

Consolidated Statement of Financial Position

(Expressed in thousand US Dollars)

| | <u>Reference</u> | <u>31 December 2014</u> | <u>31 December 2013</u> |
|---------------------------------------|------------------|-------------------------|-------------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | Note 3 | 137 683 | 165 717 |
| Short Term Investments | Note 4.1 | 268 202 | 125 152 |
| Accounts Receivable | Note 6.1 | 412 938 | 222 147 |
| Inventories | Note 7 | 7 868 | 7 906 |
| Total Current Assets | | 826 691 | 520 922 |
| Non-Current Assets | | | |
| Long Term Investments | Note 4.2 | 267 753 | 266 546 |
| Accounts Receivable | Note 6.2 | 52 985 | 36 145 |
| Property, Plant and Equipment | Note 8.1 | 120 250 | 119 784 |
| Intangible Assets | Note 9 | 1 728 | 2 433 |
| Total Non-Current Assets | | 442 716 | 424 908 |
| TOTAL ASSETS | | 1 269 407 | 945 830 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accrued Liabilities | Note 10 | 42 681 | 37 243 |
| Accounts Payable | Note 11.1 | 9 259 | 5 056 |
| Employee Benefits | Note 12 | 11 616 | 11 329 |
| Deferred Revenue | Note 13.1 | 600 662 | 346 787 |
| Total Current Liabilities | | 664 218 | 400 415 |
| Non-Current Liabilities | | | |
| Accounts Payable | Note 11.2 | 15 089 | 15 089 |
| Employee Benefits | Note 12 | 199 986 | 191 913 |
| Deferred Revenue | Note 13.2 | 174 223 | 159 931 |
| Total Non-Current Liabilities | | 389 298 | 366 933 |
| TOTAL LIABILITIES | | 1 053 516 | 767 348 |
| NET ASSETS / EQUITY | | | |
| Fund Balances and Reserves | | | |
| Fund Balances | Note 14 | 84 093 | 72 697 |
| Reserves | Note 14 | 131 798 | 105 785 |
| NET FUND BALANCES and RESERVES | | 215 891 | 178 482 |

PAN AMERICAN HEALTH ORGANIZATION
 FINANCIAL REPORT OF THE DIRECTOR and REPORT OF THE EXTERNAL AUDITOR
 1 January 2014 – 31 December 2014

Consolidated Statement of Financial Performance

(Expressed in thousand US Dollars)

| | Reference | 31 December 2014 | 31 December 2013 |
|---|------------------|-------------------------|-------------------------|
| REVENUE | | | |
| Revenue from Non-Exchange Transactions | | | |
| Assessed Contributions | Note 15 | 105 620 | 106 245 |
| Voluntary Contributions | Note 15 | 877 773 | 356 906 |
| Other Revenue | Note 15 | 57 353 | 68 992 |
| Revenue from Exchange Transactions | | | |
| Procurement of Public Health Supplies | Note 15 | 676 374 | 596 967 |
| Other Revenue | Note 15 | 10 760 | 11 610 |
| Miscellaneous Revenue | Note 15 | (697) | (1 264) |
| TOTAL REVENUE | | 1 727 183 | 1 139 456 |
| EXPENSES | | | |
| Staff and Other Personnel Costs | Note 16 | 169 653 | 186 293 |
| Supplies, Commodities, Materials | Note 16 | 672 834 | 600 802 |
| Equipment, Vehicles, Furniture, Intangible Assets, Depreciation and Amortization | Note 16 | (426) | 2 150 |
| Contract Services | Note 16 | 86 368 | 100 056 |
| Travel | Note 16 | 116 805 | 97 838 |
| Transfers and Grants to Counterparts | Note 16 | 647 020 | 143 879 |
| General Operating and Other Direct Costs | Note 16 | 11 201 | 11 098 |
| TOTAL EXPENSES | | 1 703 455 | 1 142 116 |
| NET SURPLUS / (DEFICIT) | | 23 728 | (2 660) |

PAN AMERICAN HEALTH ORGANIZATION
 FINANCIAL REPORT OF THE DIRECTOR and REPORT OF THE EXTERNAL AUDITOR
 1 January 2014 – 31 December 2014

Consolidated Statement of Changes in Net Assets

(Expressed in thousand US Dollars)

| | Reference | 31 December 2014 | 31 December 2013 |
|--|---------------------------------------|-------------------------|-------------------------|
| Net assets at the beginning of the year | | 178 482 | 175 337 |
| Settlement of Employee Benefit Liability | Note 12.3.10 | 11 329 | 11 639 |
| Gain/(Loss) on Revaluation of Investments (Recognition) / De-recognition of Liability through Reserves | Note 4.2 Note 24 | (407) | (586) |
| Fixed Assets Revaluation Adjustments | Note 8.1 | 2 570 | 2 525 |
| Intangible Assets Adjustments | Note 9 | 189 | (60) |
| Adjustments for closing of CAREC and CFNI | | | (80) |
| | | (7 633) | (7 633) |
| Total of items (revenue/expenses) recognized | | 13 681 | 5 805 |
| Surplus/(deficit) for the Financial Period | | 23 728 | (2 660) |
| Total recognized revenue and expenses for the year | | 37 409 | 3 145 |
| Net assets at the end of the year | | 215 891 | 178 482 |

Consolidated Cash Flow Statement

(expressed in thousand US dollars)

| | <u>31 December 2014</u> | <u>31 December 2013</u> |
|---|--------------------------------|--------------------------------|
| Cash Flows from Operating Activities: | | |
| Surplus (Deficit) for the period | 23 728 | (2 660) |
| Depreciation and Amortization | 2 778 | 2 694 |
| (Increase) / Decrease in Accounts Receivable | (207 631) | (15 211) |
| (Increase) / Decrease in Inventories | 38 | 753 |
| Increase / (Decrease) in Accrued Liabilities | 5 438 | 18 455 |
| Increase / (Decrease) in Accounts Payable | 4 203 | (13 112) |
| Increase / (Decrease) in Employee Benefits | 19 689 | 26 931 |
| Increase / (Decrease) in Other Liabilities | 2 570 | 2 525 |
| Increase / (Decrease) in Deferred Revenue | 268 167 | (75 410) |
| Transfer of Equity to CARPHA due to closing of CAREC and CFNI | | (7 633) |
| | <u>118 980</u> | <u>(62 668)</u> |
| Net Cash Flows from Operating Activities | | |
| Cash Flows from Investment and Financing Activities: | | |
| (Increase) / Decrease in Short Term Investments | (143 457) | 119 906 |
| (Increase) / Decrease in Long Term Investments | (1 207) | (51 003) |
| (Increase) / Decrease in Property, Plant and Equipment and Intangibles Assets | (2 350) | (1 435) |
| | <u>(147 014)</u> | <u>67 468</u> |
| Net Cash Flows from Investing Activities | | |
| Net Increase / (Decrease) in Cash and Cash Equivalents | (28 034) | 4 800 |
| Cash and Cash Equivalents at the beginning of the Year | <u>165 717</u> | <u>160 917</u> |
| Cash and Cash Equivalents at the end of the Year | <u><u>137 683</u></u> | <u><u>165 717</u></u> |

Comparison of Budget and Actual Amounts

(Expressed in thousand US Dollars)

Reconciliation of Total Amounts on a Cash Basis

| <u>Category and Program Area</u> | <u>2014-2015 Budget Amount</u> | <u>2014 Disbursements</u> | <u>2014 Disbursements as % of Budget Amount</u> |
|--|------------------------------------|-------------------------------|---|
| 1. Communicable Diseases | | | |
| 1.1 - HIV/AIDS and STIs | 6 061 | 2 561 | 42% |
| 1.2 - Tuberculosis | 1 500 | 302 | 20% |
| 1.3 - Malaria and other Vector-Borne Diseases (including Dengue and Chagas) | 1 500 | 551 | 37% |
| 1.4 - Neglected Tropical and zoonotic diseases | 6 983 | 3 017 | 43% |
| 1.5 - Vaccine-preventable Diseases (including maintenance of Polio Eradication) | 5 100 | 2 304 | 45% |
| 2. Non Communicable Diseases | | | |
| 2.1 - Non Communicable Diseases and Risk Factors | 12 320 | 5 444 | 44% |
| 2.2 - Mental Health and psychoactive substance use disorders | 2 344 | 871 | 37% |
| 2.3 - Violence and Injuries | 1 500 | 458 | 31% |
| 2.4 - Disabilities and Rehabilitation | 1 500 | 467 | 31% |
| 2.5 - Nutrition | 6 200 | 2 277 | 37% |

Comparison of Budget and Actual Amounts

(Expressed in thousand US Dollars)

Reconciliation of Total Amounts on a Cash Basis

| Category and Program Area | 2014-2015 Budget Amount | 2014 Disbursements | 2014 Disbursements as % of Budget Amount |
|---|------------------------------------|-------------------------------|---|
| 3. <i>Determinants of Health and Promoting Health throughout the Life Course</i> | | | |
| 3.1 - Women, maternal, newborn, child, and adolescent and adult health and sexual and reproductive health | 13 680 | 5 444 | 40% |
| 3.2 - Aging and health | 1 500 | 951 | 63% |
| 3.3 - Gender, equity, human rights and ethnicity | 4 759 | 1 256 | 26% |
| 3.4 - Social determinants of health | 9 352 | 3 817 | 41% |
| 3.5 - Health and the environment | 9 137 | 3 455 | 38% |
| 4. <i>Health Systems</i> | | | |
| 4.1 - Health governance and financing, national health policies, strategies and plans | 7 700 | 3 234 | 42% |
| 4.2 - People-centered integrated health services | 5 711 | 2 453 | 43% |
| 4.3 - Access to medical products and strengthening regulatory capacity | 8 305 | 3 143 | 38% |
| 4.4 - Health systems information and evidence | 17 418 | 7 283 | 42% |
| 4.5 - Human resources for health | 9 900 | 3 081 | 31% |

Comparison of Budget and Actual Amounts

(Expressed in thousand US Dollars)

Reconciliation of Total Amounts on a Cash Basis

| Category and Program Area | 2014-2015 Budget Amount | 2014 Disbursements | 2014 Disbursements as % of Budget Amount |
|--|------------------------------------|-------------------------------|---|
| 5. Preparedness, Surveillance and Response | | | |
| 5.1 - Alert and response capacities | 5 520 | 1 376 | 25% |
| 5.2 - Epidemic and pandemic prone diseases | 3 720 | 1 325 | 36% |
| 5.3 - Emergency risk and crisis management | 6 050 | 1 080 | 18% |
| 5.4 - Food safety | 2 680 | 1 169 | 44% |
| 6. Corporate Services/Enabling Functions | | | |
| 6.1 - Leadership and governance | 54 235 | 23 691 | 44% |
| 6.2 - Transparency, accountability, and risk management | 2 790 | 1 253 | 45% |
| 6.3 - Strategic planning, resource coordination, and reporting | 21 960 | 9 431 | 43% |
| 6.4 - Management and administration | 39 602 | 22 065 | 56% |
| 6.5- Strategic communications | 10 073 | 4 664 | 46% |
| Sub-Total | 279 100 | 118 423 | 42% |
| Other Sources | 284 000 | 107 492 | 38% |
| TOTAL | 563 100 | 225 915 | 40% |

The 2014-2015 Budget amounts reflect the funding appropriated by the Governing Bodies for the Organization's Strategic Plan during the entire 2014-2015 biennium. The Effective Working Budget is comprised of the Pan American Health Organization's and the World Health Organization's regular budget only. The 2013 and 2014 disbursed amounts reflect the disbursements made in achieving the Organization's Strategic Plan during the biennium.