



CONSOLIDATED ANNUAL FINANCIAL REPORT

of the Administrative Agent

JP GTM Comprehensive Rural Development in San Marcos

for the period 1 January to 31 December 2022

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

May 2023



United Nations
MPTF Office



**JP GTM Comprehensive Rural
Development in San Marcos**
Financial Report
prepared by the Administrative Agent

May 2023



DEFINITIONS

Allocation

Amount approved by the Steering Committee for the Joint Programme.

Approved Project/Programme

A joint programme including budget, etc., that is approved by the Steering Committee for fund allocation purposes.

Contributor Commitment

Amount(s) committed by a contributor to a Joint Programme 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'. This does not include expense commitments by Participating Organizations.

Indirect Support Costs

A general cost that is not directly related to any particular programme or activity of the Participating Organizations. UNSDG policy establishes a fixed indirect cost rate of 7% of programmable costs for inter-agency pass-through Joint Programmes.

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 partner in a Fund, as represented by signing a Memorandum of Understanding (MOU) with the MPTF Office for a particular Fund.

Joint Programme Expenditure

The sum of expenses and/or expenditure reported by all Participating Organizations for a Joint Programme irrespective of which basis of accounting each Participating Organization follows for donor reporting.

Joint Programme Financial Closure

A joint programme is considered financially closed when all financial obligations of an operationally completed joint programme have been settled, and no further financial charges may be incurred.

Joint Programme Operational Closure

A joint programme is considered operationally closed when all programmatic activities for which Participating Organization(s) received funding have been completed.

Joint Programme Start Date

Joint programme start date as per the programmatic document.

Total Approved Budget

Represents the amount of cumulative allocations approved by the Steering Committee.

US Dollar Amount

The financial data in the report is recorded in US Dollars

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INTRODUCTION

This Consolidated Annual Financial Report of the **JP GTM Comprehensive Rural Development in San Marcos** 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 Joint Programme Document, 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 and financial statements, for transmission to stakeholders.

This consolidated financial report covers the period 1 January to 31 December 2022 and provides financial data in the implementation of the **JP GTM Comprehensive Rural Development in San Marcos**. It is posted on the MPTF Office GATEWAY (<https://mptf.undp.org/fund/jgt60>).



2022 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **JP GTM Comprehensive Rural Development in San Marcos** using the pass-through funding modality as of 31 December 2022. Financial information for this Joint Programme is also available on the MPTF Office GATEWAY, at the following address: <https://mptf.undp.org/fund/jgt60>.

1. SOURCES AND USES OF FUNDS

As of 31 December 2022, 1 contributor deposited US\$ 2,092,984 and US\$ 17,920 was earned in interest.

The cumulative source of funds was US\$ 2,110,903.

Of this amount, US\$ 1,465,950 has been net funded to 4 Participating Organizations, of which US\$ 234,509 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 20,930. Table 1 provides an overview of the overall sources, uses, and balance of the **JP GTM Comprehensive Rural Development in San Marcos** as of 31 December 2022.

Table 1 Financial Overview, as of 31 December 2022 (in US Dollars)

| | Annual 2021 | Annual 2022 | Cumulative |
|--|------------------|--------------------|------------------|
| Sources of Funds | | | |
| Contributions from donors | 2,092,984 | - | 2,092,984 |
| Sub-total Contributions | 2,092,984 | - | 2,092,984 |
| Fund Interest and Investment Income Earned | 553 | 17,367 | 17,920 |
| Total: Sources of Funds | 2,093,536 | 17,367 | 2,110,903 |
| Use of Funds | | | |
| Transfers to Participating Organizations | - | 1,465,950 | 1,465,950 |
| Net Funded Amount | - | 1,465,950 | 1,465,950 |
| Administrative Agent Fees | 20,930 | - | 20,930 |
| Bank Charges | 9 | 47 | 57 |
| Total: Uses of Funds | 20,939 | 1,465,997 | 1,486,936 |
| Change in Fund cash balance with Administrative Agent | 2,072,597 | (1,448,630) | 623,967 |
| Opening Fund balance (1 January) | - | 2,072,597 | - |
| Closing Fund balance (31 December) | 2,072,597 | 623,967 | 623,967 |
| Net Funded Amount (Includes Direct Cost) | - | 1,465,950 | 1,465,950 |
| Participating Organizations Expenditure (Includes Direct Cost) | - | 234,509 | 234,509 |
| Balance of Funds with Participating Organizations | - | 1,231,441 | 1,231,441 |



2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this Joint Programme as of 31 December 2022.

The **JP GTM Comprehensive Rural Development in San Marcos** is currently being financed by 1 contributor, as listed in the table below.

The table includes financial commitments made by the contributors through signed Standard Administrative Agreements with an anticipated deposit date as per the schedule of payments by 31 December 2022 and deposits received by the same date. It does not include commitments that were made to the Joint Programme beyond 2022.

Table 2. Contributions, as of 31 December 2022 (in US Dollars)

| Contributors | Total Commitments | Prior Years as of 31-Dec-2021 Deposits | Current Year Jan-Dec-2022 Deposits | Total Deposits |
|--------------|-------------------|--|------------------------------------|----------------|
| Sida | 2,092,984 | 2,092,984 | - | 2,092,984 |
| Grand Total | 2,092,984 | 2,092,984 | - | 2,092,984 |



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 **2022**, Fund earned interest amounts to US\$ **17,920**.

No interest was received from Participating Organizations. Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2022 (in US Dollars)

| Interest Earned | Prior Years as of 31-Dec-2021 | Current Year Jan-Dec-2022 | Total |
|--|----------------------------------|------------------------------|---------------|
| Administrative Agent | | | |
| Fund Interest and Investment Income Earned | 553 | 17,367 | 17,920 |
| Total: Fund Interest Earned | 553 | 17,367 | 17,920 |
| Participating Organization | | | |
| Total: Agency Interest Earned | - | - | - |
| Grand Total | 553 | 17,367 | 17,920 |



4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December **2022**, the AA has transferred US\$ **1,465,950** 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 (in US Dollars)

| Participating Organization | Prior Years Cumulative as of 31-Dec-2021 | | | Current Year Jan-Dec-2022 | | | Total | | |
|----------------------------|--|---------|------------|---------------------------|---------|------------------|------------------|---------|------------------|
| | Transfers | Refunds | Net Funded | Transfers | Refunds | Net Funded | Transfers | Refunds | Net Funded |
| FAO | - | - | - | 232,290 | - | 232,290 | 232,290 | - | 232,290 |
| PAHO/WHO | - | - | - | 242,395 | - | 242,395 | 242,395 | - | 242,395 |
| UNDP | - | - | - | 749,000 | - | 749,000 | 749,000 | - | 749,000 |
| UNICEF | - | - | - | 242,265 | - | 242,265 | 242,265 | - | 242,265 |
| Grand Total | - | - | - | 1,465,950 | - | 1,465,950 | 1,465,950 | - | 1,465,950 |



5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported are submitted as certified financial information by the Headquarters of the Participating Organizations. These were consolidated by the MPTF Office.

Joint programme/ project expenditures are incurred and monitored by each Participating Organization, and are reported to the Administrative Agent as per the agreed upon categories for inter-agency harmonized reporting. The expenditures are reported via the MPTF Office's online expenditure reporting tool. The **2022** expenditure data has been posted on the MPTF Office GATEWAY at <https://mptf.undp.org/fund/jgt60>.

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2022**, US\$ **1,465,950** was net funded to Participating Organizations, and US\$ **234,509** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **1,465,950** and cumulative expenditures reported by the Participating Organizations amount to US\$ **234,509**. This equates to an overall Joint Programme expenditure delivery rate of **16** percent.

Table 5.1 Net Funded Amount and Reported Expenditures by Participating Organization, as of 31 December 2022 (in US Dollars)

| Participating Organization | Approved Amount | Net Funded Amount | Expenditure | | | Delivery Rate % |
|----------------------------|------------------|-------------------|-------------------------------|---------------------------|----------------|-----------------|
| | | | Prior Years as of 31-Dec-2021 | Current Year Jan-Dec-2022 | Cumulative | |
| FAO | 232,290 | 232,290 | - | 511 | 511 | 0.22 |
| PAHO/WHO | 242,395 | 242,395 | - | - | - | - |
| UNDP | 749,000 | 749,000 | - | 233,998 | 233,998 | 31.24 |
| UNICEF | 242,265 | 242,265 | - | - | - | - |
| Grand Total | 1,465,950 | 1,465,950 | - | 234,509 | 234,509 | 16.00 |



5.2. Expenditures 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.

Table 5.2. Expenditure by UNSDG Budget Category, as of 31 December 2022 (in US Dollars)

| Category | Expenditures | | | Percentage of Total Programme Cost |
|---|--|---------------------------|----------------|------------------------------------|
| | Prior Years Cumulative as of 31-Dec-2021 | Current Year Jan-Dec-2022 | Total | |
| Contractual Services Expenses | - | 110,000 | 110,000 | 50.19 |
| Travel | - | 4,864 | 4,864 | 2.22 |
| Transfers and Grants | - | 42,000 | 42,000 | 19.16 |
| General Operating | - | 62,296 | 62,296 | 28.42 |
| Programme Costs Total | - | 219,161 | 219,161 | 100.00 |
| ¹ Indirect Support Costs Total | - | 15,348 | 15,348 | 7.00 |
| Grand Total | - | 234,509 | 234,509 | - |

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 Joint Programme are guided by the applicable provisions of the Joint Programme Document, 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 2022, 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. Cumulatively, as of 31 December **2022**, US\$ **20,930** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. Cumulatively, indirect costs amount to US\$ **15,348** as of 31 December **2022**.

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 (<https://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 and Joint Programmes, 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.

Contributors



UN Participating Organizations

