



CONSOLIDATED ANNUAL FINANCIAL REPORT of the Administrative Agent

The Lion's Share Fund

for the period 1 January to 31 December 2021

UN Multi-Partner Trust Fund Office
United Nations Development Programme

PARTNERS GATEWAY:
<https://beta.mptf.undp.org>

May 2022



United Nations
MPTF Office



The Lion's Share Fund
Financial Report
prepared by the Administrative Agent

May 2022



DEFINITIONS

Allocation

Amount approved by the Steering Committee for a project/programme.

Approved Project/Programme

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

Contributor Commitment

Amount(s) committed by a contributor to a Fund in a signed Standard Administrative Arrangement with the UNDP Multi-Partner Trust Fund Office (MPTF Office), in its capacity as the Administrative Agent. A commitment may be paid or pending payment.

Contributor Deposit

Cash deposit received by the MPTF Office for the Fund from a contributor in accordance with a signed Standard Administrative Arrangement.

Delivery Rate

The percentage of funds that have been utilized, calculated by comparing expenditures reported by a Participating Organization against the 'net funded amount'. This does not include expense commitments by Participating Organisations.

Indirect Support Costs

A general cost that cannot be 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 MPTFs.

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

Project Expenditure

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

Project Financial Closure

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

Project Operational Closure

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

Project Start Date

Project/ Joint programme start date as per the programmatic document.

Total Approved Budget

This represents the cumulative amount of allocations approved by the Steering Committee.

US Dollar Amount

The financial data in the report is recorded in US Dollars



INTRODUCTION

This Consolidated Annual Financial Report of the **Lion's Share Fund** 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 terms of Reference (TOR), the Memorandum of Understanding (MOU) signed between the UNDP MPTF Office and the Participating Organizations, and the Standard Administrative Arrangement (SAA) signed with contributors.

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

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

This consolidated financial report covers the period 1 January to 31 December 2021 and provides financial data on progress made in the implementation of projects of the Lion's Share Fund. It is posted on the MPTF Office GATEWAY

<https://mptf.undp.org/factsheet/fund/LNS00>



2021 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **Lion's Share Fund** using the pass-through funding modality as of 31 December **2021**.

Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address:

<https://mptf.undp.org/factsheet/fund/LNS00>

1. SOURCES AND USES OF FUNDS

As of 31 December **2021**, **8** contributors¹ deposited US\$ **5,920,504** and US\$ **19,140** was earned in interest.

The cumulative source of funds was US\$ **5,939,645**.

Of this amount, US\$ **4,595,411** has been net funded to **9** Participating Organizations, of which US\$ 3,704,400 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **59,205**. Table 1 provides an overview of the overall sources, uses, and balance of the **Lion's Share Fund** as of 31 December 2021.

Table 1 Financial Overview, as of 31 December 2021 (in US Dollars)

	Annual 2020	Annual 2021	Cumulative
Sources of Funds			
Contributions from donors	1,542,917	1,459,714	5,920,504
Sub-total Contributions	1,542,917	1,459,714	5,920,504
Fund Earned Interest and Investment Income	2,283	2,933	19,140
Total: Sources of Funds	1,545,200	1,462,647	5,939,645
Use of Funds			
Transfers to Participating Organizations	539,415	1,036,836	2,429,251
Net Funded Amount	539,415	1,036,836	2,429,251
Administrative Agent Fees	15,429	14,597	59,205
Direct Costs	590,060	0	2,166,160
Bank Charges	55	17	92
Total: Uses of Funds	1,144,960	1,051,450	4,654,708
Change in Fund cash balance with Administrative Agent	400,240	411,197	1,284,937
Opening Fund balance (1 January)	473,499	873,740	
Closing Fund balance (31 December)	873,740	1,284,937	1,284,937
Net Funded Amount (Includes Direct Cost)	1,129,475	1,036,836	4,595,411
Participating Organizations Expenditure (Includes Direct Cost)	1,174,086	1,383,333	3,704,400
Balance of Funds with Participating Organizations	(44,611)	(346,497)	891,010

¹ 1 In this report, all donors with the small-amount donations are referred as 'Additional Private Sector contributors'



2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this fund as of 31 December 2021.

The **Lion's Share Fund** is currently being financed by **8** contributors, 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 2021 and deposits received by the same date. It does not include commitments that were made to the fund beyond 2021.

Table 2. Contributions, as of 31 December 2021 (in US Dollars)

Contributors	Total Commitments	Prior Years as of 31-Dec-2020 Deposits	Current Year Jan-Dec-2021 Deposits	Total Deposits
Ascential Events	307,015	307,015	-	307,015
Cartier Philanthropy	85,000	-	85,000	85,000
Cartier	85,000	85,000	-	85,000
Guccio Gucci	300,000	150,000	150,000	300,000
Lacoste	14,000	14,000	-	14,000
Mars	4,913,143	3,740,000	1,173,143	4,913,143
Private Sector	206,596	155,025	51,571	206,596
The Economist Group	9,750	9,750	-	9,750
Grand Total	5,920,504	4,460,790	1,459,714	5,920,504



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 **2021**, Fund earned interest amounts to US\$ **19,140**.

Interest received from Participating Organizations amounts to US\$ **nil**, bringing the cumulative interest received to US\$ **19,140**. Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2021 (in US Dollars)

Interest Earned	Prior Years as of 31-Dec-2020	Current Year Jan-Dec-2021	Total
Administrative Agent			
Fund Earned Interest and Investment Income	16,208	2,933	19,140
Total: Fund Earned Interest	16,208	2,933	19,140
Participating Organization			
Total: Agency earned interest			
Grand Total	16,208	2,933	19,140



4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2021, the AA has transferred US\$ 2,429,251 to 9 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 as of 31-Dec-2020			Current Year Jan-Dec-2021			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
FKL	107,095	0	107,095	106,453	0	106,453	213,548	0	213,548
HSI	133,000	0	133,000	183,500	0	183,500	316,500	0	316,500
HAKA	209,569	0	209,569	210,216	0	210,216	419,785	0	419,785
PanEco	110,007	0	110,007	109,996	0	109,996	220,003	0	220,003
UNDP	333,333	0	333,333				333,333	0	333,333
UNEP	80,000	0	80,000				80,000	0	80,000
UNOPS	206,082	0	206,082				206,082	0	206,082
WCS	106,666	0	106,666	213,334	0	213,334	320,000	0	320,000
YOSL-OIC	106,663	0	106,663	213,337	0	213,337	320,000	0	320,000
Grand Total	1,392,415	0	1,392,415	1,036,836	0	1,036,836	2,429,251	0	2,429,251



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.

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 **2021** expenditure data has been posted on the MPTF Office GATEWAY at <https://mptf.undp.org/factsheet/fund/LNS00>

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2021**, US\$ **1,036,836** was net funded to Participating Organizations, and US\$ **1,151,996** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **2,429,251** and cumulative expenditures reported by the Participating Organizations amount to US\$ **1,753,945**. This equates to an overall Fund expenditure delivery rate of **72.2** percent.

Table 5.1 Net Funded Amount and Reported Expenditures by Participating Organization, as of 31 December 2021 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2020	Current Year Jan-Dec-2021	Cumulative	
FKL	213,548	213,548	52,101	102,202	154,303	72.26
HAKA	419,785	419,785	33,987	211,888	245,875	58.57
HSI	316,500	316,500	68,665	91,668	160,334	50.66
PanEco	220,003	220,003	97,708	109,998	207,706	94.41
UNDP	333,333	333,333	80,471	151,714	232,185	69.66
UNEP	80,000	80,000	47,130	10,962	58,092	72.62
UNOPS	206,082	206,082	0	197,401	197,401	95.79
WCS	320,000	320,000	123,205	196,795	320,000	100.00
YOSL-OIC	320,000	320,000	98,682	79,368	178,050	55.64
Grand Total	2,429,251	2,429,251	601,949	1,151,996	1,753,945	72.20



5.2. EXPENDITURE BY PROJECT

The net funded amounts, expenditures reported and the financial delivery rates by project and Participating Organization.

Table 5.2 Expenditure by Project, grouped by Country

Country / Project No. and Project Title	Participating Organization	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %	
Global and Interregional						
00118998	Protecting the Last Frontier – Leuser Ecosystem	HSI	316,500	316,500	160,334	50.66
00118999	Communication and Outreach -BE	UNDP	333,333	333,333	232,185	69.66
00124657	The Lion's Share COVID-10 Response Small Grants- Resilience in Wildlife Communities	UNOPS	206,082	206,082	197,401	95.79
Global and Interregional: Total			855,915	855,915	589,919	68.92
Indonesia						
00118997	Protecting the Last Frontier – Leuser Ecosystem	FKL	213,548	213,548	154,303	72.26
00118997	Protecting the Last Frontier – Leuser Ecosystem	HAKA	419,785	419,785	245,875	58.57
00118997	Protecting the Last Frontier – Leuser Ecosystem	PanEco	220,003	220,003	207,706	94.41
00118997	Protecting the Last Frontier – Leuser Ecosystem	UNEP	80,000	80,000	58,092	72.62
00118997	Protecting the Last Frontier – Leuser Ecosystem	WCS	320,000	320,000	320,000	100.00
00118997	Protecting the Last Frontier – Leuser Ecosystem	YOSL-OIC	320,000	320,000	178,050	55.64
Indonesia: Total			1,573,336	1,573,336	1,164,026	73.98
Grand Total			2,429,251	2,429,251	1,753,945	72.20



Table 5.3. Expenditures by UNSDG Budget Category, as of 31 December 2021 (in US Dollars)

Project expenditures are incurred and monitored by each Participating Organization and are reported as per the agreed categories for inter-agency harmonized reporting. In 2006 the UN Development Group (UNSDG) established six categories against which UN entities must report inter-agency project expenditures. Effective 1 January 2012, the UN Chief Executive Board (CEB) modified these categories as a result of IPSAS adoption to comprise eight categories. All expenditure incurred prior to 1 January 2012 have been reported in the old categories; post 1 January 2012 all expenditure are reported in the new eight categories. See table below.

Category	Expenditures			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2020	Current Year Jan-Dec-2021	Total	
Staff & Personnel Cost	162,481	209,871	372,352	22.21
Supplies, commodities and materials	103,566	113,912	217,478	12.97
Equipment, vehicles, furniture and depreciation	38,671	30,802	69,473	4.14
Contractual Services Expenses	119,447	264,749	384,196	22.92
Travel	86,669	192,653	279,322	16.66
Transfers and Grants	1,087	216,289	217,376	12.97
General Operating	61,932	74,052	135,984	8.11
Programme Costs Total	573,853	1,102,328	1,676,181	100.00
¹ Indirect Support Costs Total	28,096	49,668	77,764	4.64
Grand Total	601,949	1,151,996	1,753,945	

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 Fund are guided by the applicable provisions of the Terms of Reference, 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 2021, 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. In the reporting period US\$ **14,597** was deducted in AA-fees. Cumulatively, as of 31 December **2021**, US\$ **59,205** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **49,668** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **77,764** as of 31 December **2021**.

8. DIRECT COSTS

The Fund governance mechanism may approve an allocation to a Participating Organization to cover costs associated with Fund coordination covering overall coordination, and fund level reviews and evaluations. These allocations are referred to as 'direct costs'. Cumulatively, as of 31 December 2021, US\$ 2,166,160 has been charged as Direct Costs.

Participating Organization	Current Year Net Funded Amount	Current Year Expenditure	Total Net Funded Amount	Total Expenditure
UNDP	0	231,337	2,166,160	1,950,455
Total	0	231,337	2,166,160	1,950,455

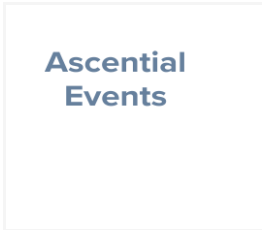
7. ACCOUNTABILITY AND TRANSPARENCY

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, 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



Ascential Events



Cartier Philanthropy



Cartier



Guccio Gucci



Lacoste



Mars



The Economist

UN Participating Organizations



United Nations
Development
Programme



United Nations
Environment
Programme



United Nations
Office for Project
Services

Other Participating Organizations



Forum Konservasi Leuser
(FKL)



Humane Society
International



Hutan Alam dan
Lingkungan Aceh
(HAKA)



PanEco Foundation



Wildlife Conservation Society



Orangutan Information
Centre (OIC)