

**Consolidated Annual Financial
Report of the Administrative Agent of
the South Sudan Recovery Fund (SSRF)**

for the period 1 January to 31 December 2014

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

PARTICIPATING ORGANIZATIONS



United Nations Development Programme (UNDP)



United Nations Office for Project Services (UNOPS)



World Food Programme (WFP)

CONTRIBUTORS



Denmark



UK Department for International Development (DFID)



Netherlands



Norway



Swedish International Development Cooperation (Sida)

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 seven percent 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 South Sudan Recovery Fund (SSRF) 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/SRF00>.

1. SOURCES AND USES OF FUNDS

As of 31 December 2014, 5 contributors have deposited US\$ 141,293,955 in contributions and US\$ 2,234,754 has been earned in interest, bringing

the cumulative source of funds to US\$ 143,528,709 (see respectively, Tables 2 and 3).

Of this amount, US\$ 127,882,362 has been transferred to three Participating Organizations, of which US\$ 112,438,235 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of one percent on deposits and amounts to US\$ 1,412,940. Table 1 provides an overview of the overall sources, uses, and balance of the South Sudan Recovery Fund (SSRF) 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	16,873,117	-	141,293,955
Fund Earned Interest and Investment Income	14,929	28,215	1,505,406
Interest Income received from Participating Organizations	164,990	-	729,348
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
Total: Sources of Funds	17,053,035	28,215	143,528,709
Use of Funds			
Transfers to Participating Organizations	17,207,854	-	127,882,362
Refunds received from Participating Organizations	(171,313)	-	(171,313)
Net Funded Amount to Participating Organizations	17,036,541	-	127,711,049
Administrative Agent Fees	168,731	-	1,412,940
Direct Costs: (Steering Committee, Secretariat...etc.)	1,008,354	-	4,673,287
Bank Charges	321	605	2,716
Other Expenditures	-	-	-
Total: Uses of Funds	18,213,947	605	133,799,992
Change in Fund cash balance with Administrative Agent	(1,160,912)	27,611	9,728,717
Opening Fund balance (1 January)	10,862,018	9,701,107	-
Closing Fund balance (31 December)	9,701,107	9,728,717	9,728,717
Net Funded Amount to Participating Organizations	17,036,541	-	127,711,049
Participating Organizations' Expenditure	26,447,320	10,065,474	112,438,235
Balance of Funds with Participating Organizations			15,272,814

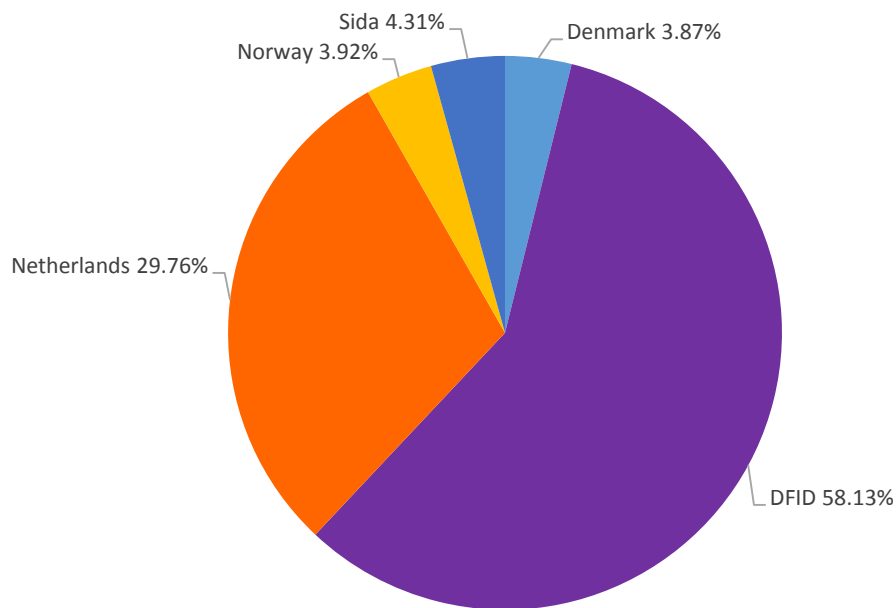
2. PARTNER CONTRIBUTIONS

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
Denmark	5,471,757	-	5,471,757
UK Department for International Development (DFID)	82,138,182	-	82,138,182
Netherlands	42,049,585	-	42,049,585
Norway	5,544,631	-	5,544,631
Swedish International Development Cooperation (Sida)	6,089,800	-	6,089,800
Grand Total	141,293,955	-	141,293,955

Figure 1: Deposits by contributor, cumulative as of 31 December 2014



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\$ 1,505,406 and interest received from Participating Organizations amounts to US\$ 729,348, bringing the cumulative interest received to US\$ 2,234,754. 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	1,477,191	28,215	1,505,406
Total: Fund Earned Interest	1,477,191	28,215	1,505,406
Participating Organization			
NGO/UNDP	168,089		168,089
UNDP	148,590		148,590
UNOPS	412,668		412,668
Total: Agency earned interest	729,348		729,348
Grand Total	2,206,539	28,215	2,234,754

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\$ 127,882,362 to three 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. No transfers to the Participating Organizations were made in 2014.

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
NGO/UNDP	23,512,779	(171,313)	23,341,466				23,512,779	(171,313)	23,341,466
UNDP	22,290,670		22,290,670				22,290,670		22,290,670
UNOPS	59,858,913		59,858,913				59,858,913		59,858,913
WFP	22,220,000		22,220,000				22,220,000		22,220,000
Grand Total	127,882,362	(171,313)	127,711,049				127,882,362	(171,313)	127,711,049

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\$ 127,711,049 and cumulative expenditures reported by the Participating Organizations amount to US\$ 112,438,235. This equates to an overall Fund expenditure delivery rate of 88 percent.

Table 5.1 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	
NGO/UNDP	31,312,395	23,341,466	23,308,766	(212)	23,308,554	99.86
UNDP	22,290,670	22,290,670	14,745,998	3,368,385	18,114,383	81.26
UNOPS	59,858,913	59,858,913	47,368,318	3,458,098	50,826,416	84.91
WFP	22,220,000	22,220,000	16,949,679	3,239,204	20,188,883	90.86
Grand Total	135,681,978	127,711,049	102,372,761	10,065,474	112,438,235	88.04

5.2 EXPENDITURE BY PROJECT

Table 5.2 displays the net funded amounts, expenditures reported and the financial delivery rates by Participating Organization.

Table 5.2 Expenditure by Project, as of 31 December 2014 (in US Dollars)

Project No. and Project Title		Participating Organization	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
South Sudan Recovery Fund - (SSRF)						
00070595	South Sudan Recovery Fd - UN	UNDP	22,290,670	22,290,670	18,114,383	81.26
00070595	South Sudan Recovery Fd - UN	UNOPS	59,858,913	59,858,913	50,826,416	84.91
00070595	South Sudan Recovery Fd - UN	WFP	22,220,000	22,220,000	20,188,883	90.86
00074316	(SSRF) - Managing Agent/NGOs	NGO/UNDP	31,312,395	23,341,466	23,308,554	99.86
South Sudan Recovery Fund - (SSRF): Total			135,681,978	127,711,049	112,438,235	88.04
Grand Total			135,681,978	127,711,049	112,438,235	88.04

5.3 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 5.3 reflects expenditure reported in the UNDG expense categories.

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 5.4 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)	3,021,893	-	3,021,893	2.88
Personnel (Old)	2,044,114	-	2,044,114	1.95
Training of Counterparts (Old)	25,077	-	25,077	0.02
Contracts (Old)	9,429,193	-	9,429,193	8.99
Other direct costs (Old)	22,768,767	-	22,768,767	21.71
Staff & Personnel Cost (New)	3,060,994	1,385,989	4,446,983	4.24
Suppl, Comm, Materials (New)	4,101,014	11,534	4,112,549	3.92
Equip, Veh, Furn, Depn (New)	16,186,828	3,311,416	19,498,245	18.59
Contractual Services (New)	12,932,882	3,788,404	16,721,286	15.94
Travel (New)	1,518,236	118,719	1,636,955	1.56
Transfers and Grants (New)	17,122,948	2,573	17,125,521	16.33
General Operating (New)	3,218,240	848,502	4,066,742	3.88
Programme Costs Total	95,430,187	9,467,137	104,897,324	100.00
¹ Indirect Support Costs Total	6,942,574	598,337	7,540,912	7.19
Total	102,372,761	10,065,474	112,438,235	

¹ Indirect Support Costs charged by Participating Organization, based on their financial regulations, can be deducted upfront or at a later stage during implementation.

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:** one percent is charged at the time of contributor deposit and covers services provided on that contribution for the entire duration of the Fund. Cumulatively, as of 31 December 2014, US\$ 1,412,940 has been charged in AA fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge up to seven percent indirect costs. In the current reporting period US\$ 598,337 was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ 7,540,912 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.

8. 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'. As of 31 December 2014, cumulatively US\$4,673,287 were charged as a direct cost to the Fund.