



UNITED
NATIONS



Framework Convention
on Climate Change

Distr.
GENERAL

FCCC/SBI/2004/12/Add.2
23 August 2004

ENGLISH ONLY

SUBSIDIARY BODY FOR IMPLEMENTATION

Twenty-first session

Buenos Aires, 6–14 December 2004

Item 9 (a) of the provisional agenda

Administrative and financial matters

Audited financial statements for the biennium 2002–2003

Report of the United Nations Board of Auditors

Note by the Executive Secretary

Addendum

Audited financial statements for the biennium 2002–2003

Summary

This document contains the financial statements for the biennium 2002–2003, which have been audited by the United Nations Board of Auditors. The Board's report is provided in document FCCC/SBI/2004/12 and comments by the secretariat thereon are presented in document FCCC/SBI/2004/12/Add.1.

The Subsidiary Body for Implementation may wish to propose appropriate actions to be included in draft decisions on administrative and financial matters to be adopted by the Conference of the Parties at its tenth session.

CONTENTS

	<i>Page</i>
I. CERTIFICATION OF THE FINANCIAL STATEMENTS	3
II. NARRATIVE FINANCIAL REPORT FOR THE BIENNIUM 2002–2003 AS AT 31 DECEMBER 2003.....	4
A. Statement I: Statement of income and expenditure and changes in reserves and fund balances.....	4
B. Statement II: Statement of assets, liabilities, reserves and fund balances	5
III. FINANCIAL STATEMENTS FOR THE BIENNIUM 2002–2003	7
A. Statement I: Statement of income and expenditure and changes in reserves and fund balances for the biennium 2002–2003 as at 31 December 2003	7
B. Statement II: Statement of assets, liabilities, reserves and fund balances for the biennium 2002–2003 as at 31 December 2003.....	9
C. Statement III: Statement of cash flow for the biennium 2002–2003 as at 31 December 2003	11
D. Statement IV: The core budget: statement of appropriations for the biennium 2002–2003 as at 31 December 2003	13
E. Schedule 1.1: Status of indicative contribution to the core budget for the biennium 2002–2003	14
F. Schedule 1.2: Status of voluntary contributions for the biennium 2002–2003 as at 31 December 2003	19
IV. NOTES TO THE FINANCIAL STATEMENTS	20

I. Certification of the financial statements

I certify that the financial statements of the United Nations Framework Convention on Climate Change, numbered I to IV, are fairly stated.

Joke Waller-Hunter
Executive Secretary

II. Narrative financial report for the biennium 2002–2003 as at 31 December 2003

1. The Executive Secretary has the honour to submit herewith the financial report, together with the accounts of the biennium 2002–2003 as at 31 December 2003, of the United Nations Framework Convention on Climate Change (UNFCCC). The report is presented in accordance with paragraph 16 of the financial procedures of the Conference of Parties to the Convention, its subsidiary bodies and its permanent secretariat (FCCC/CP/1995/7/Add.1).

A. Statement I: Statement of income and expenditure and changes in reserves and fund balances

1. Trust Fund for the Core Budget of UNFCCC

2. The amount of USD 26,521,292, shown in statement I represents indicative contributions from governments. The amount of USD 1,483,794 represents voluntary contributions paid by the host country to the core budget for the biennium 2002–2003 (schedules 1.1 and 1.2). In addition, USD 586,051 was received as interest income and USD 224,520 as other income, thus bringing the total income to USD 28,815,657. This amount also includes contributions of USD 1,848,283 not received during the biennium.

3. Expenditures for the biennium 2002–2003 amounted to USD 30,646,659, which resulted in a shortfall of income below expenditure of USD 1,831,002. The prior period adjustments of USD 93,455 decreased the shortfall to USD 1,737,547. This shortfall is covered from the reserve and fund balance brought forward from the last biennium.

4. The reserve and fund balance of the core budget amounted to USD 6,225,339 at 31 December 2003.

2. Trust Fund for Participation in the UNFCCC Process

5. A total amount of USD 1,978,496 was received during the biennium 2002–2003 as voluntary contributions from various governments (schedule 1.2). In addition USD 46,738 was received as interest income and USD 9,414 as other income. Thus the total income of the fund was USD 2,034,648.

6. The total expenditure was USD 2,499,105, resulting in a shortfall of income below expenditure of USD 464,457. The prior period adjustment of USD 20,732 reduced the shortfall to USD 443,724.

7. The reserve and fund balance of the fund was USD 345,991 at 31 December 2003.

3. Trust Fund for Supplementary Activities

8. Voluntary contributions to the fund amounted to USD 6,929,713 for the biennium 2002–2003 (schedule 1.2). Total income of this fund was USD 7,371,538 after the inclusion of interest income of USD 425,536 and USD 16,289 as miscellaneous income.

9. Total expenditure was USD 4,868,836, which resulted in an excess of income over expenditure of USD 2,502,702. The prior period adjustment of USD 170,138 increased the excess to USD 2,672,840.

10. The reserve and fund balance reached USD 7,116,246 at 31 December 2003.

4. Trust Fund for special annual contribution from the Government of Germany

11. The contribution of USD 3,568,288 was received from the Government of Germany for the biennium 2002–2003. Total income of the fund after inclusion of interest income of USD 92,109 and miscellaneous income USD 976 amounted to USD 3,661,373.

12. Expenditure amounted to USD 3,623,988, which resulted in an excess of income over expenditure of USD 37,385. The prior period adjustment of USD 10,154 increased the excess to USD 47,538.

13. At 31 December 2003 the fund balance amounted to USD 801,144.

5. Special Account for Technical Cooperation

14. Under an agreement between UNFCCC with the United Nations Fund for International Partnership (UNFIP), the latter provides grants for the implementation of the project “Engaging the private sector in clean development mechanism (CDM) project activities under the Kyoto Protocol”. The project is facilitated by the secretariat and implemented by United Nations Development Programme (UNDP), the United Nations Industrial Development Organization and the United Nations Conference on Trade and Development, with UNDP taking the lead.

15. The contribution was received in the biennium 2000–2001. Only interest income of USD 12,423 was received during the biennium 2002–2003.

16. The expenditure during the biennium 2002–2003 was USD 862,247.

17. The reserve and fund balance at 31 December 2003 was USD 234,869.

6. Special account for programme support costs

18. The programme support cost income received during the biennium amounted to USD 4,869,681. Total income in this fund was USD 4,991,838 after inclusion of USD 120,101 interest income and USD 2,056 miscellaneous income.

19. Total expenditure was USD 5,615,261, which resulted in a shortfall of income below expenditure of USD 623,423. The shortfall increased to USD 764,354 because of a negative prior period adjustment of USD 140,931.

20. The reserve and fund balance amounted to USD 1,680,975 at 31 December 2003.

B. Statement II: Statement of assets, liabilities, reserves and fund balances

1. Trust Fund for Core Budget of UNFCCC

21. The assets of the fund amounted to USD 10,946,952, comprising cash deposits of USD 7,845,724, indicative contributions receivable of USD 1,848,283, inter-fund balances receivable of USD 806,689, other accounts receivable of USD 240,673 and deferred charges of USD 205,583.

22. The liabilities consisted of contributions received in advance of USD 2,667,047, other accounts payable of USD 1,061,663, and unliquidated obligations of USD 992,903.

23. At 31 December 2003 the working capital reserve was USD 1,372,200 and the cumulative surplus of the fund was USD 4,853,139.

2. Trust Fund for Participation in the UNFCCC Process

24. The assets of the fund amounted to USD 678,847, comprising cash deposits of USD 614,113, inter-fund balances receivable of USD 61,611 and other accounts receivable of USD 3,123. The liabilities consisted of unliquidated obligations of USD 332,856. At 31 December 2003 the cash operating reserve of the fund was USD 116,606 and the cumulative surplus was USD 229,385.

3. Trust Fund for Supplementary Activities

25. The assets of the fund amounted to USD 8,423,090, comprising cash deposits of USD 8,358,043, other accounts receivable USD 56,762 and deferred charges of USD 8,285.

26. The liabilities consisted of inter-fund balances payable of USD 107,070, unliquidated obligations of USD 277,572 and other accounts payable of USD 922,202.

27. At 31 December 2003 the cash operating reserve amounted to USD 404,893 and the cumulative surplus was USD 6,711,353.

4. Trust Fund for the special annual contribution from the Government of Germany

28. The total assets of the fund amounted to USD 1,063,870, comprising cash deposits of USD 1,055,171, inter-fund balances receivable of USD 2,510 and accounts receivable of USD 6,189. The liabilities included unliquidated obligations of USD 262,598 and other accounts payable of USD 128. The cash operating reserve has been set at USD 300,000 and the cumulative surplus at 31 December 2003 amounted to USD 501,144.

5. Trust Fund for Technical Cooperation

29. The assets of the fund amounted to USD 235,672, which is the operating fund provided to executing agencies. The liabilities consisted of inter-fund balances payable of USD 803. At 31 December 2002 the reserve for allocations amounted to USD 234,869.

6. Special account for programme support costs

30. The assets of the fund amounted to USD 1,756,017, comprising cash deposits of USD 1,727,116, other accounts receivable USD 15,134 and deferred charges of USD 13,767.

31. The liabilities consisted of inter-fund balances payable of USD 43,822, unliquidated obligations of USD 26,824 and other accounts payables of USD 4,396. At 31 December 2003 the cash operating reserve was USD 547,946 and the cumulative surplus amounted to USD 1,133,029.

III. Financial statements for the biennium 2002–2003

A. Statement I

Statement of income and expenditure and changes in reserves and fund balances for the biennium 2002–2003 as at 31 December 2003
(expressed in United States dollars)

	Schedule or note reference	Trust Fund for the Core Budget of the UNFCCC (FCA)		Trust Fund for Participation in the UNFCCC Process (FIA)		Trust Fund for Supplementary Activities (FRA)		Trust Fund for the special annual contribution from the Government of Germany (FQA)	
		2003	2001	2003	2001	2003	2001	2003	2001
INCOME:									
Indicative contributions	Note 2 (g) (i)	26 521 292	22 567 883	-	-	-	-	-	-
Voluntary contributions	Note 2 (g) (ii)	1 483 794	1 389 302	1 978 496	2 856 434	6 929 713	5 455 785	3 568 288	3 174 841
Programme support cost income	Note 10	-	-	-	-	-	-	-	-
Other/miscellaneous income		-	-	-	-	-	-	-	-
Interest income	Note 2 (g) (iii)	586 051	954 500	46 738	61 130	425 536	410 403	92 109	111 893
Miscellaneous	Note 2 (g) (iv)	224 520	2 041	9 414	78 265	16 289	7 127	976	-
TOTAL INCOME		28 815 657	24 913 726	2 034 648	2 995 829	7 371 538	5 873 315	3 661 373	3 286 734
EXPENDITURE:									
Staff and other personnel costs		20 507 537	15 462 692	-	-	2 535 776	982 643	853 722	989 421
Travel		2 216 985	1 777 915	2 211 597	3 263 448	1 578 653	1 683 274	77 361	20 361
Contractual services		615 539	946 660	-	-	7 875	45 724	-	-
Operating expenses		1 239 849	2 115 889	-	1 990	171 192	207 201	1 965 012	1 822 352
Acquisitions		709 263	1 250 792	-	-	13 956	10 561	311 437	15 161
Contributions and grants		1 832 701	1 876 529	-	-	13 378	103 305	-	-
Total direct expenditure		27 121 874	23 430 477	2 211 597	3 265 438	4 320 830	3 032 708	3 207 532	2 847 295
Programme support costs		3 524 785	3 041 601	287 508	424 507	548 006	394 252	416 456	365 798
TOTAL EXPENDITURE	Note 3	30 646 659	26 472 078	2 499 105	3 689 945	4 868 836	3 426 960	3 623 988	3 213 093
Prior period adjustments	Note 4	93 455	73 396	20 732	116 750	170 138	215 161	10 154	32 624
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		(1 737 547)	(1 484 956)	(443 724)	(577 366)	2 672 840	2 661 516	47 538	106 265
Transfers (to) from reserves and other		-	-	-	618 226	-	(618 226)	-	-
Refund to donors	Note 5	-	-	-	-	(99 210)	-	-	(320 312)
Savings on prior periods' obligations	Note 2 (e)	730 707	564 587	159 476	111 898	116 445	137 215	78 110	250 953
Reserves and fund balances at beginning of period		7 232 179	8 152 548	630 239	477 481	4 426 171	2 245 666	675 496	638 590
RESERVE AND FUND BALANCE: END OF PERIOD		6 225 339	7 232 179	345 991	630 239	7 116 246	4 426 171	801 144	675 496

Statement I (continued)

	Schedule or note reference	Trust Fund for UNFCCC technical cooperation (UNFIP) (FUA)		Special account for UNFCCC programme support costs (ZRB)		Total	
		2003	2001	2003	2001	2003	2001
INCOME:							
Indicative contributions	Note 2 (g) (i)	-	-	-	-	26 521 292	22 567 883
Voluntary contributions	Note 2 (g) (ii)	-	1 500 000	-	-	13 960 291	14 376 362
Programme support cost income	Note 10	-	-	4 869 681	4 296 699	4 869 681	4 296 699
Other/miscellaneous income		-	-	-	-	-	-
Interest income	Note 2 (g) (iii)	12 423	27 671	120 101	71 509	1 282 958	1 637 106
Miscellaneous	Note 2 (g) (iv)	-	-	2 056	-	253 255	87 433
TOTAL INCOME		12 423	1 527 671	4 991 838	4 368 208	46 887 477	42 965 483
EXPENDITURE:							
Staff and other personnel costs		288 163	165 385	5 424 617	1 914 714	29 609 815	19 514 855
Travel		51 665	56 772	30 048	9 810	6 166 309	6 811 580
Contractual services		453 455	184 727	109 003	4 316	1 185 872	1 181 427
Operating expenses		26 496	-	42 576	-	3 445 125	4 147 432
Acquisitions		3 997	-	9 017	579	1 047 670	1 277 093
Fellowships, grants and other		34 161	36 094	-	-	1 880 240	2 015 928
Total direct expenditure		857 937	442 978	5 615 261	1 929 419	43 335 031	34 948 315
Programme support costs		4 310	-	-	-	4 781 065	4 226 158
TOTAL EXPENDITURE	Note 3	862 247	442 978	5 615 261	1 929 419	48 116 096	39 174 473
Prior period adjustments	Note 4	-	-	(140 931)	-	153 548	437 931
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		(849 824)	1 084 693	(764 354)	2 438 789	(1 075 071)	4 228 941
Transfers (to) from reserves and other funds		-	-	-	-	-	-
Refund to donors	Note 5	-	-	-	-	(99 210)	(320 312)
Savings on prior periods' obligations	Note 2 (e)	-	-	6 540	-	1 091 278	1 064 653
Reserves and fund balances, beginning of period		1 084 693	-	2 438 789	-	16 487 567	11 514 285
RESERVE AND FUND BALANCE: END OF PERIOD		234 869	1 084 693	1 680 975	2 438 789	16 404 564	16 487 567

B. Statement II
Statement of assets, liabilities, reserves and fund balances for the biennium 2002–2003 as at 31 December 2003
(expressed in United States dollars)

	Schedule or note reference	Trust Fund for the Core Budget of the UNFCCC (FCA)		Trust Fund for Participation in the UNFCCC Process (FIA)		Trust Fund for Supplementary Activities (FRA)		Trust Fund for the special annual contribution from the Government of Germany (FQA)	
		2003	2001	2003	2001	2003	2001	2003	2001
ASSETS									
Cash and term deposits	Note 2 (f), 6	7 845 724	5 995 462	614 113	1 237 874	8 358 043	6 257 602	1 055 171	1 082 764
Accounts receivable:		-	-	-	-	-	-	-	-
Indicative contributions receivable from Parties	Sched. 1.1	1 848 283	3 421 694	-	-	-	-	-	-
Inter-fund balances receivable		806 689	744 723	61 611	-	-	-	2 510	-
Other accounts receivable	Note 7	240 673	862 697	3 123	4 957	56 762	24 618	6 189	4 355
Deferred charges		205 583	-	-	-	8 285	-	-	-
Operating funds provided to executing agencies		-	-	-	-	-	-	-	-
TOTAL ASSETS		10 946 952	11 024 576	678 847	1 242 831	8 423 090	6 282 220	1 063 870	1 087 119
LIABILITIES									
Contributions/payments received in advance	Sched. 1.1	2 667 047	259 298	-	-	-	-	-	-
Unliquidated obligations		992 903	2 005 520	332 856	484 394	277 572	240 716	262 598	270 416
Accounts payable		-	-	-	-	-	-	-	-
Inter-fund balances payable		-	-	-	128 198	107 070	506 529	-	141 207
Other accounts payable	Note 8	1 061 663	1 527 579	-	-	922 202	1 108 804	128	-
TOTAL LIABILITIES		4 721 613	3 792 397	332 856	612 592	1 306 844	1 856 049	262 726	411 623
RESERVES AND FUND BALANCES									
Operating reserve	Note 9	-	-	116 606	127 612	404 893	173 225	300 000	196 925
Working capital reserve	Note 9	1 372 200	1 122 877	-	-	-	-	-	-
Reserve for allocations		-	-	-	-	-	-	-	-
Cumulative surplus (deficit)		4 853 139	6 109 302	229 385	502 627	6 711 353	4 252 946	501 144	478 571
TOTAL RESERVES AND FUND BALANCES		6 225 339	7 232 179	345 991	630 239	7 116 246	4 426 171	801 144	675 496
TOTAL LIABILITIES, RESERVE AND FUND BALANCE		10 946 952	11 024 576	678 847	1 242 831	8 423 090	6 282 220	1 063 870	1 087 119

Statement II (continued)

	Schedule or note reference	Trust Fund for UNFCCC technical cooperation (UNFIP) (FUA)		Special account for UNFCCC programme support costs (ZRB)		Total	
		2003	2001	2003	2001	2003	2001
<u>ASSETS</u>							
Cash and term deposits	Note 2 (f), 6	-	708 063	1 727 116	2 586 634	19 600 167	17 868 399
Accounts receivable:							
Indicative contributions receivable from Parties	Sched. 1.1	-	-	-	-	1 848 283	3 421 694
Inter-fund balances receivable		-		-	-	870 810	744 723
Other accounts receivable	Note 7	-	2 572	15 134	8 516	321 881	907 715
Deferred charges		-		13 767	-	227 635	-
Operating funds provided to executing agencies		235 672	438 186	-	-	235 672	438 186
TOTAL ASSETS		235 672	1 148 821	1 756 017	2 595 150	23 104 448	23 380 717
<u>LIABILITIES</u>							
Contributions/payments received in advance	Sched. 1.1	-	-	-	-	2 667 047	259 298
Unliquidated obligations		-	-	26 824	13 525	1 892 753	3 014 571
Accounts payable		-		-	-	-	-
Inter-fund balances payable		803	64 128	43 822	142 836	151 695	982 898
Other accounts payable	Note 8	-	-	4 396	-	1 988 389	2 636 383
TOTAL LIABILITIES		803	64 128	75 042	156 361	6 699 884	6 893 150
<u>RESERVES AND FUND BALANCES</u>							
Operating reserve	Note 9	-	-	547 946	445 670	1 369 445	943 432
Working capital reserve	Note 9	-	-	-	-	1 372 200	1 122 877
Reserve for allocations		234 869	438 186	-	-	234 869	-
Cumulative surplus (deficit)		-	646 507	1 133 029	1 993 119	13 428 050	14 421 258
TOTAL RESERVES AND FUND BALANCES		234 869	1 084 693	1 680 975	2 438 789	16 404 564	16 487 567
TOTAL LIABILITIES, RESERVE AND FUND BALANCE		235 672	1 148 821	1 756 017	2 595 150	23 104 448	23 380 717

C. Statement III
Statement of cash flow for the biennium 2002–2003 as at 31 December 2003
(expressed in United States dollars)

	Trust Fund for the Core Budget of the UNFCCC (FCA)		Trust Fund for Participation in the UNFCCC Process (FIA)		Trust Fund for Supplementary Activities (FRA)		Trust Fund for the special annual contribution from the Government of Germany (FQA)		Trust Fund for UNFCCC technical cooperation (UNFIP) (FUA)		Special account for UNFCCC programme support costs (ZRB)	
	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001
CASH FLOWS FROM OPERATING ACTIVITIES:												
Net excess (shortfall) of income over expenditures (Statement I)	(1 737 547)	(1 484 956)	(443 724)	(577 366)	2 672 840	2 661 516	47 538	106 265	(849 824)	1 084 693	(764 354)	2 438 789
Increase (decrease) in contributions receivable	1 573 411	(2 230 043)	-	-	-	-	-	-	-	-	-	-
(Increase) decrease in other accounts receivable	622 024	(208 855)	1 834	10 939	(32 144)	58 590	(1 834)	80 314	2 572	(2 572)	(6 618)	(8 516)
(Increase) decrease in other assets	(205 583)	30 000		536 628	(8 284)	-	-	-	202 514	(438 186)	(13 766)	-
Increase (decrease) in contributions received in advance	2 407 749	(155 400)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in accounts payable	(465 916)	1 160 482		-	(186 603)	941 192	128	-	-	-	4 396	-
Increase (decrease) in unliquidated obligations	(1 012 617)	292 690	(151 538)	(668 642)	36 856	78 606	(7 819)	(508 555)	-	-	13 298	13 525
Less: Interest income received	(586 051)	(954 500)	(46 738)	(61 130)	(425 536)	(410 403)	(92 109)	(111 893)	(12 423)	(27 671)	(120 101)	(71 509)
NET CASH FROM OPERATING ACTIVITIES	595 470	(3 550 582)	(640 166)	(759 571)	2 057 129	3 329 501	(54 096)	(433 869)	(657 161)	616 264	(887 145)	2 372 289
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES:												
(Increase) decrease in inter-fund balances receivable	(61 966)	(730 408)	(61 611)	-	-	-	(2 509)	-	-	-	-	-
Increase (decrease) in inter-fund balances payable	-		(128 198)	(420 094)	(399 459)	343 963	(141 207)	86 860	(63 325)	64 128	(99 014)	142 836
Plus: Interest income received	586 051	954 500	46 738	61 130	425 536	410 403	92 109	111 893	12 423	27 671	120 101	71 509
NET CASH FROM INVESTING AND FINANCING ACTIVITIES	524 085	224 092	(143 071)	(358 964)	26 077	754 366	(51 607)	198 753	(50 902)	91 799	21 087	214 345

Statement III (continued)

	Trust Fund for the Core Budget of the UNFCCC (FCA)		Trust Fund for Participation in the UNFCCC Process (FIA)		Trust Fund for Supplementary Activities (FRA)		Trust Fund for special annual contribution from the Government of Germany (FQA)		Trust Fund for UNFCCC technical cooperation (UNFIP) (FUA)		Special account for UNFCCC programme support costs (ZRB)	
	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001
CASH FLOWS FROM OTHER SOURCES:												
Savings on prior periods' obligations	730 707	564 587	159 476	111 898	116 445	137 215	78 110	250 953	-	-	6 540	-
Other adjustments to fund balance	-	-	-	618 226	(99 210)	(618 226)	-	(320 312)	-	-	-	-
NET CASH FROM OTHER SOURCES	730 707	564 587	159 476	730 124	17 235	(481 011)	78 110	(69 359)	-	-	6 540	-
NET INCREASE (DECREASE) IN CASH AND TERM DEPOSITS	1 850 262	(2 761 903)	(623 761)	(388 411)	2 100 441	3 602 856	(27 593)	(304 475)	(708 063)	708 063	(859 518)	2 586 634
CASH AND TERM DEPOSITS AT BEGINNING OF PERIOD	5 995 462	8 757 365	1 237 874	1 626 285	6 257 602	2 654 746	1 082 764	1 387 239	708 063	-	2 586 634	-
CASH AND TERM DEPOSITS AT END OF PERIOD	7 845 724	5 995 462	614 113	1 237 874	8 358 043	6 257 602	1 055 171	1 082 764	-	708 063	1 727 116	2 586 634

D. Statement IV
The core budget: statement of appropriations for the biennium 2002–2003 as at 31 December 2003
(expressed in United States dollars)

Budget classification	Approved budget	Expenditures			Balance
		Disbursements	Unliquidated obligations	Total	
Executive Direction and Management (EDM)	3 348 951	2 817 111	11 060	2 828 171	520 780
Intergovernmental and Conference Affairs / Management and Coordination	781 244	642 107	12 236	654 344	126 900
Intergovernmental and Conference Affairs / Legal Affairs	605 700	526 719	174	526 893	78 807
Total ICA	1 386 944	1 168 827	12 410	1 181 237	205 707
Methods, Inventories and Science / Management and Coordination	2 502 555	2 392 745	248 839	2 641 584	-139 029
Methods, Inventories and Science / Methods	1 255 600	987 946	17 310	1 005 256	250 344
Methods, Inventories and Science / Greenhouse Gas Inventories	1 953 675	1 814 203	4 945	1 819 148	134 527
Total MIS	5 711 830	5 194 894	271 094	5 465 988	245 842
Sustainable Development / Management and Coordination	1 418 920	1 430 110	25 429	1 455 539	-36 619
Sustainable Development / Transfer of Technology	1 045 775	1 095 270	1 771	1 097 041	-51 266
Total SD	2 464 695	2 525 380	27 200	2 552 580	-87 885
Cooperative Mechanisms (COOP)	1 925 623	1 484 009	36 373	1 520 382	405 241
Implementation / Management and Coordination	2 063 541	1 779 941	54 278	1 834 219	229 322
Implementation / Annex I Implementation	1 326 500	1 386 209		1 386 209	-59 709
Implementation / Non-Annex I Implementation	1 695 925	1 748 677		1 748 677	-52 752
Total IMP	5 085 966	4 914 827	54 278	4 969 105	116 861
Administrative Services (secretariat-wide support costs) (AS)	3 030 000	2 505 179	404 355	2 909 535	120 465
Conference Affairs Services (CAS)	2 171 634	1 994 292	80 476	2 074 769	96 865
Information Service (IS)	3 698 785	3 524 451	95 656	3 620 107	78 678
TOTAL	28 824 428	26 128 971	992 903	27 121 874	1 702 554

E. Schedule 1.1
Status of indicative contribution to the core budget for the biennium 2002–2003
(expressed in United States dollars)

Parties	Indicative contributions receivable as at 1 Jan. 2002	Contributions received in advance as at 1 Jan. 2002	Indicative contributions for 2002–2003 and prior periods adjustments	Collections 2002–2003	Contributions received in advance for 2004	Indicative contributions receivable as at 31 Dec. 2003
Afghanistan			131			131
Albania	-	19	771	1 338	586	-
Algeria	7 720	-	18 126	18 943	-	6 903
Angola	673	-	515	2 495	1 307	-
Antigua and Barbuda	-	1 098	515	-	583	-
Argentina	92 857	-	273 786	94 000	-	272 643
Armenia	4 293	-	515	307	-	4 501
Australia	16 960	-	419 969	663 563	226 634	(0)
Austria	-	-	244 371	244 250	-	121
Azerbaijan	25 366	-	1 028	26 612	218	-
Bahamas	-	2 300	3 085	1 440	655	-
Bahrain	4 894	-	4 628	7 720	-	1 802
Bangladesh	5 436	-	2 571	-	-	8 007
Barbados	708	-	2 313	4 777	1 756	-
Belarus	-	-	4 885	5 922	1 037	-
Belgium	3 570	-	291 421	294 738	-	251
Belize	-	-	265	163	-	102
Benin	-	342	515	-	-	173
Bhutan	-	735	265	-	470	-
Bolivia	-	-	2 057	-	-	2 057
Bosnia and Herzegovina	441	-	1 028	1 661	192	-
Botswana	-	355	2 571	3 409	1 193	-
Brazil	268 954	-	575 880	95 061	-	749 773
Bulgaria	-	1 138	3 342	2 914	710	-
Burkina Faso	108	-	515	-	-	623
Burundi	977	-	265	-	-	1 242
Cambodia	1 736	-	515	-	-	2 251
Cameroon	6 300	-	2 313	-	-	8 613
Canada	-	11 762	660 357	648 019	-	576
Cape Verde	1 988	-	265	-	-	2 253
Central African Republic	1 860	-	265	-	-	2 125
Chad	1 779	-	265	-	-	2 044
Chile	6 846	-	51 256	38 784	-	19 318
China	15	-	395 546	395 541	-	20
Colombia	4 590	-	47 780	52 213	-	157

Parties	Indicative contributions receivable as at 1 Jan. 2002	Contributions received in advance as at 1 Jan. 2002	Indicative contributions for 2002–2003 and prior periods adjustments	Collections 2002–2003	Contributions received in advance for 2004	Indicative contributions receivable as at 31 Dec. 2003
Comoros	1 779	-	265	-	-	2 044
Congo	1 728	-	265	-	-	1 993
Cook Islands	-	145	265	-	-	120
Costa Rica	3 146	-	5 142	7 597	-	691
Cote d'Ivoire	5 281	-	2 313	-	-	7 594
Croatia	-	9 378	10 026	2 778	2 130	-
Cuba	340	-	7 713	5 088	-	2 965
Cyprus	443	-	9 770	-	-	10 213
Czech Republic	-	-	48 164	58 374	10 210	-
Democratic People's Republic of Korea	14 035	-	2 313	16 349	1	-
Democratic Republic of Congo	451	-	1 028	-	-	1 479
Denmark	6 768	-	193 338	324 117	124 011	-
Djibouti	74	-	265	340	1	-
Dominica	1 779	-	265	-	-	2 044
Dominican Republic	20	-	5 913	-	-	5 933
Ecuador	-	1 152	6 427	2 800	-	2 475
Egypt	8 934	-	20 824	8 934	-	20 824
El Salvador	-	-	4 628	5 611	983	-
Equatorial Guinea	110	-	265	497	122	(0)
Eritrea	-	735	265	-	470	-
Estonia	-	1 581	2 571	1 536	546	-
Ethiopia	-	205	1 028	1 026	203	-
European Community	154	-	663 033	664 126	938	-
Fiji	15	-	1 028	1 025	-	18
Finland	-	1 954	134 719	147 503	14 738	-
France	-	4 255	1 668 822	2 019 087	354 520	-
Gabon	4 730	-	3 600	-	-	8 330
Gambia	-	582	265	-	317	-
Georgia	15 842	-	1 285	-	-	17 127
Germany	-	-	2 521 358	2 521 358	-	-
Ghana	1 304	-	1 285	2 862	273	-
Greece	21 086	-	139 089	171 675	11 500	-
Grenada	-	-	265	164	-	101
Guatemala	-	-	6 941	2 985	-	3 956
Guinea	2 586	-	771	-	-	3 357
Guinea-Bissau	1 727	-	265	-	-	1 992
Guyana	1 779	-	265	-	-	2 044
Haiti	815	-	515	-	-	1 330
Honduras	2 839	-	1 155	-	-	3 994
Hungary	1	-	30 981	30 932	-	51

Parties	Indicative contributions receivable as at 1 Jan. 2002	Contributions received in advance as at 1 Jan. 2002	Indicative contributions for 2002–2003 and prior periods adjustments	Collections 2002–2003	Contributions received in advance for 2004	Indicative contributions receivable as at 31 Dec. 2003
Iceland	136	-	8 483	22 290	13 671	-
India	39 286	-	88 056	93 614	-	33 728
Indonesia	24 355	-	51 547	16 550	-	59 352
Iran, Islamic Republic of	27 904	-	65 254	69 064	-	24 094
Ireland	-	46 948	75 973	86 414	57 389	-
Israel	7 409	-	107 080	137 238	22 749	-
Italy	-	37 517	1 307 181	1 542 360	272 696	-
Jamaica	-	4 768	1 028	-	3 740	-
Japan	2 097 462	-	5 037 157	7 134 619	-	-
Jordan	668	-	2 057	1 933	-	792
Kazakhstan	47 571	-	7 328	47 514	-	7 385
Kenya	117	-	2 057	2 154	-	20
Kiribati	-	15	265	130	-	120
Kuwait	12 914	-	37 922	27 441	-	23 395
Kyrgyzstan	381	-	265	-	-	646
Lao People's Democratic Republic	-	735	265	-	470	-
Latvia	-	1 581	2 571	2 943	1 953	-
Lebanon	-	410	3 085	1 462	-	1 213
Lesotho	-	2 257	-1 187	-	3 444	-
Liberia	-	-	120	-	-	120
Libyan Arab Jamahiriya	25 140	-	17 225	-	-	42 365
Liechtenstein	-	188	1 543	1 657	302	-
Lithuania	241	-	4 370	7 909	3 298	-
Luxembourg	1 327	-	20 568	26 263	4 368	-
Madagascar	-	98	771	-	-	673
Malawi	215	-	515	531	-	199
Malaysia	5 966	-	60 675	43 430	-	23 211
Maldives	-	1 374	265	1 692	2 801	-
Mali	2 264	-	515	-	-	2 779
Malta	133	-	3 856	2 282	-	1 708
Marshall Islands	22	-	265	343	56	-
Mauritania	1 779	-	265	435	-	1 609
Mauritius	221	-	2 828	5 039	1 990	-
Mexico	82 995	-	280 366	237 419	-	125 942
Micronesia	-	940	265	-	675	-
Monaco	-	687	1 028	1 000	659	-
Mongolia	-	1 382	265	-	1 117	-
Morocco	-	868	11 441	-	-	10 573
Mozambique	-	654	265	-	389	-
Myanmar	221	-	2 571	1 802	-	990

Parties	Indicative contributions receivable as at 1 Jan. 2002	Contributions received in advance as at 1 Jan. 2002	Indicative contributions for 2002–2003 and prior periods adjustments	Collections 2002–2003	Contributions received in advance for 2004	Indicative contributions receivable as at 31 Dec. 2003
Namibia	-	1 107	1 800	1 959	1 266	-
Nauru	414	-	265	-	-	679
Nepal	298	-	1 028	-	-	1 326
Netherlands	12 887	-	448 507	510 456	49 062	-
New Zealand	2 346	-	62 218	111 600	47 036	-
Nicaragua	-	825	265	-	560	-
Niger	2 069	-	265	2 207	-	127
Nigeria	-	3 521	15 924	-	-	12 403
Niue	-	65	265	256	56	-
Norway	4 447	-	166 858	170 286	-	1 019
Oman	-	9 801	15 813	9 371	3 359	-
Pakistan	19 139	-	15 683	16 000	-	18 822
Palau	200	-	265	884	419	-
Panama	552	-	4 628	4 550	-	630
Papua New Guinea	-	90	1 543	-	-	1 453
Paraguay	7 285	-	4 113	-	-	11 398
Peru	23 898	-	30 466	-	-	54 364
Philippines	23 098	-	25 839	33 739	-	15 198
Poland	-	-	89 519	108 496	18 977	-
Portugal	22	-	119 294	144 659	25 343	0
Qatar	7 320	-	8 741	22 212	6 151	-
Republic of Korea	79 687	-	477 817	557 504	-	-
Republic of Moldova	18 342	-	515	-	-	18 857
Romania	-	7 503	15 041	14 118	6 580	-
Russian Federation	1 551	-	308 506	367 336	57 279	-
Rwanda	347	-	265	668	56	-
Saint Kitts and Nevis	-	735	265	-	470	-
Saint Lucia	-	1 577	515	-	1 062	-
Saint Vincent and the Grenadines	914	-	265	-	-	1 179
Samoa	20	-	265	321	36	-
San Marino	-	334	515	289	108	-
São Tomé and Príncipe	218	-	265	511	28	-
Saudi Arabia	-	326	143 076	173 145	30 395	-
Senegal	-	84	1 285	1 775	574	-
Seychelles	-	119	515	-	-	396
Sierra Leone	1 779	-	265	-	-	2 044
Singapore	-	-	101 425	122 972	21 547	-
Slovakia	884	-	11 055	14 286	2 347	-
Slovenia	-	12 778	20 824	23 857	15 811	-
Solomon Islands	218	-	265	-	-	483

Parties	Indicative contributions receivable as at 1 Jan. 2002	Contributions received in advance as at 1 Jan. 2002	Indicative contributions for 2002–2003 and prior periods adjustments	Collections 2002–2003	Contributions received in advance for 2004	Indicative contributions receivable as at 31 Dec. 2003
South Africa	-	64 969	105 282	64 269	23 956	-
Spain	-	6 137	650 169	782 152	138 120	-
Sri Lanka	1 765	-	4 113	6 250	372	-
Sudan	4 272	-	1 543	-	-	5 815
Suriname	1 408	-	515	-	-	1 923
Swaziland	-	334	515	-	-	181
Sweden	-	4 981	265 036	316 329	56 274	-
Switzerland	102 290	-	327 530	499 368	69 548	-
Syrian Arab Republic	20 702	-	20 697	12 290	-	29 109
Tajikistan	1 064	-	265	1 625	296	-
Thailand	13 536	-	70 390	81 244	-	2 682
The former Yugoslav Republic of Macedonia	1 512	-	1 543	3 347	292	-
Togo	1 860	-	265	-	-	2 125
Tonga	18	-	265	-	-	283
Trinidad and Tobago	-	2 372	4 113	2 615	874	-
Tunisia	5 356	-	7 843	10 236	-	2 963
Turkmenistan	3 079	-	771	-	-	3 850
Tuvalu	80	-	265	-	-	345
Uganda	-	461	1 285	-	-	824
Ukraine	-	-	13 626	16 495	2 869	-
United Arab Emirates	29 263	-	52 192	92 542	11 087	-
United Kingdom of Great Britain and Northern Ireland	52 792	-	1 428 821	1 480 368	-	1 246
United Republic of Tanzania	2 421	-	1 028	-	-	3 449
United States of America	-	-	5 655 931	6 578 119	922 188	-
Uruguay	13 181	-	20 697	-	-	33 878
Uzbekistan	-	1 389	2 828	3 559	2 120	-
Vanuatu	-	1 631	265	-	1 366	-
Venezuela	5 311	-	53 734	-	-	59 045
Viet Nam	-	-	3 724	3 724	-	-
Yemen	4 849	-	1 673	-	-	6 522
Yugoslavia	10 617	-	5 142	16 851	1 092	-
Zambia	2 264	-	515	-	-	2 779
Zimbabwe	1 555	-	2 057	-	-	3 612
TOTAL	3 421 694	259 298	26 519 840	30 501 000	2 667 047	1 848 283

F. Schedule 1.2

Status of voluntary contributions for the biennium 2002–2003 as at 31 December 2003
(expressed in United States dollars)

Parties/Trust Funds	Voluntary contributions received in 2002–2003
I. Trust Fund for the Core Budget of the UNFCCC (FCA)	
Germany	1 483 794
TOTAL	1 483 794
II. Trust Fund for Participation in the UNFCCC Process (FIA)	
Austria	5 000
Australia	13 240
Canada	31 328
Finland	114 950
Germany	200 000
Greece	20 007
Iceland	1 973
Ireland	57 818
Norway	344 372
New Zealand	19 982
Portugal	19 978
Sweden	90 693
United Kingdom of Great Britain and Northern Ireland	306 761
United States of America	752 395
TOTAL	1 978 496
III. Trust Fund for Supplementary Activities (FRA)	
Austria	5 000
Australia	5 292
Belgium	37 076
Canada	827 989
Denmark	125 950
France	467 350
Finland	73 263
Germany	658 712
Iceland	2 975
Ireland	28 000
Italy	1 229 626
Japan	526 573
Monaco	930
Netherlands	438 575
New Zealand	44 957
Norway	867 222
Portugal	52 810
Sweden	156 216
Spain	59 923
Switzerland	201 974
United Kingdom of Great Britain and Northern Ireland	461 889
United States of America	300 000
Sub-total	6 572 301
Others	357 412
TOTAL	6 929 713
IV. Trust Fund for special annual contribution from the Government of Germany (FQA)	
Germany	3 568 288
TOTAL	3 568 288
GRAND TOTAL	13 960 291

IV. Notes to the financial statements

Note 1: Statement of purpose

The permanent secretariat of the United Nations Framework Convention on Climate Change was established on 1 January 1996 with the following purposes:

- (a) To make arrangements for sessions of the Conference of the Parties and its subsidiary bodies established under the Convention and to provide them with services as required
- (b) To compile and transmit reports submitted to it
- (c) To facilitate assistance to the affected developing country Parties, on request, particularly those in Africa, in the compilation and communication of information required under the Convention
- (d) To coordinate its activities with the secretariats of other relevant international bodies and conventions
- (e) To enter, under the guidance of the Conference of the Parties, into such administrative and contractual arrangements as may be required for the effective discharge of its functions
- (f) To prepare reports on the executions of its functions under the Convention and present them to the Conference of the Parties
- (g) To perform such other secretariat functions as may be determined by the Conference of the Parties.

Note 2: Accounting policies

The following are the main accounting policies of the UNFCCC:

- (a) Rules and procedures

The accounts of the Convention are maintained in accordance with its own Financial Procedures,¹ the Financial Regulations of the United Nations, and the United Nations System Common Accounting Standards (A/48/530) as recognized by General Assembly resolution 48/216 C of 23 December 1993 and subsequent revisions.

Under the financial procedures adopted by the Conference of the Parties, the Executive Secretary prepares the administrative core budget for the following biennium and submits it to the Conference of the Parties for its consideration and approval. The approved budget constitutes authority to the Executive Secretary to issue allotments, incur obligations and make payments for the purposes for which the appropriations were approved. For the biennium 2002–2003, the Conference of the Parties approved a core budget of USD 28,824,427 (or USD 32,837,103 including overheads and adjustment to the working capital reserve), out of which the equivalent of EUR 1,533,875.48 is paid by the host Government and USD 5 million is drawn from savings from the prior period. The remaining amount is raised by all Parties, which are invited to make contributions based on an adjusted United Nations scale of assessment.

¹ Document FCCC/CP/1995/7/Add.1, decision 15/CP.1, annex.

(b) Accounting convention

The accounts are prepared on the historical cost basis, modified to the extent that the cost of all property acquired is charged as an expense in the year of purchase except for the period under review where property donated in kind by the host Government was valued using the average United Nations rate of exchange.

The UNFCCC accounts are maintained on a “fund accounting” basis. Separate funds for general or special purposes may be established by the Conference of the Parties or the Executive Secretary. Each fund is maintained as a distinct financial and accounting entity, with a separate self-balancing double-entry group of accounts.

(c) Contingent liabilities

Contingent liabilities were estimated at USD 7,054,252. These expenditures do not include possible costs to cover contingencies under appendix D to the United Nations staff rules (note 12).

(d) Income tax refund policy

The UNFCCC salaries are charged to the budget on a net basis during the year in which the services have been rendered. Income tax refunds are charged to the year in which they are made to the staff member.

(e) Unliquidated obligations

Unliquidated obligations are expenditures based on firm obligations entered into, but not disbursed, in the financial period. Unliquidated obligations for the current period in respect of all UNFCCC activities remain valid for 12 months following the end of the period to which they relate.

(f) Cash and term deposits

Funds on deposit in interest bank accounts, time deposits and call accounts are shown in the statements of assets and liabilities as cash. All term deposits are placed in line with the United Nations investments policies and guidelines.

(g) Income

(i) Indicative contributions from Parties to the Convention

Income from indicative contributions is recognized on an accrual basis based on the budget approved by the Conference of the Parties.

(ii) Voluntary contributions

Voluntary contributions to UNFCCC trust funds, which include funds received under inter-organization arrangements, are recorded as income when received.

(iii) Interest income

Interest income is based only on amounts received and accrued from cash and term deposits relating to the financial period. Interest due from cash and term deposits made in the financial period but not maturing until future periods is recorded as accounts receivable (note 7).

(iv) Miscellaneous income

Refunds of expenditures charged to prior financial periods and net gains on exchange, if any, are credited to miscellaneous income.

(v) Contributions

All contributions are deposited with the United Nations Office in Geneva (UNOG). UNFCCC operated an imprest account in euro to cover its expenditure in Bonn until 31 March 2003 and reports on its utilization were submitted to UNOG on a regular basis until the implementation of the Integrated Management Information System (IMIS). All payments and maintenance of accounts for UNFCCC, starting from the implementation of IMIS on 1 April 2003 are made through the system.

(vi) Translation of currencies

The financial statements of the UNFCCC are presented in United States dollars. As per United Nations Accounting standards, transactions in other currencies are recorded in United States dollars by applying the United Nations operational rate of exchange at the time of the transaction. Realized exchange losses are charged to the appropriate budgetary account.

Note 3: Expenditures

The total expenditure of USD 48,116,096 in Statement I includes unliquidated obligations of USD 1,892,753.

Salary and personnel costs include salaries and common staff costs to staff members appointed to approved posts, salaries of short-term staff, temporary assistance and overtime. They also include fees and travel of external experts both individual and institutional, which are termed as consultants. Travel includes travel of staff on official mission and of participants. General operating expenses costs include training, communications expenses, printing of materials, hospitality, and rental and maintenance of premises. Acquisitions represent goods and supplies acquired by the secretariat. Contributions and grants are payments made to the United Nations common premises management and the annual contribution to the Intergovernmental Panel on Climate Change, as well as grants provided under the fellowship programme.

Note 4: Prior period adjustments

Adjustments were made for USD 1,452 paid for indicative contribution by the Government of Lesotho in 1997, which was recorded as voluntary contribution in the past. The amount of USD 5,000 received from Italy in 1997, which was recorded as payment for indicative contribution, has been received as a voluntary contribution to the Trust Fund for Supplementary Activities. The retained amount of USD 150,000 out of the fund for UNFCCC relocation from Geneva to Bonn, which was set aside for payments of non-removal entitlement, was transferred to the fund balance of the Trust Fund for Supplementary Activities because the expenditures were covered from the common staff costs under the relevant funds.

Note 5: Refund to donors

This represents the refund of USD 13,919 to the Government of Netherlands on 1 February 2002 and USD 85,291 to the Government of Canada on 17 January 2003.

Note 6: Cash and term deposits

	United States dollars
Imprest – Bonn	66 160
Imprest - Milan (COP 9)	35 760
Interest-bearing bank deposits maturing within twelve months	<u>19 498 247</u>
Total	19 600 167

Note 7: Other accounts receivable

	United States dollars
Education grant advances	138 831
Travel advances	22 880
Salary advances	13 728
Value added tax	61 496
Accrued interest receivable	75 106
Others	<u>9 840</u>
Total	321 881

Note 8: Other accounts payable

	United States dollars
Unspent balance of Kyoto Conference	908 804
Payables to Host Governments relating to conferences (note 14)	815 159
Reserve for appendix D	240 469
Others	<u>23 957</u>
Total	1 988 389

Note 9: Operating and working capital reserve

Operating reserves are established at 15 per cent (Trust Fund for Supplementary Activities and Trust Fund for the special annual contribution from the Government of Germany) and 10 per cent (Trust Fund for Participation in the UNFCCC Process) of the total annual expenditure under the voluntary general trust funds whereas an operating reserve for programme support account (Special account for UNFCCC programme support costs) is maintained at 20 per cent of annual programme support income earned. Working capital reserve is maintained at 8.3 per cent of the total approved budget for 2003 under the core budget (Trust Fund for the Core Budget of UNFCCC). The reserves are to cover unforeseen shortfall, uneven cash flows, unplanned costs and other final contingencies. For the reported period there was no need to draw on the reserves and therefore the levels of reserve were reported as being USD 1,369,445 (operating reserve) and USD 1,372,200 (working capital reserve) (Statement II).

Note 10: Programme support

The secretariat retains 13 per cent of the actual expenditures of all established UNFCCC trust funds under a separate account (Special account for UNFCCC programme support costs), subject to specific exceptions made by the Controller. When a project is shared between UNFCCC and another United Nations agency, programme support charges are also shared between both organizations with the combined amount not exceeding 13 per cent.

Note 11: Non-expendable inventory

The inventory of non-expendable property as at 31 December 2003 includes furniture and equipment valued at acquisition cost of USD 3,582,922.

Note 12: Liabilities for end of service and post retirement

The liability of UNFCCC has been determined by an actuarial evaluation for post-retirement liability together with end of service leave payments and repatriation grants.

The post-retirement liability for UNFCCC was estimated as follows:

- (a) Present value of future benefits projected to 31 December 2003 is USD 10,875,000.
- (b) Accrued liability as of 31 December 2003 is USD 4,991,000.

The present value of future benefits figures shown are discounted value of all benefits, less retiree contributions, to be paid in the future to all current retirees and active employees expected to retire in the future. The accrued liability represents that portion of the present value of benefits that has accrued from the employees' date of hire until the valuation date. The active employee's benefit is fully accrued when that employee has reached the date of full eligibility for benefits. Thus, for retirees and active employees who are eligible to retire with benefits, the present value of future benefits and the accrued liability are equal.

Staff members who separate from the organization are entitled to be paid for any unused annual leave that they may have accumulated up to a maximum of 60 working days. The calculation is based on the accumulated leave of staff members as at 31 December 2003. The organization's total liability for such unpaid accumulated annual leave computation as of 31 December 2003 is estimated at USD 1,040,046.

All staff members with international status are entitled to repatriation grants upon their separation from the organization based on the number of years of service outside the home country. The estimated cost is calculated based on the standard net staff costs and the length of service of the staff member entitled to repatriation grants as per annex IV of the United Nations staff regulations and rules. The organization's total liability for such unpaid repatriation entitlement as of 31 December 2003 is estimated at USD 1,023,269.

Note 13: Other donations in kind

There were no donations in kind during the period.

Note 14: Other financial implications

In addition to the funds reflected in the above statements, UNFCCC received the advances amounting to USD 9,276,054 from three host countries for conferences held at the venue offered by the respective Governments. The expenditures, which include USD 707,616 unliquidated obligations, amounted to USD 8,367,616. Of the remaining balance USD 93,279 has been refunded to the Government of India, which hosted the Conference of the Parties at its eighth session. Upon closure of each account, the net balance of USD 815,159 shown under note 8 will be refunded to the Governments of France, Italy and Morocco.
