b>	<b>317,370</b>	<b>1,756</b>	<b>319,126</b>
<b>Participating Organization</b>			
FAO	1,071		1,071
UNDP	171,437		171,437
UNESCO	17,742	3,998	21,740
UNFPA	11,627		11,627
UNIDO	19,986	4,367	24,353
UNWOMEN	3,481		3,481
<b>Total: Agency earned interest</b>	<b>225,345</b>	<b>8,365</b>	<b>233,710</b>
<b>Grand Total</b>	<b>542,716</b>	<b>10,121</b>	<b>552,836</b>

#### 4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2013, the AA has transferred US\$ **80,826,183** to 16 Participating Organizations (see list below).

Table 4 provides additional information on the refunds received by the MPTF Office, and the net funded amount for each of the Participating Organizations.

**Table 4. Transfer, Refund, and Net Funded Amount by Participating Organization, as of 31 December 2013 (in US Dollars)\***

Participating Organization	Prior Years as of 31-Dec-2012			Current Year Jan-Dec-2013			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
FAO	2,434,750	(2,277)	2,432,474	52,621		52,621	2,487,371	(2,277)	2,485,095
ILO	2,382,805		2,382,805	280,967		280,967	2,663,772		2,663,772
IOM	619,800		619,800				619,800		619,800
UNAIDS	427,816		427,816				427,816		427,816
UNDP	12,737,326		12,737,326	(20,000)	(1,278,490)	(1,298,490)	12,717,326	(1,278,490)	11,438,836
UNEP	160,000		160,000				160,000		160,000
UNESCO	5,580,795		5,580,795	286,405	(15,101)	271,304	5,867,200	(15,101)	5,852,099
UNFPA	9,343,844		9,343,844	977,224		977,224	10,321,068		10,321,068
UNHABITAT	3,204,590		3,204,590	420,000		420,000	3,624,590		3,624,590
UNHCR	880,784		880,784				880,784		880,784
UNICEF	18,679,484		18,679,484	2,669,558	(8,951)	2,660,607	21,349,042	(8,951)	21,340,091
UNIDO	3,241,165		3,241,165	250,000		250,000	3,491,165		3,491,165
UNODC	252,133		252,133				252,133		252,133
UNWOMEN	1,780,203		1,780,203	93,203	(276,915)	(183,712)	1,873,406	(276,915)	1,596,491
WFP	1,219,471		1,219,471				1,219,471		1,219,471
WHO	12,821,238		12,821,238	50,000		50,000	12,871,238		12,871,238
<b>Grand Total</b>	<b>75,766,205</b>	<b>(2,277)</b>	<b>75,763,928</b>	<b>5,059,978</b>	<b>(1,579,456)</b>	<b>3,480,522</b>	<b>80,826,183</b>	<b>(1,581,733)</b>	<b>79,244,450</b>



## 5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported for the year 2013 were submitted by the Headquarters of the Participating Organizations. These were consolidated by the MPTF Office.

## 5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

As shown in table below, the cumulative net funded amount is US\$ **79,244,450** and cumulative expenditures reported by the Participating Organizations amount to US\$ **74,066,018**. This equates to an overall Fund expenditure delivery rate of **93** percent.

**Table 5: Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2013 (in US Dollars)\***

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Cumulative	
FAO	2,487,374	2,485,095	2,092,881	386,159	2,479,040	99.76
ILO	2,663,772	2,663,772	1,821,542	794,001	2,615,543	98.19
IOM	619,800	619,800	518,799	101,001	619,800	100.00
UNAIDS	427,816	427,816	361,150	66,568	427,718	99.98
UNDP	12,769,161	11,438,836	9,877,006	1,515,130	11,392,136	99.59
UNEP	160,000	160,000	158,454		158,454	99.03
UNESCO	5,867,200	5,852,099	4,569,126	1,141,205	5,710,332	97.58
UNFPA	10,321,082	10,321,068	7,442,594	2,055,304	9,497,898	92.02
UNHABITAT	3,624,590	3,624,590	2,275,246	1,340,439	3,615,685	99.75
UNHCR	880,784	880,784	880,784		880,784	100.00
UNICEF	21,349,067	21,340,091	17,391,019	3,143,000	20,534,019	96.22
UNIDO	3,491,165	3,491,165	2,512,758	794,748	3,307,506	94.74
UNODC	252,133	252,133	135,609	116,524	252,133	100.00
UNWOMEN	1,873,406	1,596,491	1,325,926	221,405	1,547,331	96.92
WFP	1,219,472	1,219,471	863,091	181,045	1,044,136	85.62
WHO	12,871,252	12,871,238	6,307,339	3,676,163	9,983,503	77.56
<b>Grand Total</b>	<b>80,878,074</b>	<b>79,244,450</b>	<b>58,533,325</b>	<b>15,532,692</b>	<b>74,066,018</b>	<b>93.47</b>

## 5.2 EXPENDITURE BY [UNDAF OUTCOME OR THEMATIC AREA]

Table 5 displays the net funded amounts, expenditures incurred and the financial delivery rates by [UNDAF Outcome or Thematic Area].

**Table 5. Expenditure by UNDAF Outcome, as of 31 December 2013 (in US Dollars)\***

Country/Sector	Prior Years as of 31-Dec-2012		Current Year Jan-Dec-2013		Total		Delivery Rate %
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
<b>Pakistan</b>							
Access to Safe W&S	837,750	832,185	280,000	271,736	1,117,750	1,103,920	98.76
Adult Literacy	3,960,293	3,372,839	100,000	530,301	4,060,293	3,903,140	96.13
Agriculture & Rural Dev.	2,034,386	1,655,244	32,621	373,728	2,067,007	2,028,972	98.16
Comm. Disease Contr	800,000	181,129		249,726	800,000	430,855	53.86
Decent Employ. & Poverty	1,401,000	1,098,591	447,372	694,251	1,848,372	1,792,842	97.00
Education Strengthening	894,497	675,130	100,000	298,829	994,497	973,959	97.93
Environmental Management	1,540,000	1,044,433		452,876	1,540,000	1,497,308	97.23
Gender Equality	11,880,000	11,394,699	(20,549)	309,704	11,859,451	11,704,403	98.69
Green Ind Waste Mng	797,630	755,966	70,000	92,547	867,630	848,513	97.80
Health Systems Dev.	489,999	150,287		303,312	489,999	453,599	92.57
HIV & AIDS	615,999	432,809		183,092	615,999	615,901	99.98
JP Disaster Risk Mangt	3,821,521	2,855,378	300,000	1,168,551	4,121,521	4,023,929	97.63
MDG Pro Poor Policy	1,220,000	1,009,213	(866)	206,496	1,219,134	1,215,709	99.72
MNCH & FP/ RH	2,950,000	3,228,913		(309,042)	2,950,000	2,919,871	98.98
Mob & Prot Poor & Vulnerable	1,851,741	1,247,950	233,007	761,484	2,084,748	2,009,434	96.39
Natural Res. Mangt	3,888,489	2,703,457		1,139,190	3,888,489	3,842,647	98.82
Norway PAK Part Initiative	17,440,834	11,905,341	3,296,978	5,150,306	20,737,812	17,055,647	82.24
Nutrition Health Pr	11,638,106	9,562,849	(8,951)	1,851,534	11,629,155	11,414,383	98.15
Population Census	3,816,384	1,644,799	(1,489,933)	681,317	2,326,451	2,326,115	99.99
Prel & Elem Educatn	839,748	723,724	200,000	304,995	1,039,748	1,028,719	98.94
Sec Edu with TVE&LS	2,096,423	1,383,045	(58,293)	563,177	2,038,130	1,946,222	95.49
Sustainable Urbaniz	949,129	675,344	(865)	254,585	948,264	929,929	98.07
<b>Pakistan Total:</b>	<b>75,763,928</b>	<b>58,533,325</b>	<b>3,480,522</b>	<b>15,532,692</b>	<b>79,244,450</b>	<b>74,066,018</b>	<b>93.47</b>
<b>Grand Total:</b>	<b>75,763,928</b>	<b>58,533,325</b>	<b>3,480,522</b>	<b>15,532,692</b>	<b>79,244,450</b>	<b>74,066,018</b>	<b>93.47</b>

## 5.4 EXPENDITURE REPORTED BY CATEGORY

Project expenditures are incurred and monitored by each Participating Organization and are reported as per the agreed categories for inter-agency harmonized reporting. In 2006 the UN Development Group (UNDG) established six categories against which UN entities must report inter-agency project expenditures. Effective 1 January 2012, the UN Chief Executive Board (CEB) modified these categories as a result of IPSAS adoption to comprise eight categories. All expenditure incurred prior to 1 January 2012 have been reported in the old categories; post 1 January 2012 all expenditure are reported in the new eight categories. The old and new categories are noted to the right.

Table 6 reflects expenditure reported in the UNDG expense categories. Where the Fund has been operational pre and post 1 January 2012, the expenditures are reported using both categories. Where a Fund became operational post 1 January 2012, only the new categories are used.

2012 CEB Expense Categories	2006 UNDG Expense Categories
1. Staff and personnel costs	1. Supplies, commodities, equipment & transport
2. Supplies, commodities and materials	2. Personnel
3. Equipment, vehicles, furniture and depreciation	3. Training counterparts
4. Contractual services	4. Contracts
5. Travel	5. Other direct costs
6. Transfers and grants	6. Indirect costs
7. General operating expenses	
8. Indirect costs	

**Table 6. Expenditure by UNDG Budget Category, as of 31 December 2013 (in US Dollars)\***

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Total	
Supplies, Commodities, Equipment and Transport (Old)	11,526,836	-	11,526,836	16.51
Personnel (Old)	9,569,318	-	9,569,318	13.70
Training of Counterparts (Old)	1,433,620	-	1,433,620	2.05
Contracts (Old)	14,624,569	-	14,624,569	20.94
Other direct costs (Old)	1,655,289	-	1,655,289	2.37
Staff & Personnel Cost (New)	1,789,460	97,110	1,886,571	2.70
Suppl, Comm, Materials (New)	5,133,083	(1,862,992)	3,270,091	4.68
Equip, Veh, Furn, Depn (New)	428,459	1,769,754	2,198,213	3.15
Contractual Services (New)	5,367,987	10,995,639	16,363,626	23.44
Travel (New)	490,104	379,047	869,151	1.24
Transfers and Grants (New)	2,190,797	1,587,975	3,778,771	5.41
General Operating (New)	968,244	1,679,680	2,647,924	3.79
<b>Programme Costs Total</b>	<b>55,177,767</b>	<b>14,646,212</b>	<b>69,823,980</b>	<b>100.00</b>
Indirect Support Costs Total	3,355,558	886,480	4,242,038	6.08
<b>Total</b>	<b>58,533,325</b>	<b>15,532,692</b>	<b>74,066,018</b>	

**Indirect Support Costs:** The timing of when Indirect Support Costs are charged to a project depends on each Participating Organization's financial regulations, rules or policies. These Support Costs can be deducted upfront on receipt of a transfer based on the approved programmatic amount, or a later stage during implementation.

Therefore, the Indirect Support Costs percentage may appear to exceed the agreed upon rate of 7% for on-going projects, whereas when all projects are financially closed, this number is not to exceed 7%.

## 6. COST RECOVERY

Cost recovery policies for the Fund are guided by the applicable provisions of the Terms of Reference, the MOU concluded between the Administrative Agent and Participating Organizations, and the SAAs concluded between the Administrative Agent and Contributors, based on rates approved by UNDG.

The policies in place, as of 31 December 2013, were as follows:

- **The Administrative Agent (AA) fee:** 1% is charged at the time of contributor deposit and covers services provided on that contribution for the entire duration of the Fund. In the reporting period US\$ 33,303 was deducted in AA-fees. Cumulatively, as of 31 December 2013, US\$ 813,142 has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ 886,480 was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ 4,242,038 as of 31 December 2013.
- **Direct Costs:** The Fund governance mechanism may approve an allocation to a Participating Organization to cover costs associated with Secretariat services and overall coordination, as well as Fund level reviews and evaluations. These allocations are referred to as 'direct costs'. In 2013, direct costs amounting to US\$0.

## 7. ACCOUNTABILITY AND TRANSPARENCY

In order to effectively provide fund administration services and facilitate monitoring and reporting to the UN system and its partners, the MPTF Office has developed a public website, the MPTF Office Gateway (<http://mptf.undp.org>). Refreshed in real time every two hours from an internal enterprise resource planning system, the MPTF Office Gateway has become a standard setter for providing transparent and accountable trust fund administration services.

The Gateway provides financial information including: contributor commitments and deposits, approved programme budgets, transfers to and expenditures reported by Participating Organizations, interest income and other expenses. In addition, the Gateway provides an overview of the MPTF Office portfolio and extensive information on individual Funds, including their purpose, governance structure and key documents. By providing easy access to the growing number of narrative and financial reports, as well as related project documents, the Gateway collects and preserves important institutional knowledge and facilitates knowledge sharing and management among UN Organizations and their development partners, thereby contributing to UN coherence and development effectiveness.