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Executive Committee of
the Multilateral Fund for the
Implementation of the Montreal Protocol

Twelfth Meeting
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UNIFORM FORMAT FOR FINANCIAL REPORTS

INTRODUCTION

1. At the 11th Meeting of the Executive Committee, the Committee "endorsed the Sub-Committee's proposal that the implementing agencies work with the Treasurer and the Fund Secretariat to revise the proposed format for financial reports, which would be circulated informally to Executive Committee members so as to enable the Committee to approve it at its next meeting and that, once common definitions had been developed, they could be used for all the reporting requirements of the implementing agencies" (refer to paragraph 38, UNEP/OzL.Pro/ExCom/11/36).
2. "The Sub-Committee took the opportunity to note that the common definitions were being developed in response to the Executive Committee's request for common definitions in the annual report of the Treasurer" (refer to paragraph 39, UNEP/OzL.Pro/ExCom/11/36).
3. The Fund Secretariat and the Treasurer undertook initial consultations with agencies personnel at the Bangkok meetings. In response, it was felt that a revised format devised by the Secretariat may then be circulated to the staff of the implementing agencies and consultations could further be held to determine its practicality.
4. The present format has evolved through such consultations. In doing so consideration was given to relating the annual audited accounts to activities approved by the Executive Committee at its various meetings since inception. The report would then be more representative of a finance management report rather than purely an accounting document.
5. Annex I of this document contains the format itself and Annex II defines terms used in the format.
6. The general term "expenditure" should be broadly accepted as the disbursements made by the agencies directly or through intermediaries towards project activities or, for those agencies which use the system of obligations, any obligations for activities envisaged to take place during the year in question.
7. Thus, while "expenditure" would reflect actual incurred costs for that year as reported under the audited accounts, another column has been included to indicate estimated "future commitment" against the project/activity where the project/activity exceeded one calendar year and normally the funds needed for the subsequent year(s) would be shown in this column.

8. Savings or (deficits) would only be shown for activities which have been completed and for which final accounting reports are available. In case of on-going projects/activities, this column would show "zero" savings, thereby implying the carrying forward of the balance of approved allocations into the next year.

9. Accordingly the agencies will submit, in their annual audited accounts, a report reflecting the common definitions as defined by the Treasurer, and as noted above (in paragraph 2).

IMPLEMENTING AGENCY

Financial Report as at 31.12.1993

[illegible]

ANNEX II

**DEFINITIONS OF TERMS USED IN THE UNIFORM FORMAT
FOR ANNUAL FINANCIAL REPORTS FROM THE IMPLEMENTING AGENCIES**

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| 1. | "Country/Region"
"Project/Activity" | qualifying region of project/activity; |
| 2. | "Type of Project/
Activity" | identification of type of project/activity with respect to terms of reference for each agency; |
| 3. | "Date Approved" | date the Executive Committee approved the project/activity; |
| 4. | "Funds Allocated" | funds allocated to the project/activity by the Executive Committee and subsequently transferred to the agency by the Treasurer; |
| 5. | "Expenditure" | actual direct expenditure as disbursed and obligated by the agency; |
| 6. | "Planned Commitment" | money set aside for continuation of project/activity; |
| 7. | "Savings or (Deficits)" | net result of measuring total expenditure computed against original allocation (with deficits being shown in brackets) - this is applicable only for completed project/activity; |
| 8. | "Expected Date of
Completion" | expected date of completion of the approved project/activity; and, |
| 9. | "Remarks" | any remarks the agency sees fit to make in respect of this project/activity. |