

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

for the period 1 January to 31 December 2018

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

May 2019

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
 on HIV/AIDS



United
 Nations
 Development
 Programme



United
 Nations
 Educational,
 Scientific and
 Cultural
 Organization



United
 Nations
 Population
 Fund



UN High
 Commissioner
 for Refugees

CONTRIBUTORS



Department
 for
 International
 Development
 (DFID)



Irish Aid



United Nations Children's Fund



UN Office for Drugs 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.

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.

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INTRODUCTION

This Consolidated Annual Financial Report of the **“Support for AIDS” Joint Programme in Uganda** is prepared by the United Nations Development Programme (UNDP) Multi-Partner Trust Fund Office (MPTF Office) in fulfillment of its obligations as Administrative Agent, as per the Memorandum of Understanding (MOU) signed between the UNDP MPTF Office and the Participating Organizations, and the Standard Administrative Arrangement (SAA) signed with contributors.

The MPTF Office, as Administrative Agent, is responsible for concluding an MOU with Participating Organizations and SAAs with contributors. It receives, administers and

manages contributions, and disburses these funds to the Participating Organizations. The Administrative Agent prepares and submits annual consolidated financial reports, as well as regular financial statements, for transmission to contributors.

This consolidated financial report covers the period 1 January to 31 December **2018** and provides financial data on progress made in the implementation of projects of the **“Support for AIDS” Joint Programme in Uganda**. It is posted on the MPTF Office GATEWAY (<http://mptf.undp.org/factsheet/fund/JUG00>).

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

2018 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 2018. Financial information for this JP 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 2018, 2 contributors deposited US\$ 22,892,488 in contributions and US\$ 30,276 was earned in interest.

The cumulative source of funds was US\$ 22,922,764.

Of this amount, US\$ 22,560,062 has been net funded to 14 Participating Organizations, of which US\$ 19,118,262 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 228,925. Table 1 provides an overview of the overall sources, uses, and balance of the Joint Programme as of 31 December 2018.

Table 1. Financial Overview, as of 31 December 2018 (in US Dollars)

	Annual 2017	Annual 2018	Cumulative
Sources of Funds			
Contributions from donors	-	4,905,951	22,892,488
Fund Earned Interest and Investment Income	1,087	9,362	20,590
Interest Income received from Participating Organizations	54	233	9,686
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Income	-	-	-
Total: Sources of Funds	1,141	4,915,546	22,922,764
Use of Funds			
Transfers to Participating Organizations	189,124	4,856,892	22,940,155
Refunds received from Participating Organizations	(264,455)	(1,373)	(380,093)
Net Funded Amount	(75,331)	4,855,519	22,560,062
Administrative Agent Fees	-	49,060	228,925
Direct Costs: (Steering Committee, Secretariat...etc.)	-	-	-
Bank Charges	5	7	175
Other Expenditures	-	-	-
Total: Uses of Funds	(75,326)	4,904,585	22,789,162
Change in Fund cash balance with Administrative Agent	76,467	10,961	133,602
Opening Fund balance (1 January)	46,174	122,641	-
Closing Fund balance (31 December)	122,641	133,602	133,602
Net Funded Amount (Includes Direct Cost)	(75,331)	4,855,519	22,560,062
Participating Organizations' Expenditure (Includes Direct Cost)	1,072,918	1,942,620	19,118,262
Balance of Funds with Participating Organizations			3,441,800

2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this JP as of 31 December 2018.

The “Support for AIDS” Joint Programme in Uganda is currently being financed by 2 contributors¹, as listed in the table below.

The table below includes commitments made up to 31 December 2018 through signed Standard Administrative Agreements, and deposits made through 2018. It does not include commitments that were made to the JP beyond 2018.

Table 2. Contributors' Commitments and Deposits, as of 31 December 2018 (in US Dollars)

Contributors	Total Commitments	Prior Years as of 31-Dec-2017 Deposits	Current Year Jan-Dec-2018 Deposits	Total Deposits
DEPARTMENT FOR INT'L DEVELOPMENT (DFID)	1,597,400	1,597,400	-	1,597,400
IRISH AID	21,295,088	16,389,137	4,905,951	21,295,088
Grand Total	22,892,488	17,986,537	4,905,951	22,892,488

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 2018, Fund earned interest amounts to US\$ 20,590.

Interest received from Participating Organizations amounts to US\$ 9,686, bringing the cumulative interest received to US\$ 30,276.

Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2018 (in US Dollars)

Interest Earned	Prior Years as of 31-Dec-2017	Current Year Jan-Dec-2018	Total
Administrative Agent			
Fund Earned Interest and Investment Income	11,228	9,362	20,590
Total: Fund Earned Interest	11,228	9,362	20,590
Participating Organization			
FAO	468		468
UNDP	3,392		3,392
UNESCO	1,265	233	1,498
UNFPA	3,941		3,941
UNWOMEN	387		387
Total: Agency earned interest	9,453	233	9,686
Grand Total	20,681	9,595	30,276

¹ Irish Aid has been the only contributor to JUPSA since 2012.

4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2018, the AA has transferred US\$ **22,940,155** to 14 Participating Organizations (see list below).

4.1 TRANSFER BY PARTICIPATING ORGANIZATION

Table 4 provides additional information on the refunds received by the MPTF Office, and the net funded amount for each of the Participating Organizations. In 2018, only 10 UN agencies received funding from the JP, namely FAO, ILO, IOM, UNAIDS, UNESCO, UNFPA, UNICEF, UNWOMEN, WFP and WHO.

Table 4. Transfer, Refund, and Net Funded Amount by Participating Organization, as of 31 December 2018 (in US Dollars)

Participating Organization	Prior Years as of 31-Dec-2017			Current Year Jan-Dec-2018			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
FAO	717,851	(2,971)	714,880	306,611		306,611	1,024,462	(2,971)	1,021,491
ILO	659,870	(5,414)	654,456	101,266		101,266	761,136	(5,414)	755,722
IOM	1,298,936		1,298,936	152,759		152,759	1,451,695		1,451,695
OHCHR	172,912	(119,947)	52,965				172,912	(119,947)	52,965
UNAIDS	2,907,476	(15,104)	2,892,372	1,378,812		1,378,812	4,286,288	(15,104)	4,271,184
UNDP	1,601,036		1,601,036				1,601,036		1,601,036
UNESCO	716,677	(4,964)	711,713	132,346		132,346	849,023	(4,964)	844,059
UNFPA	2,586,247	(190,960)	2,395,287	978,855		978,855	3,565,102	(190,960)	3,374,142
UNHCR	495,273		495,273				495,273		495,273
UNICEF	2,777,132	(2,828)	2,774,304	688,933		688,933	3,466,065	(2,828)	3,463,237
UNODC	107,194	(21,594)	85,600				107,194	(21,594)	85,600
UNWOMEN	227,118		227,118	378,875		378,875	605,993		605,993
WFP	202,500		202,500	314,762		314,762	517,262		517,262
WHO	3,613,041	(14,938)	3,598,103	423,673	(1,373)	422,300	4,036,714	(16,311)	4,020,403
Grand Total	18,083,263	(378,720)	17,704,544	4,856,892	(1,373)	4,855,519	22,940,155	(380,093)	22,560,062

5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported for the year **2018** were submitted by the Headquarters of the Participating Organizations. These were consolidated by the MPTF Office.

Project expenditures are incurred and monitored by each Participating Organization, and are reported as per the agreed upon categories for inter-agency harmonized reporting. The reported expenditures were submitted via the MPTF Office's online expenditure reporting tool. The **2018** expenditure data has been posted on the MPTF Office GATEWAY at <http://mptf.undp.org/factsheet/fund/JUG00>.

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2018**, US\$ **4,855,519** was net funded to Participating Organizations, and US\$ **1,942,620** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **22,560,062** and cumulative expenditures reported by the Participating Organizations amount to US\$ **19,118,262**. This equates to an overall JP expenditure delivery rate of **85** percent.

Table 5.1 Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2018 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2017	Current Year Jan-Dec-2018	Cumulative	
FAO	1,024,462	1,021,491	613,996	233,297	847,293	82.95
ILO	761,136	755,722	646,004	30,020	676,024	89.45
IOM	1,451,695	1,451,695	1,285,736	83,913	1,369,649	94.35
OHCHR	172,912	52,965	52,965		52,965	100.00
UNAIDS	4,286,288	4,271,184	2,729,948	542,405	3,272,353	76.61
UNDP	1,601,036	1,601,036	1,631,963	(31,466)	1,600,497	99.97
UNESCO	849,023	844,059	690,259	38,209	728,469	86.31
UNFPA	3,565,102	3,374,142	2,391,246	535,151	2,926,398	86.73
UNHCR	495,273	495,273	495,273		495,273	100.00
UNICEF	3,466,065	3,463,237	2,716,147	103,039	2,819,187	81.40
UNODC	107,194	85,600	85,600		85,600	100.00
UNWOMEN	605,993	605,993	218,421	101,493	319,913	52.79
WFP	517,262	517,262	139,100	81,500	220,600	42.65
WHO	4,036,714	4,020,403	3,478,983	225,060	3,704,042	92.13
Grand Total	22,940,155	22,560,062	17,175,642	1,942,620	19,118,262	84.74

5.2 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. See table below.

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 5.2 Expenditure by UNDG Budget Category, as of 31 December 2018 (in US Dollars)

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2017	Current Year Jan-Dec-2018	Total	
Supplies, Commodities, Equipment and Transport (Old)	513,271	-	513,271	2.85
Personnel (Old)	1,162,577	-	1,162,577	6.45
Training of Counterparts (Old)	419,910	-	419,910	2.33
Contracts (Old)	2,642,138	-	2,642,138	14.66
Other direct costs (Old)	751,131	-	751,131	4.17
Staff & Personnel Cost (New)	1,125,407	383,616	1,509,023	8.37
Suppl, Comm, Materials (New)	310,025	97,646	407,671	2.26
Equip, Veh, Furn, Depn (New)	140,538	22,275	162,814	0.90
Contractual Services (New)	3,051,434	263,761	3,315,195	18.39
Travel (New)	828,324	153,273	981,597	5.44
Transfers and Grants (New)	2,653,732	470,769	3,124,501	17.33
General Operating (New)	2,631,166	407,531	3,038,697	16.85
Programme Costs Total	16,229,653	1,798,871	18,028,524	100.00
¹ Indirect Support Costs Total	945,988	143,749	1,089,737	6.04
Total	17,175,642	1,942,620	19,118,262	

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 JP are guided by the applicable provisions of 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 **2018**, 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 JP. In the reporting period US\$ **49,060** was deducted in AA-fees. Cumulatively, as of 31 December **2018**, US\$ **228,925** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **143,749** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **1,089,737** as of 31 December **2018**.

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.