

**Consolidated Annual Financial
Report of the Administrative Agent
of the “Support for AIDS”
Joint Programme in Uganda**

for the period 1 January to 31 December 2014

Multi-Partner Trust Fund Office
Bureau of Management
United Nations Development Programme
GATEWAY: <http://mptf.undp.org>

PARTICIPATING ORGANIZATIONS



Food and Agriculture Organization



International Labour Organization



International Organization for Migration



Office of the UN High Commissioner for Human Rights



Joint United Nations Programme for Aids



United Nations Development Programme



United Nations Educational, Science and Cultural Organization



United Nations Population Fund



UN High Commissioner for Refugees



United Nations Children's Fund



UN Office for Drugs and Crime



UNWOMEN

CONTRIBUTORS



Department for International Development (DFID), UK



Irish Aid



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.

US Dollar Amount

The financial data in the report is recorded in US Dollars and due to rounding off of numbers, the totals may not add up.

2014 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the “Support for AIDS” Joint Programme in Uganda using the pass-through funding modality as of 31 December 2014. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address: <http://mptf.undp.org/factsheet/fund/JUG00>.

1. SOURCES AND USES OF FUNDS

As of 31 December 2014, 2 contributors have deposited US\$ 14,197,147 in contributions and US\$ 18,261 has been earned in interest,

bringing the cumulative source of funds to US\$ 14,215,408 (see respectively, Tables 2 and 3).

Of this amount, US\$ 14,142,673 has been transferred to 14 Participating Organizations, of which US\$ 13,335,327 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 141,971. Table 1 provides an overview of the overall sources, uses, and balance of the Joint Programme as of 31 December 2014.

Table 1. Financial Overview, as of 31 December 2014 (in US Dollars)

	Annual 2013	Annual 2014	Cumulative
Sources of Funds			
Gross Contributions	1,543,200	1,622,160	14,197,147
Fund Earned Interest and Investment Income	491	445	9,822
Interest Income received from Participating Organizations	489	356	8,439
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
Total: Sources of Funds	1,544,180	1,622,961	14,215,408
Use of Funds			
Transfers to Participating Organizations	1,527,738	1,605,908	14,142,673
Refunds received from Participating Organizations	-	-	(72,926)
Net Funded Amount to Participating Organizations	1,527,738	1,605,908	14,069,747
Administrative Agent Fees	15,432	16,222	141,971
Direct Costs: (Secretariat...etc.)	-	-	-
Bank Charges	51	55	131
Other Expenditures	-	-	-
Total: Uses of Funds	1,543,221	1,622,184	14,211,850
Change in Fund cash balance with Administrative Agent	959	777	3,558
Opening Fund balance (1 January)	1,822	2,781	-
Closing Fund balance (31 December)	2,781	3,558	3,558
Net Funded Amount to Participating Organizations	1,527,738	1,605,908	14,069,747
Participating Organizations' Expenditure	2,167,385	2,141,567	13,335,327
Balance of Funds with Participating Organizations			734,420

2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this Fund as of 31 December 2014.

Table 2. Contributors' Deposits, as of 31 December 2014 (in US Dollars)

Contributors	Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Total
Department for International Development (DFID), UK	1,597,400	-	1,597,400
Irish Aid	10,977,587	1,622,160	12,599,747
Grand Total	12,574,987	1,622,160	14,197,147

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 2014, Fund earned interest amounts to US\$ 9,822 and interest received from Participating Organizations amounts to US\$ 8,439, bringing the cumulative interest received to US\$ 18,261. Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2014 (in US Dollars)

Interest Earned	Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Total
Administrative Agent			
Fund Earned Interest and Investment Income	9,377	445	9,822
Total: Fund Earned Interest	9,377	445	9,822
Participating Organization			
UNDP	3,392		3,392
UNFPA	3,941		3,941
UNWOMEN	260		260
UNESCO	489	356	845
Total: Agency earned interest	8,083	356	8,439
Grand Total	17,460	801	18,261

4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2014, the AA has transferred US\$ 14,142,673 to 14 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 2014 (in US Dollars)

Participating Organization	Prior Years as of 31-Dec-2013			Current Year Jan-Dec-2014			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
FAO	455,201		455,201	79,608		79,608	534,809		534,809
ILO	506,355		506,355	109,461		109,461	615,816		615,816
IOM	899,208		899,208	211,956		211,956	1,111,164		1,111,164
OHCHR	172,912	(70,940)	101,972				172,912	(70,940)	101,972
UNAIDS	1,725,334		1,725,334	235,839		235,839	1,961,173		1,961,173
UNDP	1,280,515		1,280,515	151,512		151,512	1,432,027		1,432,027
UNESCO	414,350	(1,986)	412,364	99,510		99,510	513,860	(1,986)	511,874
UNFPA	1,475,319		1,475,319	172,199		172,199	1,647,518		1,647,518
UNHCR	367,511		367,511	56,422		56,422	423,933		423,933
UNICEF	1,952,305		1,952,305	228,873		228,873	2,181,178		2,181,178
UNODC	85,600		85,600	21,594		21,594	107,194		107,194
UNWOMEN	42,800		42,800				42,800		42,800
WFP	160,500		160,500				160,500		160,500
WHO	2,998,855		2,998,855	238,934		238,934	3,237,789		3,237,789
Grand Total	12,536,765	(72,926)	12,463,839	1,605,908		1,605,908	14,142,673	(72,926)	14,069,747

5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported for the year 2014 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\$ 14,069,747 and cumulative expenditures reported by the Participating Organizations amount to US\$ 13,335,327. This equates to an overall Fund expenditure delivery rate of 95 percent.

Table 5. Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2014 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Cumulative	
FAO	534,809	534,809	382,901	109,187	492,088	92.01
ILO	615,816	615,816	447,616	77,803	525,419	85.32
IOM	1,111,164	1,111,164	752,073	256,864	1,008,937	90.80
OHCHR	172,912	101,972	52,965		52,965	51.94
UNAIDS	1,961,173	1,961,173	1,515,047	322,110	1,837,157	93.68
UNDP	1,432,027	1,432,027	1,288,093	170,315	1,458,407	101.84
UNESCO	513,860	511,874	316,508	172,179	488,687	95.47
UNFPA	1,647,518	1,647,518	1,471,533	160,588	1,632,122	99.07
UNHCR	423,933	423,933	367,511	56,422	423,933	100.00
UNICEF	2,181,178	2,181,178	1,908,903	265,376	2,174,279	99.68
UNODC	107,194	107,194	85,600		85,600	79.86
UNWOMEN	42,800	42,800	15,406	4,671	20,077	46.91
WFP	160,500	160,500	139,100		139,100	86.67
WHO	3,237,789	3,237,789	2,450,504	546,051	2,996,555	92.55
Grand Total	14,142,673	14,069,747	11,193,760	2,141,567	13,335,327	94.78

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.

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 2014 (in US Dollars)

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Total	
Supplies, Commodities, Equipment and Transport (Old)	513,271	-	513,271	4.07
Personnel (Old)	1,162,577	-	1,162,577	9.21
Training of Counterparts (Old)	419,910	-	419,910	3.33
Contracts (Old)	2,642,138	-	2,642,138	20.94
Other direct costs (Old)	751,131	-	751,131	5.95
Staff & Personnel Cost (New)	378,817	377,584	756,401	6.00
Suppl, Comm, Materials (New)	66,461	103,629	170,090	1.35
Equip, Veh, Furn, Depn (New)	76,352	15,107	91,459	0.72
Contractual Services (New)	1,476,167	633,774	2,109,941	16.72
Travel (New)	494,169	104,067	598,237	4.74
Transfers and Grants (New)	1,271,930	392,630	1,664,559	13.19
General Operating (New)	1,340,854	396,068	1,736,922	13.77
Programme Costs Total	10,593,776	2,022,859	12,616,636	100.00
¹ Indirect Support Costs Total	599,984	118,707	718,691	5.70
Total	11,193,760	2,141,567	13,335,327	

¹ **Indirect Support Costs** charged by Participating Organization, based on their financial regulations, can be deducted upfront or at a later stage during implementation. The percentage may therefore appear to exceed the 7% agreed-upon for on-going projects. Once 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 2014, 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\$ 16,222 was deducted in AA-fees. Cumulatively, as of 31 December 2014, US\$ 141,971 has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ 118,707 was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ 718,691 as of 31 December 2014.

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.