

**Consolidated Annual Financial
Report of the Administrative Agent
of
the Rwanda One UN 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



Economic Commission for Africa



Food and Agriculture Organization



International Labour Organisation



International Trade Centre



Joint United Nations Programme for HIV/AIDS



United Nations Capital Development Fund



UN Conference on Trade and Development



United Nations Development Programme



United Nations Volunteers Programme



United Nations Environment Programme



United Nations Educational, Science and Cultural Organization

CONTRIBUTORS



DEPARTMENT FOR INT'L DEVELOPMENT (DFID)



Expanded DaO Funding Window



NETHERLANDS



NORWAY



SPAIN



SWEDEN



Swedish International Development Cooperation



United Nations
Population Fund



UN Centre for Human
Settlement



UN High Commissioner
for Refugees



United Nations Children's
Fund



UN Industrial
Development
Organization



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 Rwanda One UN 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/RW100>.

1. SOURCES AND USES OF FUNDS

As of 31 December 2013, seven contributors have deposited US\$ 82,865,009 in contributions and US\$ 1,030,341 has been earned in interest,

bringing the cumulative source of funds to US\$ 83,895,350 (see respectively, Tables 2 and 3).

Of this amount, US\$ 65,798,577 has been transferred to 19 Participating Organizations, of which US\$ 60,623,417 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 828,650. Table 1 provides an overview of the overall sources, uses, and balance of the Rwanda One UN Fund as of 31 December 2013.

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

	Annual 2012	Annual 2013	Cumulative
Sources of Funds			
Gross Contributions	5,771,000	11,290,247	82,865,009
Fund Earned Interest and Investment Income	80,469	15,343	909,849
Interest Income received from Participating Organizations	21,122	3,508	120,492
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
Total: Sources of Funds	5,872,591	11,309,098	83,895,350
Use of Funds			
Transfers to Participating Organizations	12,050,808	6,834,607	65,798,577
Refunds received from Participating Organizations	-	(103,044)	(455,544)
Net Funded Amount to Participating Organizations	12,050,808	6,731,563	65,343,033
Administrative Agent Fees	57,710	112,902	828,650
Direct Costs: (Steering Committee, Secretariat...etc.)	5,932,476	4,977,083	12,123,515
Bank Charges	678	388	1,895
Other Expenditures	-	-	-
Total: Uses of Funds	18,041,672	11,821,936	78,297,094
Change in Fund cash balance with Administrative Agent	(12,169,081)	(512,838)	5,598,256
Opening Fund balance (1 January)	18,280,176	6,111,095	-
Closing Fund balance (31 December)	6,111,095	5,598,256	5,598,256
Net Funded Amount to Participating Organizations	12,050,808	6,731,563	65,343,033
Participating Organizations' Expenditure	9,129,316	10,376,008	60,623,417
Balance of Funds with Participating Organizations			4,719,616

* 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. The Netherlands has made a multi-year contribution until 2015 totalling US\$ 3,419,392.

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
Department For International Development (DFID)	10,499,650	-	10,499,650
Expanded DaO Funding Window	41,075,000	-	41,075,000
NETHERLANDS	6,149,550	725,447	6,874,997
NORWAY	3,661,542	-	3,661,542
SPAIN	6,000,000	-	6,000,000
SWEDEN	-	10,564,800	10,564,800
Swedish International Development Cooperation	4,189,020	-	4,189,020
Grand Total	71,574,762	11,290,247	82,865,009

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\$ 909,849 and interest received from Participating Organizations amounts to US\$ 120,492, bringing the cumulative interest received to US\$ 1,030,341. 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
Administrative Agent			
Fund Earned Interest and Investment Income	894,506	15,343	909,849
Total: Fund Earned Interest	894,506	15,343	909,849
Participating Organization			
UNDP	45,275		45,275
UNIDO	29,395	2,346	31,741
UNFPA	19,899		19,899
UNWOMEN	11,100		11,100
UNCTAD	4,040		4,040
UNESCO	7,274	1,162	8,436
Total: Agency earned interest	116,984	3,508	120,492
Grand Total	1,011,490	18,851	1,030,341

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\$ 65,798,577 to 19 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
ECA	1,646,210		1,646,210	195,934		195,934	1,842,144		1,842,144
FAO	3,305,956		3,305,956	107,270		107,270	3,413,226		3,413,226
ILO	1,293,801		1,293,801	121,199		121,199	1,415,000		1,415,000
UNAIDS	709,217		709,217	118,899		118,899	828,116		828,116
UNCDF	190,388		190,388				190,388		190,388
UNCTAD	620,388		620,388	35,305		35,305	655,693		655,693
UNDP	9,410,077	(352,500)	9,057,577	3,140,563	(100,000)	3,040,563	12,550,640	(452,500)	12,098,140
UNDP(UNV)	152,759		152,759	15,920		15,920	168,678		168,678
UNEP	285,636		285,636	32,646		32,646	318,282		318,282
UNESCO	1,819,545		1,819,545	118,437	(3,044)	115,394	1,937,982	(3,044)	1,934,938
UNFPA	9,447,560		9,447,560	853,461		853,461	10,301,021		10,301,021
UNHABITAT	1,840,352		1,840,352	176,972		176,972	2,017,323		2,017,323
UNHCR	3,033,489		3,033,489	297,166		297,166	3,330,656		3,330,656
UNICEF	10,664,541		10,664,541	587,272		587,272	11,251,814		11,251,814
UNIDO	3,094,589		3,094,589	215,286		215,286	3,309,875		3,309,875
UNWOMEN	3,287,047		3,287,047	329,853		329,853	3,616,900		3,616,900
WFP	4,288,572		4,288,572	206,734		206,734	4,495,306		4,495,306
WHO	3,873,845		3,873,845	281,690		281,690	4,155,535		4,155,535
Grand Total	58,963,970	(352,500)	58,611,470	6,834,607	(103,044)	6,731,563	65,798,577	(455,544)	65,343,033

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 5 below, the cumulative net funded amount is US\$ 65,343,033 and cumulative expenditures reported by the Participating Organizations amount to US\$ 60,623,417. This equates to an overall Fund expenditure delivery rate of 93 percent. The agencies with the highest delivery rates are: UNHCR and UNCDF with 100 percent, FAO, UNICEF and WHO with 99 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	
ECA	2,125,579	1,842,144	773,836	959,182	1,733,018	94.08
FAO	4,562,483	3,413,226	3,194,618	187,511	3,382,129	99.09
ILO	1,948,622	1,415,000	959,095	411,523	1,370,618	96.86
ITC	110,000					0
UNAIDS	1,581,059	828,116	358,205	371,416	729,621	88.11
UNCDF	248,799	190,388	136,024	54,167	190,191	99.90
UNCTAD	870,998	655,693	549,493	47,726	597,219	91.08
UNDP	14,362,990	12,098,140	6,981,027	2,446,241	9,427,268	77.92
UNDP(UNV)	302,598	168,678	9,261	38,350	47,611	28.23
UNEP	378,677	318,282	113,774	98,581	212,355	66.72
UNESCO	2,506,453	1,934,938	1,403,647	329,001	1,732,648	89.55
UNFPA	11,947,570	10,301,021	8,911,219	1,216,110	10,127,329	98.31
UNHABITAT	2,895,809	2,017,323	1,424,967	332,253	1,757,220	87.11
UNHCR	4,222,782	3,330,656	2,995,989	334,666	3,330,656	100.00
UNICEF	12,573,879	11,251,814	9,762,743	1,411,432	11,174,175	99.31
UNIDO	4,401,441	3,309,875	2,509,588	511,010	3,020,598	91.26
UNWOMEN	4,074,569	3,616,900	2,722,008	678,947	3,400,954	94.03
WFP	5,500,477	4,495,306	3,755,755	499,772	4,255,527	94.67
WHO	5,735,202	4,155,535	3,686,159	448,121	4,134,279	99.49
Grand Total	80,349,986	65,343,033	50,247,409	10,376,008	60,623,417	92.78

5.2 EXPENDITURE BY UNDAF OUTCOME

Table 5 displays the net funded amounts, expenditures incurred and the financial delivery rates by UNDAF Outcome.

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	
Rwanda							
Education and Skills	10,872,289	10,188,409	718,697	1,359,963	11,590,986	11,548,371	99.63
Environment & Natural Res	4,865,040	3,758,112	333,925	1,266,465	5,198,965	5,024,578	96.65
Governance	17,942,076	15,375,941	3,410,059	2,632,890	21,352,135	18,008,832	84.34
Growth & Soc Protection	12,990,433	10,192,548	1,324,559	3,261,938	14,314,993	13,454,486	93.99
Health, Population	6,787,464	6,426,728	409,966	645,808	7,197,430	7,072,536	98.26
National HIV & AIDS	5,154,169	4,305,670	534,356	1,208,944	5,688,525	5,514,614	96.94
Rwanda Total:	58,611,470	50,247,409	6,731,563	10,376,008	65,343,033	60,623,417	92.78
Grand Total:	58,611,470	50,247,409	6,731,563	10,376,008	65,343,033	60,623,417	92.78

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.

As of 2013, the highest percentage of expenditure was on Contracts with 27 percent. The second highest expenditure was on Personnel with 18 percent, and the third highest expenditure was on Supplies, Commodities, Equipment and Transport with 14 percent.

2012 CEB Expense Categories

1. Staff and personnel costs
2. Supplies, commodities and materials
3. Equipment, vehicles, furniture and depreciation
4. Contractual services
5. Travel
6. Transfers and grants
7. General operating expenses
8. Indirect costs

2006 UNDG Expense Categories

1. Supplies, commodities, equipment & transport
2. Personnel
3. Training counterparts
4. Contracts
5. Other direct costs
6. 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)	8,169,392	-	8,169,392	14.45
Personnel (Old)	10,074,933	-	10,074,933	17.82
Training of Counterparts (Old)	1,535,280	-	1,535,280	2.72
Contracts (Old)	15,349,873	-	15,349,873	27.15
Other direct costs (Old)	3,305,053	-	3,305,053	5.85
Staff & Personnel Cost (New)	1,404,701	1,947,748	3,352,450	5.93
Suppl, Comm, Materials (New)	1,818,349	(256,108)	1,562,242	2.76
Equip, Veh, Furn, Depn (New)	633,375	45,371	678,746	1.20
Contractual Services (New)	1,976,850	3,741,605	5,718,454	10.12
Travel (New)	(3,247)	758,213	754,965	1.34
Transfers and Grants (New)	1,456,574	2,170,503	3,627,078	6.42
General Operating (New)	1,013,037	1,388,759	2,401,796	4.25
Programme Costs Total	46,734,169	9,796,092	56,530,262	100.00
Indirect Support Costs Total	3,513,240	579,916	4,093,155	7.24
Total	50,247,409	10,376,008	60,623,417	

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\$ 112,902 was deducted in AA-fees. Cumulatively, as of 31 December 2013, US\$ 828,650 has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ 579,916 was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ 4,093,155 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\$ 4,977,083. For the Rwanda One Fund, some projects corresponding to humanitarian activities were mapped as direct costs, but there was no cost incurred for Secretariat or other Fund-level related expenditures.

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.