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Programme**

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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Sixty-eighth Meeting  
Montreal, 3-7 December 2012

**FINAL 2011 ACCOUNTS**

1. At its 67<sup>th</sup> meeting, the Executive Committee considered UNEP's provisional accounts for the Multilateral Fund for the year 2011 submitted by the Treasurer. The financial statements included 2011 provisional accounts of the implementing agencies (IAs) and the 2011 accounts of the Fund Secretariat. By decision 67/33 (a)(i) and (ii) the Executive Committee decided to note the Multilateral Fund's provisional accounts for the year 2011 and that the final 2011 accounts would be submitted to the Committee at its 68<sup>th</sup> meeting by the Treasurer with further adjustments as required.
2. The Agencies submitted their final 2011 accounts to the Treasurer by the end of September 2012 in line with the agreed deadline. Since UNEP's accounts for 2011 were closed by the time the final accounts of the implementing agencies were received, there were no changes in the accounts of the Multilateral Fund as presented to the Executive Committee at its 67<sup>th</sup> meeting. The differences that were identified between the agencies' 2011 provisional accounts as presented in UNEP/OzL.Pro/ExCom/67/35, schedules 1.1 through 1.7 (attached as Annex II) and the IAs final accounts as submitted to the Treasurer are reflected in tables 1 and 2 below and shall be recorded in the 2012 accounts.

\* Re-issued for technical reasons

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issuance of the document.

Table 1

**DIFFERENCES BETWEEN IAs PROVISIONAL AND FINAL 2011 ACCOUNTS:  
INCOME (US \$)**

(1)	(2)	(3)	(4) = (3)-(2)
Agency	Aggregate Income for 2011 Accounts of the Fund (Provisional as reported by the Treasurer)	Aggregate Income for 2011 Accounts of the Fund (per Final statements)	Difference between Provisional and Final Accounts
UNDP	671,401,776	671,722,877	321,101
UNEP	212,594,525	212,592,214	(2,311)
UNIDO	693,398,309	693,398,309	0
World Bank	1,087,166,826	1,087,166,826	0

Table 2

**DIFFERENCES BETWEEN IAs PROVISIONAL AND FINAL 2011 ACCOUNTS:  
EXPENDITURE (US \$)**

(1)	(2)	(3)	(4) = (3)-(2)
Agency	Aggregate expenditure in 2011 Accounts of the Fund (Provisional as reported by the Treasurer)	Aggregate expenditure in 2011 Accounts of the Fund (per Final statements)	Difference between Provisional Accounts and Final Accounts
UNDP	585,221,426	585,563,314	341,888
UNEP	189,336,551	189,589,014	252,463
UNIDO	564,574,485	564,551,167	(23,318)
World Bank	1,009,359,006	1,009,359,006	0

Russian Federation outstanding contributions

3. By decision 67/1(a), the Executive Committee decided to note the Government of the Russian Federation's intent to start payments to the Multilateral Fund from 2013 with the understanding that future contributions of the Russian Federation would not be associated with the outstanding pledges for prior years. It also decided (decision 67/1(c)) to request the Treasurer to maintain the outstanding contributions of the Russian Federation in the outstanding contributions category of the accounts of the Fund. When presenting the provisional 2011 account the representative of the Secretariat indicated that, further to the report on the issue of the outstanding contribution of the Russian Federation, as it had been

presented to the 67<sup>th</sup> meeting, the words “considered uncollectable” would be deleted from the footnote in Schedule 1.2 and that the footnote would also make reference to international accounting standards. Schedule 1.2 in the 2011 final accounts reflects the changes requested by the Committee at its 67<sup>th</sup> meeting. These changes shall also be reflected by the Treasurer in UNEP 2012 accounts before their closure sometime in February - March 2013 in line with decision 67/1(c).

#### **AUDIT REPORT- key findings and recommendations**

4. The Report of the auditors for the biennium ended 31 December 2011 was completed and submitted to UNEP’s Executive Director. By decision 67/33(3), the Executive Committee requested the Secretariat to bring to the attention of the Executive Committee elements of the 2010-2011 audits of UNEP’s accounts by the United Nations Board of Auditors of relevance to the Multilateral Fund.

5. On reviewing the audit report, the Fund Secretariat identified some key issues that may be of interest to members of the Executive Committee. Extracts of the relevant paragraphs of the audit report are set out in paragraphs 6 to 25 below.

6. Financial Overview (page 25)

*“The MLF accounts show a positive total reserve and fund balance of 362.7 million as at December 2011, a marked reduction of 478.7 million as at December 2009, because of UNEP’s decision to book a provision of 166.2 million as at December 2011 against unpaid contribution for over 4 years, which are now deemed to be doubtful. The report indicated that this decision was approved by the Executive committee.”*

#### Secretariat’s comment:

7. When calculating the carry over, the Secretariat adopts a realistic approach not to take into account contributions unlikely to be collected in order to secure an adequate level of funding to meet compliance targets as recommended by the replenishment task force and approved by the Parties. This had been communicated by the Secretariat to UNEP for inclusion in the UNEP consolidated reply to the Board of Auditors during the audit exercise.

8. *“The liabilities of the MLF have increased significantly from less than 10 million of each of the two previous biennia, to 131 million at the end of the 2010- 2011 biennium. This increase is primarily because the introduction of a new accounting policy to record future commitment of the Fund. The value of the future commitment so recorded within the liabilities of the MLF for 2010–2011 was 126.6 million.”*

#### Secretariat’s comment:

9. UNEP’s presentation is explained by the fact that funding for the HPMP tranches, once approved by the Executive Committee, becomes a liability to the Fund. However it should be noted that the same amount is reflected as a contra entry in the accounts category called 'Other assets' in the Balance Sheet. Therefore the resulting effect on the financial statement of the Fund is nil.

10. *Presentation of financial statement (page 30- 31)*

*“The Financial statement of the MLF is not consolidated with other UNEP trust funds. It is reported separately from the other trust fund within UNEP’s financial statement, a copy of which is submitted to the Executive Committee. In its previous report, the Board was concerned that the non-consolidation of the financial statements of the Multilateral Fund was misleading, and recommended that UNEP clarify the legal situation of*

*the Multilateral Fund (MLF), and decide accordingly on whether it was appropriate to consolidate it into the financial statements of UNEP.*

*Following review of submissions from UNEP, and review of the appropriateness of the current reporting arrangements of expenditures for the Trust Fund of the MLF, the Board determined that the inclusion, and the presentation as a separate statement is proper under United Nations System Accounting Standards (UNSAS). The Board notes, however, that the criteria for the inclusion of balances within financial statements prepared under IPSAS are more clearly prescribed and the current presentation will need to be reviewed for IPSAS compliance.”*

Secretariat’s comment

11. In the previous communications with UNEP on the issue of integrating the MLF accounts with those of UNEP, the Secretariat had explained the rationale of separating the MLF accounts from those of UNEP. In its reply UNEP had indicated that it will revisit the issue when introducing the new accounting system (IPSAS).

12. *“The Board further notes that the current practice of including unaudited balances for the three other implementing agencies of the MLF (UNIDO), the World Bank and UNDP), will need to be reconsidered under IPSAS, as there is scope for UNEP to work with UNIDO and the World Bank towards including audited balances within the future financial statements of the MLF.”*

Secretariat’s comment:

13. During the workshop on common terminology and procedures both UNEP as the Treasurer of the Fund and the Secretariat recognised that the recording of the IAs’ provisional accounts in the final UNEP accounts is necessary in the light of overlaps in the agencies closing of the accounts deadlines with those of UNEP, and the need to carry the reconciliation of the accounts exercise for presentation to the Committee at the 3<sup>rd</sup> meeting of each year. The suggestion from the Board of Auditors of including audited balances within the future financial statements of the MLF would be acceptable only if it does not affect the reporting requirement of the Executive Committee and the Secretariat’s efforts to reconcile its records on approvals, income and expenditures, with those of the IAs and the Treasurer in a timely manner. UNEP should take into consideration the Executive Committee’s reporting requirement when addressing the auditor’s suggestion.

14. *Statement of assets, liabilities, and reserves and Fund balances MLF income - voluntary contributions receivables – page 38:*

*“In its previous report, the Board observed that significant amounts of voluntary contributions due to the Multilateral Fund (MLF) remained uncollected long after they were due to be received. In particular, at the end of the 2008-09 biennium, US \$184 million of pledges remained unpaid, out of which US \$117 million had been outstanding for more than five years. The position worsened in 2010 - 11, and at 31 December 2011 some US \$187 million of pledges into the MLF were uncollected, of which \$156.3 million had been outstanding for over five years.*

*In response to the Board’s previous recommendations, the disclosures around the receivable balance for the MLF have been enhanced and, for the first time, Statement XI now includes a breakdown of the debts that are due to the MLF aged over five years or more. Furthermore, and in anticipation of its transition to IPSAS, UNEP, with the approval of the Multilateral Fund has changed its accounting policy on the recording of doubtful debts, and recorded a provision of \$166.2 million for doubtful debts in its financial statements for the biennium, to reflect the risk that full payments may not be received for the oldest elements of the unpaid pledges. UNEP has also implemented the Board’s recommendation to disclose the applied accounting treatment within the Notes to the accounts.”*

Secretariat's comment:

15. By decision 67/1(c) the Executive Committee decided to request the Treasurer to maintain the outstanding contributions of the Russian Federation in the outstanding contributions category of the accounts of the Fund. When presenting the provisional 2011 account to the 67<sup>th</sup> meeting the representative of the Secretariat indicated that, further to the report on the issue of the outstanding contribution of the Russian Federation as it had been presented at the meeting, the words "considered uncollectable" would be deleted from the footnote in Schedule 1.2 and that the footnote would also make reference to international accounting standards. The Treasurer should ensure that the changes suggested by the Committee in decision 67/1(c) are properly reflected in UNEP's 2012 accounts.

16. **MLF income: Disclosure of gains and losses on currency exchange**

*"The agreed schedule of contributions to the Multilateral Fund for the Implementation of the Montreal Protocol allows Governments the option to pay their contributions at an agreed fixed-exchange rate (the Fixed Exchange Rate Mechanism or FERM) for the three years of the MLF triennium. The FERM is a policy decision of the MLF and has been operational since 2000. Where there are fluctuations in exchange rates between the dates when pledges are agreed and the date of payment, the income received in US dollars is likely to be different from the amount recorded as pledged. This is the same treatment applied for all voluntary contributions pledged and received into the MLF and, therefore, the total amount shown on Schedule 11.1 of UNEP's financial statements for the biennium as collections for the period (US \$254,425,502) does not represent the amounts actually collected into the MLF accounts, as exchange rate losses of US \$10.3 million were incurred on the receipts during the biennium.*

*As the MLF bears the exchange rate risk for contributions made to it, the Board would expect to see the net effect of these exchange rate differences accounted for on the face of its financial statements. These were instead being included within the operating expenses balance, distorting the picture of the actual operating expenses of the MLF. The Board believes that this information is of value to the users of the accounts, as it quantifies some of the financial impact of delays in the fulfilments of pledges, as exchange losses represent resources expected by the MLF but not received.*

17. *UNEP agreed with the Board's recommendation that UNEP disclose in the Financial Statements of the Trust Fund for the Multilateral Fund (MLF) for each biennium the value of exchange rate losses (or gains) that occurred during the financial period, as a separate line item on the face of the financial statements."*

Secretariat's comment:

18. This new practice of disclosing in the Financial Statements of the MLF for each biennium the value of exchange rate losses (or gains) that occurred during the financial period, instead of being included within the operating expenses balance of the MLF, had been reported to the Executive Committee at its 66<sup>th</sup> meeting and has been implemented in the presentation of the 2011 accounts.

19. *"As stated on Statement XI of the current biennium's financial statements, a loss of \$10.3 million was incurred in the biennium as a result of currency exchanges processed through the FERM.*

*The Board considers that UNEP should consider mitigating the risk of exchange losses. The scale of exchange losses incurred in 2010-11 indicates there may be value in testing the feasibility of commercial solutions such as hedging or the use of forward contracts.*

*The Board recommends that UNEP considers the feasibility of introducing procedures to mitigate exchange rate risks; subject to guidance from UN HQ, and a consideration of the costs and benefits."*

Secretariat's comment:

20. The Executive Committee may wish to support the Board of Auditors' recommendation on their suggestion to introduce procedures to mitigate exchange rate risks, and request the Treasurer to report to the Committee follow-up action by UNEP to mitigate exchange rate risks.

21. *Cash advances held by implementing partners*

*“The Board found that, of the total balance of \$83.5 million shown as receivable from third parties within UNEP's financial statements (Statement II and Note 8 of the financial statements), US \$80million represented cash balances advanced to implementing partners. Of this sum, US \$55 million had been paid out to other UN agencies and US \$16 million to governments. The comparative balances of payments made in advance to implementing partners in previous biennia were US \$62 million as at 31 December 2009, and US \$73 million as at 31 December 2007.*

*The Board recognizes that UNEP needs to provide advance funding to its partners, however, the Board had previously identified scope for improvement in UNEP's cash management, and notes the limited progress made in this area. Furthermore, from our work at UNEP's out-posted offices we identified an instance where funds had been paid out and remained unused in the possession of the implementing partner two years after the associated project should have commenced.*

22. *UNEP agreed with the Board's recommendation that UNEP review all cash balances paid out to its implementing partners, and recovers all sums which are not due to be expended within a reasonable period, and at most within a six month period.*

23. *UNEP also agreed with the Board's recommendation that UNEP only make payments to its implementing partners when it has sufficient evidence that the funds are required for immediate settlement of project costs, and to recall these funds wherever projects are subsequently subject to delay.”*

Secretariat's comment:

24. The issue of cash advances made by UNEP to its implementing partners and the need to recover sums that are not to be expended within a reasonable amount of time is an issue that merits the Executive Committee's attention. Considering that UNEP is one of the MLF's implementing agencies, there may be a need to seek further clarification from UNEP as implementing agency on which projects fall under this category and whether the auditor's recommendation would impact on MLF project implementation. The Executive Committee may also consider looking into the issue of cash advances from IAs to their implementing partners in general and seek clarification from the IAs on their respective internal procedures and policies on cash advances to their implementing partners.

25. A copy of the auditor's report is available to the Executive Committee upon request.

Follow up to decision 65/52(f)

26. As a follow up to decision 65/52(f) requesting the Secretariat to report to the Executive Committee in the future on any balances returned to the Fund and provide information on how such balances were utilized, Annex II schedule 1.3 provides information on savings under some budget lines that have been used in 2012 to complete unfinished activities, and savings under other lines that are returned to the Fund.

27. Annex I of this document presents the final 2011 accounts of the Multilateral Fund, which have been audited by the UN Board of Auditors. Annex II are the schedules 1.1 through 1.7, representing the accounts of the Secretariat and the IAs' final statements.

## RECOMMENDATIONS

28. The Executive Committee may wish to:

- (a) Note the audited financial statement of the Multilateral Fund as at 31 December 2011 contained in document UNEP/OzL.Pro/ExCom/68/48;
- (b) Note that the final audit report on the 2011 financial statement for the year ended 31 December 2011 is completed;
- (c) Take note of the United Nations Board of Auditors' findings and recommendations on the Multilateral Fund's 2011 accounts and:
  - (i) To request the Treasurer:
    - a. To keep the Executive Committee updated on UNEP's position regarding integrating the accounts of the Multilateral Fund with the accounts of UNEP under International Public Sector Accounting Standards (IPSAS);
    - b. To reflect the footnote of the Russian Federation in the 2012 accounts as directed by the Executive Committee in decision 67/1(c) requesting the Treasurer to maintain the outstanding contributions of the Russian Federation in the outstanding contributions category of the accounts of the Fund;
    - c. To ensure that the recommendation by the United Nations Board of Auditors to record audited statement from Implementing Agencies (World Bank and UNIDO) would not prevent the annual reconciliation of the accounts taking place within the same time frame;
    - d. To update the Committee on UNEP's effort to mitigate exchange rate risks;
  - (ii) To request UNEP, as implementing agency, as well as UNDP, UNIDO, and the World Bank to report to the 69<sup>th</sup> meeting of the Executive Committee on their internal policies and procedures on cash advances to their implementing partners; and,
- (d) Request the Treasurer to record in the 2012 accounts the differences between the agencies' provisional statements and their final 2011 accounts as reflected in tables 1 and 2 of document UNEP/OzL.Pro/ExCom/68/48.

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## United Nations Environment Programme

Trust Fund  
for the Multilateral Fund for the Implementation of the Montreal Protocol on Substances that Deplete the Ozone Layer

Statement of Income and expenditure and changes in reserves and fund balances  
for the year ended 31 December 2010  
(Thousands of United States Dollars)

	2010	2008
<b>Income</b>		
Voluntary contributions	128,874	123,992
Interest income	3,645	11,965
Miscellaneous income	1,277	10,235
<b>Total Income</b>	<b>133,796</b>	<b>148,192</b>
<b>Expenditure</b>		
Staff and other personnel costs	3,483	3,769
Contractual services	682	1,178
Travel	192	412
Operating expenses	6,456	391
Acquisitions	767	648
Programme support costs	356	347
UNEP managed activities	15,528	17,546
UNDP managed activities	25,120	27,852
UNIDO managed activities	25,283	27,969
World Bank managed activities	23,803	79,203
<b>Total Expenditure</b>	<b>101,468</b>	<b>159,115</b>
Excess/ (Shortfall) of Income over expenditure	32,328	(12,923)
Fund balances, beginning of year	478,661	480,535
Fund balances, end of year	510,989	487,612

Statement of assets, liabilities, reserves and fund balances  
for the year ended 31 December 2010

<b>Assets</b>		
Cash and term deposits	997	1,155
Cash pools	110,300	40,238
Advances provided to implementing agencies	187,012	215,807
Voluntary contributions receivable	176,371	177,775
Promissory notes	40,767	34,068
Accounts receivable other	329	438
Other assets	13	19
<b>Total assets</b>	<b>515,789</b>	<b>489,500</b>
<b>Liabilities</b>		
Payments or contributions received in advance	3,847	1,349
Unliquidated obligations	150	278
Interfund balances payable	44	9
Accounts payable other	759	254
<b>Total liabilities</b>	<b>4,800</b>	<b>1,888</b>
<b>Reserves and fund balances</b>		
Fund balance	510,989	467,612
<b>Total fund balances</b>	<b>510,989</b>	<b>467,612</b>
<b>Total liabilities and fund balances</b>	<b>515,789</b>	<b>469,500</b>



SCHEDULE 1.1 MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL			
2011 STATEMENT OF INCOME AND EXPENDITURE (in US\$)			
(Thousands of United States dollars)			
INCOME	2011	2010	1991- 2011
Agreed contributions	128,349	128,874	2,696,158
Interest income	2,496	3,645	207,635
Exchange gain/(loss)(i)	(4,310)	(6,049)	26,530
Miscellaneous income	(1,109)	1,277	30,866
<b>TOTAL INCOME</b>	<b>125,426</b>	<b>127,747</b>	<b>2,961,189</b>
<b>EXPENDITURE (ii)</b>			
UNEP Managed Activities	18,848	15,526	189,141
UNDP Managed Activities	39,395	25,120	585,221
UNIDO Managed Activities	31,627	25,283	564,569
World Bank Managed Activities	11,200	23,603	1,009,358
Secretariat	6,765	5,887	84,920
<b>TOTAL EXPENDITURE</b>	<b>107,835</b>	<b>95,419</b>	<b>2,433,209</b>
Excess of income over expenditure	17,591	32,328	527,980
Prior period adjustments	(8,949)	(156,904)	(165,253)
Net excess of income over expenditure	8,642	(124,576)	362,727
Fund balance, beginning of period	354,085	478,661	0
Fund balance, end of period	362,727	354,085	362,727

(i) FERM Exchange loss for 2011.

(ii) To avoid delay, the Treasurer, with the approval of the Executive Committee of the Multilateral Fund has adopted the practice of recording UNDP, UNIDO and the World Bank's unaudited expenditures submitted. There is however an agreement that the implementing agencies will provide audited expenditures immediately they become available but not later than 30 September of the following year.

SCHEDULE 1.2		
MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL		
2011 STATEMENT OF ASSETS AND LIABILITIES		
(Thousands of United States dollars)		
ASSETS	31.12.2011	31.12.2010
Cash and term deposits	16,069	111,297
Voluntary pledges receivable	187,122	176,371
Less provision for doubtful receivables (i)	-166,233	-163,225
Inter-fund balance receivable		
Other accounts receivable	353	329
Other assets - deferred charges*	126,653	13
Promissory notes	24,844	40,767
Operating funds provided to implementing agencies	305,094	187,012
<b>TOTAL ASSETS</b>	<b>493,902</b>	<b>352,564</b>
<b>LIABILITIES</b>		
Deferred credits*	130,747	3,847
Reserve for obligations	266	150
Inter-fund balance payable	42	44
Other accounts payable	120	759
<b>TOTAL LIABILITIES</b>	<b>131,175</b>	<b>4,800</b>
<b>RESERVES AND FUND BALANCES</b>		
Cumulative surplus	362,727	347,764
<b>TOTAL RESERVES AND FUND BALANCES</b>	<b>362,727</b>	<b>347,764</b>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</b>	<b>493,902</b>	<b>352,564</b>

\* Other assets and Deferred credits include commitments for future years amounting to US \$126,640 (Thousands of United States dollars).

(i) New line item introduced in the 2010-2011 financial period.

It represents 100% of all outstanding receivables over four years old and other specific receivables in line with international accounting standards.

Of the total US \$187.122 million voluntary contributions receivable (Schedule 1.2), about US \$120.594 million or 64% represent amount due from countries with economies in transition. The Fund encourages parties to pay their outstanding contributions in full and no write-offs are currently being considered.

<b>SCHEDULE 1.3</b>					
<b>A. 2011 Expenditures for Account MFL 2336-2211-2661: (Secretariat's Main Account)</b>					
			<b>Approved Budget</b>	<b>Actual Expenditure</b>	<b>Savings/ (Deficit)</b>
<b>10</b>	<b>PROJECT PERSONNEL COMPONENT</b>				
	<i>1100</i>	<i>Project Personnel</i>			
		1101 Chief Officer (D-2)	230,282	219,713	<b>10,569</b>
		1102 Deputy Chief Officer (Economic Cooperation) (P-5)	227,260	217,547	<b>9,713</b>
		1103 Programme Management Officer (P-3)	150,618	161,925	<b>(11,307)</b>
		1104 Senior Project Management Officer (P-5)	205,366	222,047	<b>(16,681)</b>
		1105 Senior Project Management Officer (P-5)	205,366	190,986	<b>14,380</b>
		1106 Senior Project Management Officer (P-5)	205,366	190,787	<b>14,579</b>
		1107 Senior Project Management Officer (P-5)	205,366	156,314	<b>49,052</b>
		1108 Information Management Officer (P-3)	181,588	196,439	<b>(14,851)</b>
		1109 Administrative and Fund Management Officer (P-5)	184,257	161,818	<b>22,439</b>
		1110 Senior Monitoring and Evaluation Officer (P-5)	205,366	194,739	<b>10,627</b>
		1111 Programme Management Officer (P-3)	150,618	136,733	<b>13,885</b>
		1112 Associate IT Officer (P-2)	91,127	116,435	<b>(25,308)</b>
		1114 Programme Management Officer - (P-3)	150,618	139,414	<b>11,204</b>
		1188 Prior Year's Adjustment			
	<i>1199</i>	<i>Sub-total</i>	2,393,198	2,304,897	88,301
	<i>1200</i>	<i>Consultants</i>			
		1201 Projects and technical reviews etc	57,000	28,551	<b>28,449</b>
		1202 MC2 Consultants	40,200	0	<b>40,200</b>
		1203 MYA Table access & development	5,730	3,900	<b>1,830</b>
	<i>1299</i>	<i>Sub-total</i>	102,930	32,451	70,479
	<i>1300</i>	<i>Administrative Support Staff costs</i>			
		1301 Administrative Assistant (G-8)	86,564	85,651	<b>913</b>
		1302 Meetings Services Assistant (G-7)	81,909	86,525	<b>(4,616)</b>
		1303 Programme Assistant (G-8)	86,564	91,415	<b>(4,851)</b>
		1304 Senior Secretary (Economic Cooperation) (G-6)	46,122	23,050	<b>23,072</b>
		1305 Senior Secretary (Technical Cooperation) (G-6)	64,122	67,601	<b>(3,479)</b>
		1306 Computer Operations Assistant (G-8)	86,564	37,281	<b>49,283</b>
		1307 Secretary (G-6)	67,770	71,315	<b>(3,545)</b>
		1308 Secretary/Clerk, Administration (G-7)	72,700	44,047	<b>28,653</b>
		1309 Registry Clerk (G-5)	55,391	58,220	<b>(2,829)</b>
		1310 Database Assistant (G-8)	104,564	106,581	<b>(2,017)</b>
		1311 Secretary, Monitoring and Evaluation, (G-6)	64,122	65,841	<b>(1,719)</b>
		1313 Secretary, (Senior programme Officer) G-6	64,121	53,710	<b>10,411</b>
		1314 Secretary (Senior Programme Officer) (G-6)	64,121	59,705	<b>4,416</b>
	<i>1301-14</i>	<i>Sub-total (support staff costs)</i>	944,634	850,942	93,692
		1333 60th Meeting of the Executive Committee	346,760	346,242	<b>518</b>
		1334 61st Meeting of the Executive Committee	318,140	317,428	<b>712</b>
		1336 62nd Meeting of the Executive Committee	386,840	384,986	<b>1,854</b>
	<i>1333-34 &amp; 1336</i>	<i>Sub-total (conference servicing)</i>	1,051,740	1,048,656	3,084
		1335 Temporary Assistance	12,000	11,668	<b>332</b>
		1388 Prior Year's Adjustment	-	-	0
	<i>1388</i>	<i>Sub-total</i>	-	0	0
	<i>1399</i>	<i>Sub-total</i>	2,008,374	1,911,266	97,108

			Approved Budget	Actual Expenditure	Savings/ (Deficit)
	1600	<i>Travel on Official Missions</i>			
	1601	Mission costs	302,516	302,433	83
	1602	Network meetings (4)	26,834	17,528	9,306
	1699	<i>Sub-total</i>	<i>329,350</i>	<i>319,961</i>	<i>9,389</i>
<b>1999</b>	<b>COMPONENT TOTAL</b>		<b>4,833,852</b>	<b>4,568,575</b>	<b>265,277</b>
<b>20</b>	<b>SUB-CONTRACTS COMPONENT</b>				
	2100	<i>Sub-Contracts with UN Agencies:</i>			
	2101	Treasury services	500,000	500,000	0
	2102	Corporate consultancies	800,000	160,026	639,974
	2199	<i>Sub-total</i>	<i>1,300,000</i>	<i>660,026</i>	<i>639,974</i>
	2300				0
	2300	<i>Sub-Contracts with Profit Making Institutions</i>			0
	2301	Corporate Consultancies	0	0	0
	2399	<i>Sub-total</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>2999</b>	<b>COMPONENT TOTAL</b>		<b>1,300,000</b>	<b>660,026</b>	<b>639,974</b>
<b>30</b>	<b>MEETINGS PARTICIPATION COMPONENT</b>				
	3300	<i>Assistance to Participants from Developing Countries</i>			
	3301	Travel of Chairman / Vice-Chairman	15,000	7,184	7,816
	3302	Executive Committee meetings	225,000	207,539	17,461
	3399	<i>Sub-total</i>	<i>240,000</i>	<i>214,723</i>	<i>25,277</i>
<b>3999</b>	<b>COMPONENT TOTAL</b>		<b>240,000</b>	<b>214,723</b>	<b>25,277</b>
<b>40</b>	<b>EQUIPMENT COMPONENT</b>				
	4100	<i>Expendables</i>			
	4101	Office stationery etc (revision initiated to use anticipated savings)	19,500	10,997	8,503
	4102	Software & Computer expendables	11,700	2,619	9,081
	4199	<i>Sub-total</i>	<i>31,200</i>	<i>13,616</i>	<i>17,584</i>
	4200	<i>Non-expendable Equipment</i>			
	4201	Computer, printers etc.	13,000	9,563	3,437
	4202	Others	6,500	629	5,871
	4299	<i>Sub-total</i>	<i>19,500</i>	<i>10,192</i>	<i>9,308</i>
	4300	<i>Rental of premises</i>			
	4301	Rental of office premises	870,282	804,392	65,890
	4399	<i>Sub-total</i>	<i>870,282</i>	<i>804,392</i>	<i>65,890</i>
<b>4999</b>	<b>COMPONENT TOTAL</b>		<b>920,982</b>	<b>828,200</b>	<b>92,782</b>
<b>50</b>	<b>MISCELLANEOUS COMPONENT</b>				
	5100	<i>Operations and Maintenance</i>			
	5101	Computers, printers etc	9,000	7,114	1,886
	5102	Office premises	9,000	1,203	7,797
	5103	Rental of Photocopiers	19,500	749	18,751
	5104	Telecommunications equipment	9,000	857	8,143
	5105	Miscellaneous equipment rentals	16,250	1,442	14,808
	5199	<i>Sub-total</i>	<i>62,750</i>	<i>11,365</i>	<i>51,385</i>
	5200	<i>Reporting Costs</i>			

			Approved Budget	Actual Expenditure	Savings/ (Deficit)
	5201	Executive Committee meetings	17,000	10,492	6,508
	5202	Reporting ( others )			0
	5299	Sub-total	17,000	10,492	6,508
	5300	Sundry			
	5301	Communications	65,000	40,478	24,522
	5302	Freight charges	15,000	3,031	11,969
	5303	Bank charges	5,000	1,637	3,363
	5305	Staff training	25,497	4,598	20,899
	5399	Sub-total	110,497	49,744	60,753
	5400	Hospitality			
	5401	Official hospitality	16,000	15,109	891
	5499	Sub-total	16,000	15,109	891
5999	<b>COMPONENT TOTAL</b>		<b>206,247</b>	<b>86,710</b>	<b>119,537</b>
99	<b>PROJECT TOTAL</b>		<b>7,501,081</b>	<b>6,358,234</b>	<b>1,142,847</b>
		Programme Support Costs (budget lines 1100 and 1300)	433,918	410,259	23,659
		<b>GRAND TOTAL</b>	<b>7,934,999</b>	<b>6,768,493</b>	<b>1,166,506</b>
<b>B. 2011 Expenditures for Account MFL 2336-2212-2661: (Monitoring and Evaluation)</b>					
			Approved Budget	Actual Expenditure	Savings/ (Deficit)
	1201	Projects and technical reviews/Customs Trng	12,000	2,450	9,550
	1202	Projects and technical reviews etc./Methyl bromide	18,750	16,000	2,750
	1203	Projects and technical reviews etc./Extending desk study	0	0	0
	1204	Country studies	0	0	0
	1205	Consultants	0	0	0
	1206	Projects and technical reviews etc/evaluation of TPMPs	0	0	0
	1601	Travel on Official business	50,000	18,981	31,019
	4201	Non Expendable Computer Equipment	5,250	181	5,069
	5301	Communications	750	0	750
	<b>ACCOUNT TOTAL</b>		<b>86,750</b>	<b>37,612</b>	<b>49,138</b>
<b>C. 2011 Expenditures for Account MFL 2336-2567-2661: (HCFC Production Sector)</b>					
	1200	Sub-Contracts with Profit Making Institutions			
	1201	Consultants	0	(10,000)	10,000
	<b>ACCOUNT TOTAL</b>		<b>0</b>	<b>(10,000)</b>	<b>10,000</b>
	<b>TOTAL FOR ALL ACCOUNTS</b>		<b>8,021,749</b>	<b>6,796,105</b>	<b>1,225,644</b>

(12,000)

Breakdown of expenditures under 1200 and 2100 BL is available upon request.

BL 1304, 1306 & 1314 allocation used for Temporary recruitment pending filling of the posts.

Savings under BL 1202, 1203, and 2102 have been used in 2012 to complete activities under the respective lines.

Savings under BL 3302, 4201, 4202, 5105, 5303 and 5305 have been combined with 2012 allocations to meet 2012 requirements.

Savings under 1201 and 1202 of the SMEO budget have been used in 2012 to complete activities under the respective lines.

SCHEDULE 1.4			
MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL			
UNDP Managed Activities 1991 - 2011			
INCOME	2011	2010	1991-2011
Cash transferred from the Multilateral Fund	65,960,734	23,621,158	587,025,650
Promissory notes encashment	0	0	31,150,012
Interest and miscellaneous income earned and retained	350,000	467,358	53,226,114
<b>TOTAL INCOME</b>	<b>66,310,734</b>	<b>24,088,516</b>	<b>671,401,776</b>
<b>TOTAL EXPENDITURE</b>	<b>38,488,043</b>	<b>24,555,096</b>	<b>585,221,426</b>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>	<b>27,822,691</b>	<b>-466,580</b>	<b>86,180,350</b>
<b>NET EXCESS OF INCOME OVER EXPENDITURE</b>	<b>27,822,691</b>	<b>-466,580</b>	<b>86,180,350</b>
Fund balance, beginning of period	58,357,659	58,824,239	0
Add excess of income over expenditure	27,822,691	-466,580	86,180,350
<b>Fund balance, end of period</b>	<b>86,180,350</b>	<b>58,357,659</b>	<b>86,180,350</b>

SCHEDULE 1.5			
MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL			
UNEP Managed Activities 1991 - 2011			
INCOME	2011	2010	1991-2011
Cash transferred from the Multilateral Fund	18,776,892	16,881,814	203,396,218
Total transfers	18,776,892	16,881,814	203,396,218
Interest earned and retained	279,358	389,576	9,123,614
Other income	-5,733	13,595	74,693
<b>TOTAL INCOME</b>	<b>19,050,517</b>	<b>17,284,985</b>	<b>212,594,525</b>
<b>TOTAL EXPENDITURE</b>	<b>18,787,381</b>	<b>15,590,824</b>	<b>189,336,551</b>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>	<b>263,136</b>	<b>1,694,161</b>	<b>23,257,974</b>
Prior period adjustments	0	0	0
<b>NET EXCESS OF INCOME OVER EXPENDITURE</b>	<b>263,136</b>	<b>1,694,161</b>	<b>23,257,974</b>
Fund balance, beginning of period	22,994,838	21,300,677	0
Add excess of income over expenditure	263,136	1,694,161	23,257,974
Fund balance, end of period	23,257,974	22,994,838	23,257,974

SCHEDULE 1.6			
MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL			
UNIDO Managed Activities 1991 - 2011			
INCOME	2011	2010	1991-2011
Cash transferred from the Multilateral Fund	84,305,807	52,430,461	657,071,329
Interest and miscellaneous income earned and retained	386,897	229,444	36,326,980
<b>TOTAL INCOME</b>	<b>84,692,704</b>	<b>52,659,905</b>	<b>693,398,309</b>
<b>TOTAL EXPENDITURE</b>	<b>31,340,698</b>	<b>25,581,054</b>	<b>564,574,485</b>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>	<b>53,352,006</b>	<b>27,078,851</b>	<b>128,823,824</b>
<b>NET EXCESS OF INCOME OVER EXPENDITURE</b>	<b>53,352,006</b>	<b>27,078,851</b>	<b>128,823,824</b>
Fund balance, beginning of period	75,471,818	48,392,967	0
Add excess of income over expenditure	53,352,006	27,078,851	128,823,824
<b>Fund balance, end of period</b>	<b>128,823,824</b>	<b>75,471,818</b>	<b>128,823,824</b>



SCHEDULE 1.7			
MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL			
World Bank Managed Activities 1991 - 2011			
INCOME	2011	2010	1991-2011
Cash transferred from the Multilateral Fund	50,170,096	1,350,339	827,419,521
Promissory notes encashed*	0	0	181,333,627
Interest and miscellaneous income earned and retained (investment income)	244,055	387,337	78,413,678
<b>TOTAL INCOME</b>	<b>50,414,151</b>	<b>1,737,676</b>	<b>1,087,166,826</b>
<b>TOTAL EXPENDITURE</b>	<b>11,200,968</b>	<b>23,602,512</b>	<b>1,009,359,006</b>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>	<b>39,213,183</b>	<b>-21,864,836</b>	<b>77,807,820</b>
<b>NET EXCESS OF INCOME OVER EXPENDITURE</b>	<b>39,213,183</b>	<b>-21,864,836</b>	<b>77,807,820</b>
Fund balance, beginning of period**	38,594,637	60,459,473	0
Add excess of income over expenditure	39,213,183	-21,864,836	77,807,820
Fund balance, end of period	77,807,820	38,594,637	77,807,820

\*Promissory notes information provided in the World Bank accounts.

\*\* The World Bank restated its Opening Fund balance for 2006 to include unrealized investment income as at the end of 31 December 2005.

SCHEDULE 1.7			
MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL			
World Bank Managed Activities 1991 - 2011			
INCOME	2011	2010	1991-2011
Cash transferred from the Multilateral Fund	50,170,096	1,350,339	827,419,521
Promissory notes encashed*	0	0	181,333,627
Interest and miscellaneous income earned and retained (investment income)	244,055	387,337	78,413,678
<b>TOTAL INCOME</b>	<b>50,414,151</b>	<b>1,737,676</b>	<b>1,087,166,826</b>
<b>TOTAL EXPENDITURE</b>	<b>11,200,968</b>	<b>23,602,512</b>	<b>1,009,359,006</b>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>	<b>39,213,183</b>	<b>-21,864,836</b>	<b>77,807,820</b>
<b>NET EXCESS OF INCOME OVER EXPENDITURE</b>	<b>39,213,183</b>	<b>-21,864,836</b>	<b>77,807,820</b>
Fund balance, beginning of period**	38,594,637	60,459,473	0
Add excess of income over expenditure	39,213,183	-21,864,836	77,807,820
Fund balance, end of period	77,807,820	38,594,637	77,807,820

\*Promissory notes information provided in the World Bank accounts.

\*\* The World Bank restated its Opening Fund balance for 2006 to include unrealized investment income as at the end of 31 December 2005.