

**Consolidated Annual Financial
Report of the Administrative Agent
of
the Indonesia Disaster Recovery TF**

for the period 1 January to 31 December 2015

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

PARTICIPATING ORGANIZATIONS



Food and Agriculture Organization



International Labour Organisation



International Organization for Migration



United Nations Development Programme

CONTRIBUTORS



NEW ZEALAND, Government of

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.

2015 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the Indonesia Disaster Recovery TF using the pass-through funding modality as of 31 December 2015. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address:

<http://mptf.undp.org/factsheet/fund/IDR00>.

1. SOURCES AND USES OF FUNDS

As of 31 December 2015, 1 contributors have deposited US\$ 4,987,739 in contributions and US\$ 30,885 has been earned in interest,

bringing the cumulative source of funds to US\$ 5,018,624 (see respectively, Tables 2 and 3).

Of this amount, US\$ 4,951,225 has been transferred to 4 Participating Organizations, of which US\$ 3,877,028 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 49,877. Table 1 provides an overview of the overall sources, uses, and balance of the Indonesia Disaster Recovery TF as of 31 December 2015.

Table 1. Financial Overview, as of 31 December 2015 (in US Dollars)

	Annual 2014	Annual 2015	Cumulative
Sources of Funds			
Gross Contributions	1,751,639	-	4,987,739
Fund Earned Interest and Investment Income	3,438	232	30,885
Interest Income received from Participating Organizations	-	-	-
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
Total: Sources of Funds	1,755,078	232	5,018,624
Use of Funds			
Transfers to Participating Organizations	1,226,225	1,725,000	4,951,225
Refunds received from Participating Organizations	-	-	-
Net Funded Amount to Participating Organizations	1,226,225	1,725,000	4,951,225
Administrative Agent Fees	17,516	-	49,877
Direct Costs: (Steering Committee, Secretariat...etc.)	-	-	-
Bank Charges	59	3	355
Other Expenditures	-	-	-
Total: Uses of Funds	1,243,800	1,725,003	5,001,457
Change in Fund cash balance with Administrative Agent	511,278	(1,724,770)	17,167
Opening Fund balance (1 January)	1,230,660	1,741,938	-
Closing Fund balance (31 December)	1,741,938	17,167	17,167
Net Funded Amount to Participating Organizations	1,226,225	1,725,000	4,951,225
Participating Organizations' Expenditure	1,147,311	735,411	3,877,028
Balance of Funds with Participating Organizations			1,074,197

2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this Fund as of 31 December 2015.

Table 2. Contributors' Deposits, as of 31 December 2015 (in US Dollars)

Contributors	Prior Years as of 31-Dec-2014	Current Year Jan-Dec-2015	Total
NEW ZEALAND, Government of	4,987,739	-	4,987,739
Grand Total	4,987,739	-	4,987,739

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 **2015**, Fund earned interest amounts to US\$ **30,885**. Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2015 (in US Dollars)

Interest Earned	Prior Years as of 31-Dec-2014	Current Year Jan-Dec-2015	Total
Administrative Agent			
Fund Earned Interest and Investment Income	30,653	232	30,885
Total: Fund Earned Interest	30,653	232	30,885
Participating Organization			
Total: Agency earned interest			
Grand Total	30,653	232	30,885

4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2015, the AA has transferred US\$ 4,951,225 to 4 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 2015 (in US Dollars)

Participating Organization	Prior Years as of 31-Dec-2014			Current Year Jan-Dec-2015			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
FAO	1,176,172		1,176,172	650,000		650,000	1,826,172		1,826,172
ILO	569,000		569,000	300,000		300,000	869,000		869,000
IOM	329,662		329,662				329,662		329,662
UNDP	1,151,391		1,151,391	775,000		775,000	1,926,391		1,926,391
Grand Total	3,226,225		3,226,225	1,725,000		1,725,000	4,951,225		4,951,225

5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported for the year **2015** 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\$ **4,951,225** and cumulative expenditures reported by the Participating Organizations amount to US\$ **3,877,028**. This equates to an overall Fund expenditure delivery rate of **78** percent.

Table 5. Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2015 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2014	Current Year Jan-Dec-2015	Cumulative	
FAO	1,826,172	1,826,172	1,124,426	141,621	1,266,047	69.33
ILO	869,000	869,000	542,036	117,684	659,720	75.92
IOM	329,662	329,662	329,662		329,662	100.00
UNDP	1,926,391	1,926,391	1,145,493	476,106	1,621,599	84.18
Grand Total	4,951,225	4,951,225	3,141,617	735,411	3,877,028	78.30

5.3 EXPENDITURE BY PROJECT

Table 5 displays the net funded amounts, expenditures reported and the financial delivery rates by Participating Organization.

Table 5. Expenditure by Project within Sector, as of 31 December 2015 (in US Dollars)

Sector / Project No.and Project Title		Participating Organization	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
Indonesia TF Disaster Recovery						
00081546	Mount Merapi	FAO	527,492	527,492	506,571	96.03
00081546	Mount Merapi	IOM	329,662	329,662	329,662	100.00
00081546	Mount Merapi	UNDP	676,358	676,358	675,778	99.91
00081547	Mentawai Islands	FAO	648,680	648,680	683,734	105.40
00081547	Mentawai Islands	ILO	569,000	569,000	542,036	95.26
00081547	Mentawai Islands	UNDP	475,033	475,033	474,330	99.85
00093448	Mount Kelud	FAO	350,000	350,000	75,742	21.64
00093448	Mount Kelud	UNDP	300,000	300,000	241,819	80.61
00093552	Mount Sinabung	FAO	300,000	300,000		0
00093552	Mount Sinabung	ILO	300,000	300,000	117,684	39.23
00093552	Mount Sinabung	UNDP	400,000	400,000	225,564	56.39
00095797	Enhancing the National Recover	UNDP	75,000	75,000	4,109	5.48
Indonesia TF Disaster Recovery: Total			4,951,225	4,951,225	3,877,028	78.30
Grand Total ?			4,951,225	4,951,225	3,877,028	78.30

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 2015 (in US Dollars)

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2014	Current Year Jan-Dec-2015	Total	
Supplies, Commodities, Equipment and Transport (Old)	-	-	-	
Personnel (Old)	-	-	-	
Training of Counterparts (Old)	-	-	-	
Contracts (Old)	-	-	-	
Other direct costs (Old)	-	-	-	
Staff & Personnel Cost (New)	558,123	141,742	699,864	19.32
Suppl, Comm, Materials (New)	246,937	3,485	250,422	6.91
Equip, Veh, Furn, Depn (New)	108,117	23,802	131,918	3.64
Contractual Services (New)	727,691	227,383	955,074	26.36
Travel (New)	221,794	48,537	270,331	7.46
Transfers and Grants (New)	153,317	67	153,384	4.23
General Operating (New)	919,943	242,243	1,162,185	32.08
Programme Costs Total	2,935,922	687,258	3,623,180	100.00
¹ Indirect Support Costs Total	205,695	48,152	253,847	7.01
Total	3,141,617	735,411	3,877,028	

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 2015, 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\$ 0 was deducted in AA-fees. Cumulatively, as of 31 December 2015, US\$ 49,877 has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ 48,152 was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ 253,847 as of 31 December 2015.

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'. In 2015, there were no direct costs charged to the fund.