

**Finance Committee Meeting**  
**Prior to 12th PMNCH Board Meeting, 27<sup>th</sup> April 2012**

# **Final Financial Report for 2011**

**1 January 2011 to 31<sup>st</sup> December 2011**

## 1. Introduction

This 2011 Financial Report provides information for the year ending 31<sup>st</sup> December 2011. This report builds on the approved interim report presented to the Finance committee and the Board during the 11<sup>th</sup> PMNCH Board Meeting in Paris, France, and is structured as follows:

- Section 2: Income overview section provides information on the total funds pledged by Donors and funds available to PMNCH for activities in the calendar year 2011.
- Section 3: Budget and Expenditure overview section provides a summary of expenditure by Priority Action (PA). This section also shows key activities in this period by PA.

## 2. Income Overview

By 31<sup>st</sup> December 2011, the Partnership received pledges from Donors totalling US\$ 8,84 million for 2011 activities. PMNCH received direct donor support from the following donors:

- Government of Australia
- Government of Canada
- Government of Netherlands
- Government of Norway
- Government of Sweden
- Government of the UK
- Government of the USA
- Bill & Melinda Gates Foundation
- MacArthur Foundation
- World Bank

Table 2.1 below provides a funding overview by Donor, including the date when the grant was signed and the total funding that was made available for 2011 activities. (Some donors pledged funds for periods in excess of 1 year, and this is very welcome as it helps significantly with planning.)

Table 2.1 – 2011 Donor Funding (as at 31<sup>st</sup> December, 2011: US\$)<sup>1</sup>

Donor	2011 funding
Government of Australia (April 2011)	2,154,000
Government of Canada (March 2011)	500,000
Government of Netherlands (December 2011)	150,000
Government of Norway (December 2011)	1,450,000
Government of Sweden (January 2010)	274,000
Government of the UK (August 2011)	1,395,000
Government of the USA (December 2011)	125,000
Bill & Melinda Gates Foundation (October 2010)	1,444,000
MacArthur Foundation (June 2010)	155,000
World Bank (April 2011)	1,200,000
<b>TOTAL</b>	<b>8,847,000</b>

## 3. Budget and Expenditure Overview

Table 3.1 below sets out the budget and expenditure for the year 2011. In summary, the overall implementation rate was 99.1% implying that the Partnership delivered activities in line with the approved budget. A comparison of Budget and Expenditure can also be seen diagrammatically in Figure 3.1.

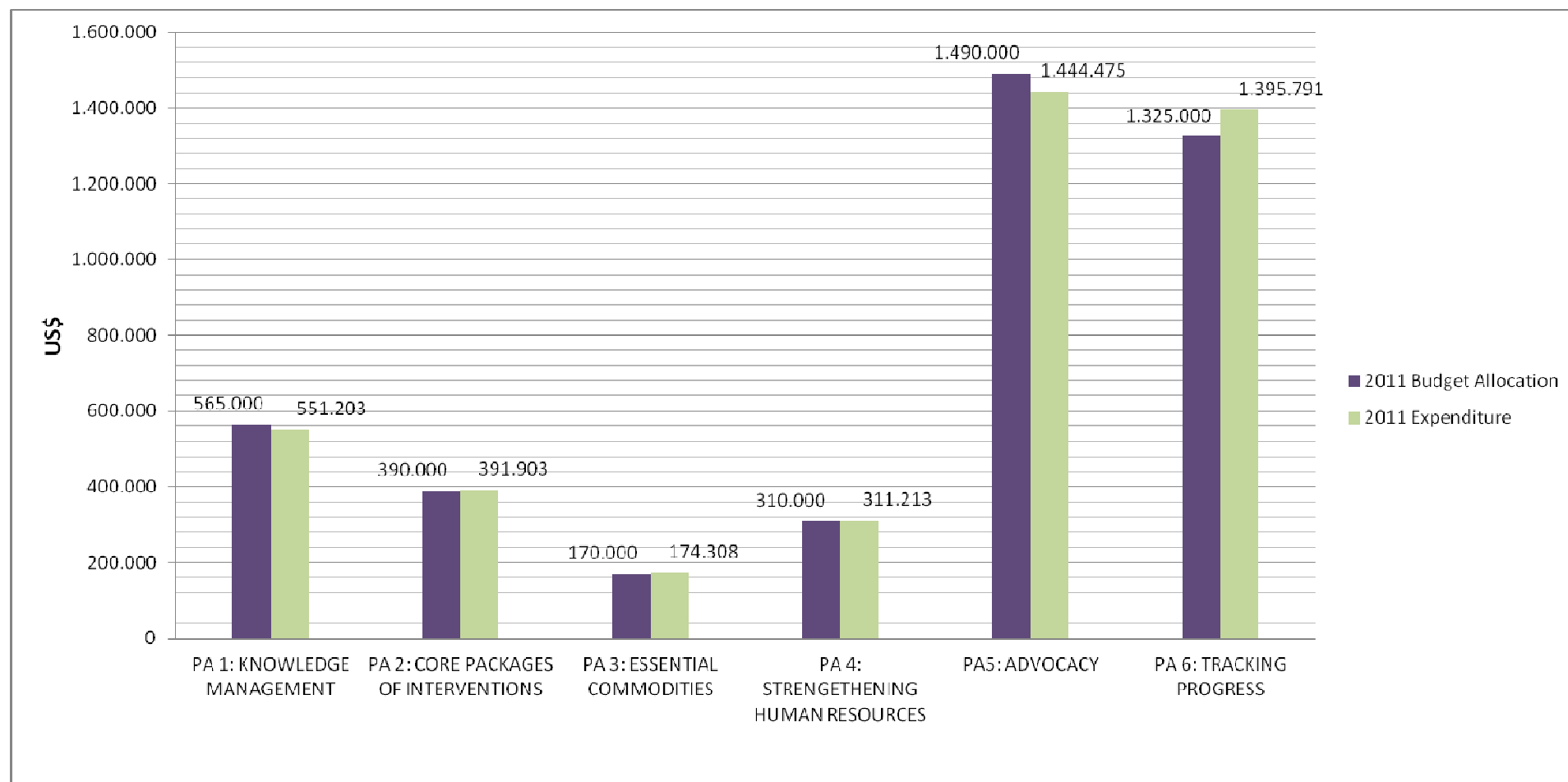
The remaining funds not used in 2011 were carried over to 2012 against the 2012 approved workplan.

<sup>1</sup> Pledges are quoted including WHO's Programme Support Costs (PSC). However, consistent with WHO policy, funds available are subject to 1.3% PSC. PSC are charges levied by WHO on all its programmes and organizations it hosts. In brackets, month of signature of the agreement.

Table 3.1: 2011 Budget and expenditure from 1<sup>st</sup> January to 31<sup>st</sup> December, 2011, in USD.

PRIORITY ACTIONS, CORE FUNCTIONS & STAFF COSTS	2011 BUDGET ALLOCATION	2011 EXPENDITURE	REMAINING BALANCE (US\$)	2011 IMPLEMENTATION RATE
PA 1: KNOWLEDGE MANAGEMENT	565,000	551,203	13,797	97.6%
PA 2: CORE PACKAGES OF INTERVENTIONS	390,000	391,903	(1,903)	100.5%
PA 3: ESSENTIAL COMMODITIES	170,000	174,308	(4,308)	102.5%
PA 4: STRENGTHENING HUMAN RESOURCES	310,000	311,213	(1,213)	100.4%
PA5: ADVOCACY	1,490,000	1,444,475	45,525	96.9%
PA 6: TRACKING PROGRESS	1,325,000	1,395,791	(70,791)	105.3%
CORE PARTNERSHIP ACTIVITIES	1,100,000	986,199	113,801	89.7%
Sub-total ACTIVITIES	5,350,000	5,255,092	94,908	98.2%
Sub-total STAFF	2,281,000	2,304,522	(23,522)	101%
TOTAL WORKPLAN ACTIVITY & STAFF COSTS	7,631,000	7,559,614	71,386	99.1%

Figure 3.1: 2011 Comparison of Budget and Expenditure for 2011 by Priority Action (PA's) , in USD.



## PA 1 - MNCH Knowledge Management System

The 2011 budget for this PA was US\$ 565,000. Total expenditure recorded to 31<sup>st</sup> December 2011 was US\$ 551,203. Table 3.2 summarises the key activities and related expenditure for this period. This represented an overall implementation rate of 97.6%.

Table 3.2: PA 1 summary of outputs' & expenditure, in US\$.

PA 1: Activity	2011 Expenditure
1. Mapping of existing knowledge resources relevant to MNCH	28,000
2. Knowledge system and web portal created and sustained	304,925
3. Knowledge summaries and critical syntheses for MNCH and key gaps flagged to the PMNCH Board	144,581
4. Secretariat staff travel, as related to delivery of this PA.	19,389
<b>TOTAL</b>	<b>551,203</b>

## PA 2 - MNCH Core Package of Interventions

The 2011 budget for this PA was US\$ 390,000. Total expenditure recorded to 31<sup>st</sup> December 2011 was \$391,903. Table 3.3 summarises the key activities and related expenditure for this period. This represented an overall implementation rate of 100.5%.

Table 3.3: PA 2 summary of outputs' & expenditure, in US\$.

PA 2: Activity	2011 Expenditure
1. Consensus on quality of care indicators for MNCH	71,406
2. Research gaps on effectiveness of core packages of interventions by different delivery levels identified	36,189
3. Consensus built on how to scale up implementation of core MNCH packages	163,300
4. Secretariat staff salaries, as related to delivery of this PA.	66,700
<b>TOTAL</b>	<b>391,903</b>

## PA 3 - Essential MNCH Commodities

The 2011 budget for this PA was US\$ 170,000. Total expenditure recorded to 31<sup>st</sup> December 2011 was \$174,308. Table 3.4 summarises the key activities and related expenditure for this period. This represented an overall implementation rate of 102.5%.

Table 3.4: PA 3 summary of outputs' & expenditure, in US\$.

PA 3: Activity	2011 Expenditure
1. Consensus reached on the supply component of evidence-based MNCH intervention and define a basket of essential commodities identified.	54,308
2. Set of tools and guidance material agreed and used by partners for country MNCH commodity supply management	100,000
3. Assess currently used supply management practices	20,000
4. Global availability and efficiency in joint planning for procurement by innovative ways for sustained supply of quality commodities to developing countries. (See Annual Report for details)	0
<b>TOTAL</b>	<b>174,308</b>

## PA 4 - Strengthening Human Resources in MNCH

The 2011 budget for this PA is US\$ 310,000. Total expenditure recorded to 31<sup>st</sup> December 2011 is US\$ 311,213. Table 3.5 summarises the key activities and related expenditure for this period. This represented an overall implementation rate of 100.4%.

Table 3.5: PA 4 summary of outputs' & expenditure, in US\$.

PA 4: Activity	2011 Expenditure
1. Ensure that MNCH aspects of HR are adequately included in national health plans and human resource plans.	3,437
2. Analysis relating to MNCH content of human resource issues identified and research commissioned	26,000
3. National HCPAs strengthened and involved in MNCH policies, planning and initiatives at the country level.	148,401
4. Secretariat staff salaries, as related to delivery of this PA.	74,000
5. Secretariat staff travel, as related to delivery of this PA.	5,067
<b>TOTAL</b>	<b>311,213</b>

## PA 5 - Advocacy for increased funding and better positioning of MNCH in the development agenda

The 2011 budget for this PA was US\$ 1,490,000. Total expenditure recorded to 31<sup>st</sup> December 2011 was US\$ 1,444,475. Table 3.6 summarises the key activities and related expenditure for this period. This represented an overall implementation rate of 96.9%.

Table 3.6: PA 5 summary of outputs' & expenditure, in US\$.

PA 5: Activity	2011 Expenditure
1. MNCH clearly prioritized and the health system investments needed to achieve MDGs 4 and 5 identified in key international and national documents and fora / events	5,132
2. Effective channels for funding and innovative ways to increase financial resources for MNCH identified and promoted	50,000
3. Global advocacy strategy developed and implemented, in line with PA5's objectives, targeting key actors and policy-makers around high-level global events through mobilization and coordination of partners	557,880
4. Regional and national advocacy strategy developed and implemented, targeting key actors and policy makers around regional and national events through mobilization and coordination of partners	714,116
5. Secretariat staff travel, as related to delivery of this PA.	117,347
<b>TOTAL</b>	<b>1,444,475</b>

## PA 6 - Tracking Progress and Commitment for MNCH

The 2011 budget for this PA was US\$ 1,325,000. Total expenditure recorded to 31<sup>st</sup> December 2011 was US\$ 1,395,791. Table 3.7 summarises the key activities and related expenditure for this period. This represented an overall implementation rate of 105.3%

Table 3.7: PA 6 summary of outputs' & expenditure, in US\$.

PA 6: Activity	2011 Expenditure
1. Partners (donors, governments, multi-laterals, large NGOs) financial commitments to MNCH monitored annually	430,071
2. Common M&E Framework agreed among GHI and disseminated and used in high priority countries	22,000
3. Advocate the use of Countdown products and information, and making them publicly available	316,161
4. Successful meeting on tracking progress for MNCH held	100,235
5. Tracking progress on MNCH	521,981
6. Secretariat staff travel, as related to delivery of this PA.	5,343
<b>TOTAL</b>	<b>1,395,791</b>

## Core Functions

The 2011 budget for this area of work was US\$ 1,100,000, with total expenditures recorded in 2011 as US\$ 986,199, or 89.7% of budget.

The main points to note about activities and expenditures associated with Core Functions include:

- Secretariat facilitated the work of the Executive and Finance Committees, which continue to support the Board's work. In 2011, the EC particularly played an important supporting role in overseeing and preparing the new PMNCH Strategic Framework, development of the 2012 Workplan, guidance for Every Woman Every Child, and preparation for Board Meetings. The FC, whose work was facilitated by the Secretariat, provided financial oversight and guidance to the Board.
- The costs of the two Board meetings and retreat in March during 2011 accounted for over 30% of the core functions budget.
- The PMNCH website was regularly – most often daily – updated and has continued to be the principal point of contact and information for stakeholders and the public at large.
- The Secretariat updated the membership at large with by-monthly e-alerts and issued regular e-updates to the Board Members. This included changes to the web with reference to the new Strategic Framework, new strategic objectives, new constituency (Private Sector) and approved principles of engagement.
- Membership of PMNCH continued to grow, reaching 450 member organizations by the end of 2011. In addition, a new private sector constituency was also added to the membership. The Secretariat continues

to provide support to all (seven) constituencies for their regular information exchange, engagement, rotation of members, consultations for feedback, etc.

- Core funds were also utilized for ad-hoc consultancy services to assist in the delivery of activities at peak times.

## Secretariat Staff Costs

The 2011 budget for Secretariat Staff costs was US\$ 2,281,000. Total expenditures recorded to 31st December 2011 were US\$ 2,304,522.

The Secretariat staff budget was increased (as approved by the board) from US\$ 2,031,000 to US\$ 2,281,000. This increase in budget was due to an increase in standard costs for WHO positions and HR statutory requirements. In addition, 2011 saw unprecedented decrease in strength of the US dollar compared to the Swiss Franc, resulting in higher costs of the salaries in US\$ terms.