

Part II

Institute of Nutrition of Central America and Panama



INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA

Table 20

Institute of Nutrition of Central America and Panama
Statement of Income and Expenditure and Changes in Fund Balances
Year Ending 31 December 2008

(expressed in US dollars)

	Reference	Regular Budget and Working Capital Fund	Trust Funds (Table 24)	Special Funds (Table 20.1)	Subtotal INCAP
Income					
<i>Assessed quota contributions</i>	Table 23	428 700			428 700
<i>Voluntary contributions</i>					
INCAP program activities			925 452		925 452
Non-INCAP program activities				194 629	194 629
<i>Other income</i>					
Revenue-producing activities		248 048		58 886	306 934
Funds received under interorganization arrangements					
Allocation from other funds				331 283	331 283
Income for services rendered				231 607	231 607
Interest income		40 579		116 205	156 784
Currency exchange differential		(7 403)			(7 403)
Other/Miscellaneous		76 651			76 651
<i>Total Income</i>		786 575	925 452	932 610	2 644 637
Expenditure					
International health program		627 183	2 338 823	41 808	3 007 814
Other purposes				585 245	585 245
<i>Total Expenditure</i>		627 183	2 338 823	627 053	3 593 059
Excess (Shortfall) of Income over Expenditure					
		159 392	(1 413 371)	305 557	(948 422)
Provision for delays in collection of assessed quota contributions	Table 23	(5 632)			(5 632)
Payment of assessed quota contributions for prior years	Table 23	59 496			59 496
<i>Net Excess (Shortfall) of Income over Expenditure</i>					
		213 256	(1 413 371)	305 557	(894 558)
Other project adjustments			(2 426)		(2 426)
Transfer to/from other funds					
Total Changes in Fund Balances		213 256	(1 415 797)	305 557	(896 984)
Fund Balances, 1 January 2008		1 000 000	2 227 433	2 968 953	6 196 386
Fund Balances, 31 December 2008		1 213 256	811 636	3 274 510	5 299 402

The accompanying notes and tables are an integral part of the financial statements.

Institute of Nutrition of Central America and Panama
Statement of Income and Expenditure and Changes in Fund Balances
Year Ending 31 December 2008

(expressed in US dollars)

PAHO	Subtotal 2008	Eliminations	Total 2008	
	428 700		428 700	Income
	925 452		925 452	<i>Assessed quota contributions</i>
	194 629	(194 629)		<i>Voluntary contributions</i>
				INCAP program activities
				Non-INCAP program activities
	306 934	(62 140)	244 794	<i>Other income</i>
				Revenue-producing activities
				Funds received under
				interorganization arrangements
				Allocation from other funds
				Income for services rendered
				Interest income
				Currency exchange differential
				Other/Miscellaneous
				<i>Total Income</i>
1 063 599	1 063 599		1 063 599	
	331 283	(331 283)		Expenditure
	231 607	(19 507)	212 100	International health program
	156 784		156 784	Other purposes
	(7 403)		(7 403)	<i>Total Expenditure</i>
	76 651		76 651	
1 063 599	3 708 236	(607 559)	3 100 677	
				Excess (Shortfall) of Income over Expenditure
				Provision for delays in collection of assessed quota contributions
				Payment of assessed quota contributions for prior years
				<i>Net Excess (Shortfall) of Income over Expenditure</i>
				Other project adjustments
				Transfer to/from other funds
				Total Changes in Fund Balances
				Fund Balances, 1 January 2008
				Fund Balances, 31 December 2008
	(948 422)		(948 422)	
	(5 632)		(5 632)	
	59 496		59 496	
	(894 558)		(894 558)	
	(2 426)		(2 426)	
	(896 984)		(896 984)	
	6 196 386		6 196 386	
	5 299 402		5 299 402	

Table 20.1

Institute of Nutrition of Central America and Panama
Statement of Income and Expenditure and Changes in Fund Balances - Special Funds
Year Ending 31 December 2008

(expressed in US dollars)

	Staff Provident Fund	Endowment Fund	Special Fund for Program Support Costs
Income			
<i>Assessed quota contributions</i>			
<i>Voluntary contributions</i>			
INCAP program activities			
Non-INCAP program activities	194 629		
<i>Other income</i>			
Revenue-producing activities			
Funds received under interorganization arrangements			
Allocation from other funds			
Income for services rendered	212 100		19 507
Interest income	98 058	18 147	
Currency exchange differential			
Other/Miscellaneous			
<i>Total Income</i>	504 787	18 147	19 507
Expenditure			
International health program			
Other purposes	401 593		
<i>Total Expenditure</i>	401 593		
Excess (Shortfall) of Income over Expenditure	103 194	18 147	19 507
Provision for delays in collection of assessed quota contributions			
Payment of assessed quota contributions for prior years			
<i>Net Excess (Shortfall) of Income over Expenditure</i>	103 194	18 147	19 507
Other project adjustments			
Transfer to/from other funds			
Total Changes in Fund Balances	103 194	18 147	19 507
Fund Balances, 1 January 2008	1 503 913	407 304	11 384
Fund Balances, 31 December 2008	1 607 107	425 451	30 891

The accompanying notes and tables are an integral part of the financial statements.

Table 20.1

Institute of Nutrition of Central America and Panama
Statement of Income and Expenditure and Changes in Fund Balances - Special Funds
Year Ending 31 December 2008

(expressed in US dollars)

Special Fund for INCAP Services	Provision for Personnel Entitlements	Total 2008
		194 629
58 886		58 886
	331 283	331 283
		231 607
		116 205
58 886	331 283	932 610
		41 808
41 808	183 652	585 245
41 808	183 652	627 053
		17 078
	147 631	305 557
17 078	147 631	305 557
		22 135
39 213	1 024 217	2 968 953
39 213	1 171 848	3 274 510

Income

<i>Assessed quota contributions</i>
<i>Voluntary contributions</i>
INCAP program activities
Non-INCAP program activities
<i>Other income</i>
Revenue-producing activities
Funds received under interorganization arrangements
Allocation from other funds
Income for services rendered
Interest income
Currency exchange differential
Other/Miscellaneous
<i>Total Income</i>

Expenditure

International health program
Other purposes
<i>Total Expenditure</i>

**Excess (Shortfall) of Income
over Expenditure**

Provision for delays in collection of assessed quota contributions
Payment of assessed quota contributions for prior years
<i>Net Excess (Shortfall) of Income over Expenditure</i>
Other project adjustments
Transfer to/from other funds

Total Changes in Fund Balances

Fund Balances, 1 January 2008
Fund Balances, 31 December 2008

Table 21

Institute of Nutrition of Central America and Panama
Statement of Assets, Liabilities, and Reserves and Fund Balances
Year Ending 31 December 2008

(expressed in US dollars)

	Reference	2008	2007
Assets			
Cash and term deposits	Table 22	3 302 403	3 405 448
Accounts receivable			
Assessed quota contributions due from Members	Table 23	5 632	59 496
Provision for delays in collection of assessed quota contributions		(5 632)	(59 496)
Sundry debtors		39 778	2 498
Balance due from the Pan American Health Organization for interorganization funding activities		1 977 334	2 830 382
Land		214 257	214 257
Total Assets		5 533 772	6 452 585
Liabilities and Reserves and Fund Balances			
<i>Liabilities</i>			
Assessed quota contributions received in advance		17 672	15 050
Prior biennium reserves / Current unliquidated obligations		2 441	
Accounts payable			26 892
<i>Total Liabilities</i>		20 113	41 942
<i>Reserves and Fund Balances</i>			
Staff Provident Fund		1 607 107	1 503 913
Endowment Fund		425 451	407 304
Trust Funds	Table 24	811 636	2 227 433
Special Fund for Program Support Costs		30 891	11 384
Special Fund for INCAP Services		39 213	22 135
Provision for Personnel Entitlements		1 171 848	1 024 217
Provision for Fixed Assets Replacement			
Working Capital Fund		1 213 256	1 000 000
<i>Total Fund Balances</i>		5 299 402	6 196 386
Equity in Land		214 257	214 257
<i>Total Reserves and Fund Balances</i>		5 513 659	6 410 643
Total Liabilities and Reserves and Fund Balances		5 533 772	6 452 585

The accompanying notes and tables are an integral part of the financial statements.

Institute of Nutrition of Central America and Panama
Statement of Cash Flow
Year Ending 31 December 2008

(expressed in US dollars)

	2008
Cash Flows from Operating Activities	
Net excess (shortfall) of income over expenditure (Table 20)	(894 558)
(Increase) decrease in sundry debtors	(37 280)
(Increase) decrease in supplies inventory	
Increase (decrease) in prior biennium reserves / Current unliquidated obligations	
Increase (decrease) in contributions or payments received in advance	2 622
Increase (decrease) in accounts payable	(24 451)
Less: Interest income	(156 784)
	<hr/>
<i>Net Cash Flows from Operating Activities</i>	<hr/> (1 110 451)
Cash Flows from Investing and Financing Activities	
(Increase) decrease in interorganization funding balance receivable	853 048
Add: Interest income	156 784
	<hr/>
<i>Net Cash from Investing and Financing Activities</i>	<hr/> 1 009 832
Cash Flows from other Sources	
(Increase) decrease in land	
Savings on or cancellation of prior periods obligations	
Other project adjustments	(2 426)
Increase (decrease) in equity land	
	<hr/>
<i>Net Cash from other Sources</i>	<hr/> (2 426)
Net Increase (Decrease) in Cash and Term Deposits	(103 045)
Cash and Term Deposits at 1 January 2008	<hr/> 3 405 448
Cash and Term Deposits at 31 December 2008	<hr/> 3 302 403 <hr/>

The accompanying notes and tables are an integral part of the financial statements.

Institute of Nutrition of Central America and Panama
Explanatory Notes to Financial Statements
Year Ending 31 December 2008

(expressed in US dollars)

1. Mission Statement

INCAP is an institution specializing in food and nutrition, whose mission is to support the efforts of its Member Countries by providing them with technical cooperation in order to reach and maintain food and nutrition security for their populations, through its basic functions of research, information and communication, technical cooperation, training and development of human resources, and mobilization of financial and non-financial resources in support of its mission.

2. Cash and term deposits

Balances are almost totally in US Dollars in fixed term deposits, and the main breakdown of this balance is as follows:

	<u>31 December 2008</u>
Bank and fixed term deposits held by INCAP	480 338
Petty cash held by INCAP	1 702
Fixed term deposits held by PAHO on INCAP's behalf	2 820 363
Total	<u>3 302 403</u>

3. Expenditures

Expenditure incurred by INCAP during the year was as follows:

<u>Expense Category</u>	<u>Regular Budget INCAP</u>	<u>Trust Funds INCAP</u>	<u>Special Funds INCAP</u>	<u>Regular Budget PAHO</u>	<u>Special Funds PAHO</u>	<u>Total 2008</u>
Personnel	194 969	860 834		844 275		1 900 078
Duty travel	26 305	91 374		87 486		205 165
Contractual services	121 134	470 445		37 494		629 073
Fellowships and seminars	20 298	669 218		44 184		733 700
General operation expenses	224 945	149 093	36 998	40 840		451 876
Supplies and equipment	39 532	83 161		9 320		132 013
Program support costs		14 698	4 810			19 508
Total	<u>627 183</u>	<u>2 338 823</u>	<u>41 808</u>	<u>1 063 599</u>		<u>4 071 413</u>
Eliminations on consolidations						<u>(81 647)</u>
Total International Health Program						3 989 766
Other purposes: Special Funds (Table 20.1)						585 245
Eliminations on Consolidation						<u>(525 912)</u>
Total Other Purposes						59 333
Total expenditure (Table 20)						<u>4 049 099</u>

Table 23

Institute of Nutrition of Central America and Panama
Statement of Assessed Quota Contributions Due from Members
Year Ending 31 December 2008 and Prior Years

(expressed in US dollars)

Member	Year	Amount Due	Collected	Balance Due 31 December 2008
Belize	2008	18 700	18 700	
		18 700	18 700	
Costa Rica	2008	50 400	50 400	
		50 400	50 400	
Dominican Republic	2008	50 000	50 000	
	2006-2007	53 638	53 638	
		103 638	103 638	
El Salvador	2008	61 200	61 200	
		61 200	61 200	
Guatemala	2008	112 700	112 700	
	2006-2007	226	226	
		112 926	112 926	
Honduras	2008	37 400	37 400	
		37 400	37 400	
Nicaragua	2008	44 600	44 600	
		44 600	44 600	
Panama	2008	53 700	48 068	5 632
	2006-2007	5 632	5 632	
		59 332	53 700	5 632
Total		488 196	482 564	5 632
Amounts consist of:				
		428 700	423 068	5 632
		59 496	59 496	
		488 196	482 564	5 632

**Institute of Nutrition of Central America and Panama
Statement of Trust Funds
Year Ending 31 December 2008**

(expressed in US dollars)

Source of Funds	Project Reference	Cash Balance 1 January 2008	Funds Received ^{1/}	Project Expenditure ^{2/}	Project Adjustments	Balance 31 December 2008
I. Government Financing						
<i>Belgium</i>						
Support for Agroindustrial Enterprises with Incorporation of Women into Municipalities by the Development of the Border Area Nicaragua-Costa Rica	NUT-469	11 571	289 654	187 957		113 268
<i>United States of America</i>						
U.S. Department of Agriculture Food Security as Related to Gender in Mesoamerica (Workshop)	NUT-448	16 221		1 913	231	14 539
Total - Government Financing		27 792	289 654	189 870	231	127 807
II. International Organizations						
<i>FAO</i>						
Case Studies on School Gardening and Nutrition Education in Four Countries in Central America and the Caribbean	NUT-458	508			(508)	
Feasibility Study on the Long-term Welfare Effects of Commercialization of Agriculture among Smallholders in the Central Highlands of Guatemala	NUT-462	7 168		7 168		
Validation of practical methods for monitoring the progressive realization of the right to an adequate diet	NUT-472	1 155		1 155		
<i>Subtotal</i>		8 831		8 323	(508)	

Table 24

Source of Funds	Project Reference	Cash Balance 1 January 2008	Funds Received ^{1/}	Project Expenditure ^{2/}	Project Adjustments	Balance 31 December 2008
IAEA						
Body Composition and Daily Expenditure of Older Adults Living in Rural Guatemala	NUT-461	2 702	4 975	7 667		10
Training Course-data Analysis on Prediction of Body Composition, Guatemala	NUT-489	314			(314)	
<i>Subtotal</i>		3 016	4 975	7 667	(314)	10
Inter-American Development Bank						
Central American Food Fortification with Folic Acid and others Micro Nutrients as a Good Public Regional	NUT-479	182	54 000	54 182		
INCAP						
Experimental Farm	NUT-130	1 469	16 139	8 374		9 234
OVATIONS						
Nutrition-related Chronic Diseases (NRCDS) Center of Central America, the Dominican Republic, and Mexico Program to strengthen local capacities in health promotion, prevention and control of choric non-communicable diseases related to nutrition for Central America, Dominican Republic 08-12	NUT-491	10 389		10 389		
	NUT-495		46 679	40 050		6 629
<i>Subtotal</i>		10 389	46 679	50 439		6 629
PAHEF						
Indigenous Perspective and Cultural and System Barriers for Postpartum Care Intervention model for the prevention of childhood malnutrition through promotion of healthy diet and physical activity in elementary school children.	NUT-471	613		601	(12)	
	NUT-498		24 981	20 377		4 604
<i>Subtotal</i>		613	24 981	20 978	(12)	4 604

Table 24

Source of Funds	Project Reference	Cash Balance 1 January 2008	Funds Received ^{1/}	Project Expenditure ^{2/}	Project Adjustments	Balance 31 December 2008
PMA						
Development and Validation of a Tool to Determine the Institutional Capacity for the Governments of Central America and the Dominican Republic in the Nutrition Sector	NUT-492	5 135	42 927	20 421		27 641
Cost of the Hunger in Venezuela	NUT-494	1 913		1 873		40
<i>Subtotal</i>		7 048	42 927	22 294		27 681
SEGEPLAN						
Evaluation of the Program Growing Well	NUT-477	(6 137)	39 189	32 022		1 030
SICA - Central American Integration System						
Regional Program of Food and Nutrition Security to Central America	NUT-468	21 869		22 846	1 468	491
INCAP's Technical Cooperation to PRESANCA	NUT-473	343 763		269 017		74 746
Immediate Actions Against the Extreme Poverty and Hunger in Central America: Operationalization of the Strategy in Municipios by Development of Central America and the Dominican Republic	NUT-481	125 019	3 606	124 328		4 297
Regional Program of Food and Nutrition Security to Central America - POA2	NUT-484	356 106	128 175	340 228		144 053
Technical Assistance for the Institution Building of the Fosan (RE4)	NUT-486	1 064 217		823 344		240 873
Technical Assistance for Development, Attendance, and Implementation of the Activities of the POA2 of Presanca	NUT-487	295 199		225 175	50	70 074
<i>Subtotal</i>		2 206 173	131 781	1 804 938	1 518	534 534

Table 24

Source of Funds	Project Reference	Cash Balance 1 January 2008	Funds Received ^{1/}	Project Expenditure ^{2/}	Project Adjustments	Balance 31 December 2008
UNICEF						
Fortified Food Evaluation (Salt with Iodine, Sugar with Vitamin A), in Sentinel Schools	NUT-452	6 078	33 341	11 092		28 327
Total - International Organizations		2 237 662	394 012	2 020 309	684	612 049
III. Private and Public Sector						
Cooperativa Agrícola Union de 4 Pinos						
Program Fortification of Food and Paired Fortified Food	NUT-493	1 004	8 278	8 591		691
Emory University						
Early Nutrition, Human Capital, and Economic Productivity	NUT-441	12 282	96 804	53 221		55 865
Zinc, Mental Health, and School Performance	NUT-467	75	7 076	6 991		160
Subtotal		12 357	103 880	60 212		56 025
SENACYT						
Assurance of the Quality and Dairy Product Safety	NUT-488	(45 128)	45 128			
University of California						
Beef as a Source of Vitamin B-12, Iron, and Zinc to Improve Development of Infants Fed Low Amounts of Animal Products	NUT-464	281			(281)	
URC Washington						
Validation of Practical Methods for the Monitoring at the Level of the Country of the Realization of the Right to an Adequate Diet	NUT-476	242			(242)	
Evaluation of the Component of Monitoring and Promotion of the Growth of the AINM-C IMCI Strategy in the Expansion of Coverage (quality in health)	NUT-478	(18 594)	20 000			1 406
Subtotal		(18 352)	20 000		(242)	1 406

Table 24

Source of Funds	Project Reference	Cash Balance 1 January 2008	Funds Received ^{1/}	Project Expenditure ^{2/}	Project Adjustments	Balance 31 December 2008
Various						
Program Fortification of Food and Complementary Fortified Food	NUT-483	2 969		701		2 268
Third National Census of size, on students in the first grade in Guatemala	NUT-496		47 000	37 980		9 020
First week of regional food security and nutrition.	NUT-497		17 500	16 210		1 290
<i>Subtotal</i>		2 969	64 500	54 891		12 578
W.K. Kellogg Foundation						
Facilitating Emotional Development of Children by Providing Training for Parents and Teachers in Central American and Caribbean Countries	NUT-459	2 818			(2 818)	
Institutional Strengthening Project	NUT-466	6 030		4 950		1 080
<i>Subtotal</i>		8 848		4 950	(2 818)	1 080
Total - Private and Public Sector		(38 021)	241 786	128 644	(3 341)	71 780
Total		2 227 433	925 452	2 338 823	(2 426)	811 636
Balance at 31 December 2008 is represented by:						
Receipts in excess of expenditure accumulated on projects held in trust by INCAP						811 636
Expenditure funded by INCAP in excess of receipts incurred on projects						
						811 636

^{1/} Funds Received are shown net of refunds to Donors.

^{2/} The 2008 financial period reflects the conversion of the Trust Fund financial report from a cash basis to an accrual basis of reporting. Therefore, the project expenditure amounts include an end-of-year accrual.