

Statement of Financial Position

(Expressed in thousand US Dollars)

	<u>Reference</u>	<u>31 December 2016</u>	<u>31 December 2015</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	Note 3	128 286	142 241
Short Term Investments	Note 4.1	239 705	256 843
Accounts Receivable	Note 6.1	349 612	358 292
Inventories	Note 7	8 896	8 639
Total Current Assets		<u>726 499</u>	<u>766 015</u>
Non-Current Assets			
Long Term Investments	Note 4.2	297 674	223 054
Accounts Receivable	Note 6.2	152 887	63 613
Property, Plant and Equipment	Note 8.1	108 376	110 035
Intangible Assets	Note 9	763	1 024
Total Non-Current Assets		<u>559 700</u>	<u>397 726</u>
TOTAL ASSETS		<u>1 286 199</u>	<u>1 163 741</u>
LIABILITIES			
Current Liabilities			
Accrued Liabilities	Note 10	13 175	93 682
Accounts Payable	Note 11.1	62 352	16 033
Employee Benefits	Note 12	10 970	13 053
Deferred Revenue	Note 13.1	502 770	453 345
Total Current Liabilities		<u>589 267</u>	<u>576 113</u>
Non-Current Liabilities			
Accounts Payable	Note 11.2	7 796	7 796
Employee Benefits	Note 12	210 430	210 838
Deferred Revenue	Note 13.2	216 125	139 389
Total Non-Current Liabilities		<u>434 351</u>	<u>358 023</u>
TOTAL LIABILITIES		<u>1 023 618</u>	<u>934 136</u>
NET ASSETS / EQUITY			
Fund Balances and Reserves			
Fund Balances	Note 14	112 230	89 257
Reserves	Note 14	150 351	140 348
NET FUND BALANCES and RESERVES		<u>262 581</u>	<u>229 605</u>

PAN AMERICAN HEALTH ORGANIZATION
 FINANCIAL REPORT OF THE DIRECTOR and REPORT OF THE EXTERNAL AUDITOR
 1 January 2016 – 31 December 2016

Statement of Financial Performance

(Expressed in thousand US Dollars)

	<u>Reference</u>	<u>31 December 2016</u>	<u>31 December 2015</u>
REVENUE			
Revenue from Non-Exchange Transactions			
Assessed Contributions	Note 15	97 793	105 620
Voluntary Contributions	Note 15	571 460	619 977
Other Revenue	Note 15	63 019	86 349
Revenue from Exchange Transactions			
Procurement of Public Health Supplies	Note 15	686 518	646 219
Other Revenue	Note 15	7 965	10 646
Miscellaneous Revenue	Note 15	21 572	(8 789)
TOTAL REVENUE		<u>1 448 327</u>	<u>1 460 022</u>
EXPENSES			
Staff and Other Personnel Costs	Note 16	173 921	185 546
Supplies, Commodities, Materials	Note 16	680 525	644 790
Equipment, Vehicles, Furniture, Intangible Assets, Depreciation and Amortization	Note 16	1 919	7 072
Contract Services	Note 16	80 303	72 136
Travel	Note 16	36 247	67 967
Transfers and Grants to Counterparts	Note 16	441 327	480 879
General Operating and Other Direct Costs	Note 16	12 248	10 478
TOTAL EXPENSES		<u>1 426 490</u>	<u>1 468 868</u>
NET SURPLUS / (DEFICIT)		<u>21 837</u>	<u>(8 846)</u>

PAN AMERICAN HEALTH ORGANIZATION
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 1 January 2016 – 31 December 2016

Statement of Changes in Net Assets

(Expressed in thousand US Dollars)

	<u>Reference</u>	<u>31 December 2016</u>	<u>31 December 2015</u>
Net assets at the beginning of the year		229 605	215 891
Settlement of Employee Benefit Liability	Note 12.3.9	11 264	11 502
Gain/(Loss) on Revaluation of Investments (Recognition) / De-recognition of Liability through Reserves	Note 4.2 Note 24	(1 692)	(616)
Fixed Assets Revaluation Adjustments	Note 8.1	1 567	1 721
Adjustment for closing WHO Terminal and Non-Statutory Entitlements Funds			3 401
Total of items (revenue/expenses) recognized		<u>11 139</u>	<u>6 552</u>
Surplus/(deficit) for the Financial Period		<u>21 837</u>	<u>(8 846)</u>
Total recognized revenue and expenses for the year		<u>32 976</u>	<u>13 714</u>
Net assets at the end of the year		<u><u>262 581</u></u>	<u><u>229 605</u></u>

Cash Flow Statement

(expressed in thousand US dollars)

	31 December 2016	31 December 2015
Cash Flows from Operating Activities:		
Surplus (Deficit) for the period	21 837	(8 846)
Depreciation and Amortization	2 384	7 646
(Increase) / Decrease in Accounts Receivable	(80 594)	44 018
(Increase) / Decrease in Inventories	(257)	(771)
Increase / (Decrease) in Accrued Liabilities	(80 507)	51 001
Increase / (Decrease) in Accounts Payable	46 319	6 774
Increase / (Decrease) in Employee Benefits	8 773	23 791
Increase / (Decrease) in Other Liabilities	1 567	1 721
Increase / (Decrease) in Deferred Revenue	126 161	(182 151)
Increase / (Decrease) Transfer of WHO Terminal and Non-Statutory Entitlements Funds		6 552
Net Cash Flows from Operating Activities	45 683	(50 265)
Cash Flows from Investment and Financing Activities:		
(Increase) / Decrease in Short Term Investments	15 447	10 742
(Increase) / Decrease in Long Term Investments	(74 620)	44 699
(Increase) / Decrease in Property, Plant and Equipment and Intangibles Assets	(465)	(618)
Net Cash Flows from Investing Activities	(59 638)	54 823
Net Increase / (Decrease) in Cash and Cash Equivalents	(13 955)	4 558
Cash and Cash Equivalents at the beginning of the Year	142 241	137 683
Cash and Cash Equivalents at the end of the Year	128 286	142 241

PAN AMERICAN HEALTH ORGANIZATION
 FINANCIAL REPORT OF THE DIRECTOR and REPORT OF THE EXTERNAL AUDITOR
 1 January 2016 – 31 December 2016

Comparison of Budget and Actual Amounts

(Expressed in thousand US Dollars)

Category/Program Area	Program and Budget	Approved Transfers	Resulting Budget	2016 Expenses	Program and Budget Balance	2016 Expenses as % of Program and Budget
1. Communicable Diseases	102 389		102 389	34 482	67 907	34%
2. Non-communicable Diseases and Risk Factors	58 028		58 028	16 805	41 223	29%
3. Determinants of Health and Promoting Health throughout the Life Course	81 242		81 242	20 323	60 919	25%
4. Health Systems	109 196		109 196	34 102	75 094	31%
5. Preparedness, Surveillance, and Response	59 811		59 811	20 250	39 561	34%
6. Corporate Services/Enabling Functions	202 134		202 134	79 329	122 805	39%
Total for Base Programs (Categories 1-6)	612 800		612 800	205 290	407 510	34%
Special Programs and response to emergencies	35 000		35 000	14 368	20 632	41%
TOTAL	647 800		647 800	219 658	428 142	34%

The PAHO Program and Budget was approved through Resolution CD54/R16 as an integrated budget, independent of the sources of financing. The amounts indicated under the Program and Budget represents total resource requirements. There were no budget transfers during fiscal year 2016; the resulting budget is therefore the same as the originally approved budget. The 2016 expenses represent actuals from all funding sources, assessed contributions and miscellaneous revenue, voluntary contributions, as well as special funds from both the Pan American Health Organization and the World Health Organization. The levels of funding and expenses by source are presented in other reports.

Notes to the Financial Statements at 31 December 2016

1. Mission of the Pan American Health Organization

The mission of the Organization is *“To lead strategic collaborative efforts among Member States and other partners to promote equity in health, to combat disease, and to improve the quality of, and lengthen, the lives of the peoples of the Americas.”*

The Pan American Health Organization (the Organization) is an international public health agency with more than 100 years of experience in working to improve health and living standards in the countries of the Americas. It serves as the specialized organization for health of the Inter-American System. It also serves as the Regional Office for the Americas of the World Health Organization and enjoys international recognition as part of the United Nations system.

The Pan American Sanitary Bureau (PASB) is the Secretariat of the Organization. The Bureau is committed to providing technical support and leadership to the Organization's Member States as they pursue their goal of Health for All and the values therein.

The headquarters of the Organization is located in Washington, D.C. In addition, the Organization has Representative Offices throughout the Americas, which are in charge of implementing its values, mission, and vision in the Western Hemisphere.

2. Accounting Policies

2.1 Basis of Preparation

The financial statements of the Pan American Health Organization have been prepared on the accrual basis of accounting in accordance with the International Public Sector Accounting Standards (IPSAS), using the historical cost convention except for land and buildings which are shown at fair value. Where an IPSAS does not address a particular issue, the appropriate International Financial Reporting Standard (IFRS) has been applied.

The Financial Statements of the Organization were certified and approved for issue by the Director of the Organization under the authority vested in her by the Pan American Sanitary Conference, as stated in Resolution CSP28.R7 in September 2012. This issuance approval is dated 27 April 2017. No other authority has the power to amend the Financial Statements after issuance. (Reference: IPSAS 14, paragraph 26).

The Organization previously prepared its financial statements on the modified cash basis under the United Nations' System Accounting Standards (UNSAS). Based on the decision to change to accrual accounting under IPSAS, amendments to the Financial Regulations and Rules were made and adopted by the Directing Council at its 49th meeting on 28 September 2009 and by the 145th Executive Committee on 2 October 2009, to become effective 1 January 2010. The first-time adoption of International Public Sector Accounting Standards effective 1 January 2010 reflected the change from a modified cash basis of accounting to an accrual basis of accounting. The accounting period is 1 January through 31 December. The financial period 1 January through 31 December 2016 represents the first year of the 2016 – 2017 biennium, which is the third biennium in which the IPSAS standards were implemented.

The functional and reporting currency of the Organization is the United States Dollar (US\$). Disclosed amounts in the Financial Statements and Explanatory Notes are rounded in order to be expressed in thousands. The rounding practice may result in tables that may not sum precisely to the rounded totals.

These financial statements were prepared on the assumption that the Organization is a going concern and will continue in operation and fulfill its mandate for the foreseeable future (IPSAS 1). The Governing Bodies of the Organization have not communicated any intention to terminate the Organization or cease its operations.

In accordance with IPSAS 1, a complete set of financial statements has been prepared as follows:

- a. Statement of Financial Position
- b. Statement of Financial Performance
- c. Statement of Changes in Net Assets
- d. Cash Flow Statement
- e. Comparison of Budget and Actual Amounts
- f. Notes, comprising a summary of significant accounting policies and other relevant information.

In compliance with IPSAS 1, paragraph 28, the Organization has fully adopted IPSAS.

For detailed information on IPSAS implementation in the organization, refer to pages 40 to 45 of the Financial Report of the Director and Report of the External Auditor for the fiscal period 1 January 2015 to 31 December 2015.

2.2 Cash and Cash Equivalents

Cash and cash equivalents, which are financial assets, comprise cash on hand, cash at banks, money markets and short-term deposits with original maturities of 90 days or less. For an investment to qualify as a cash equivalent, it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value.

Short-term deposits are stated at amortized cost using the effective interest method, with interest income recognized on an effective yield basis.

Cash and Cash Equivalents are held for purposes of meeting short-term cash commitments rather than for investment purposes.

2.3 Investments

Investments are financial assets and are recognized when the Organization becomes a party to the contractual provisions of the investment. Investments are classified as either available for sale or held to maturity. Available-for-sale investments are accounted for on a purchase date basis. Held to maturity investments are recognized on settlement date.

Investments are classified as being available for sale where the Organization has not committed to hold such items to maturity. Available-for-sale items are stated at fair value (including transaction costs that are directly attributable to the acquisition of the financial asset) with value changes recognized in the Statement of Changes in Net Assets. Available-for-sale assets are actively traded on the market, and the valuation of these assets is determined by price quotes on the open market for identical financial instruments. Impairment losses are recognized when the book value of an asset exceeds the fair market value on other than temporary basis. PAHO monitors the fair market value of its investments monthly and investigates the underlying cause of a decline in value. The investment policy specifies credit rating limitations. If the impairment is the result of a credit downgrade below investment policy guidelines, the investment must be liquidated.

Impairment charges and interest calculated using the effective interest method are recognized in the surplus or deficit. When an available-for-sale asset is disposed of, the cumulative gain or loss previously recognized in the Statement of Changes in Net Assets is included in the surplus or deficit for the period.

Held-to-maturity investments are financial assets with fixed or determinable payments and fixed maturity that the Organization has the intention and ability to hold to maturity. Held-to-maturity investments are comprised of U.S. agency paper such as that of the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac).

Held-to-maturity investments are stated at amortized cost using the effective interest method, with interest income recognized on an effective yield basis in the Statement of Financial Performance.

The effective interest method is applied by determining the interest rate that is required to exactly discount all of the future cash flows associated with the bond to arrive at the initial carrying value of the bond (inclusive of any costs necessarily incurred in its acquisition). Therefore, where a bond is acquired at a discount to its nominal value, that discount will increase the effective interest rate and be recognized over the life of the bond.

2.4 Loans and Receivables

Loans and other receivables that have fixed or determinable payments and are not quoted in an active market are classified as loans and receivables. Loans and other receivables are stated at amortized cost calculated using the effective interest method, less any impairment.

Interest income is recognized on the effective interest basis, other than for short-term receivables where the recognition of interest would be immaterial.

2.5 Risk Management Policies

The Organization holds funds not required for immediate operating needs as investments in order to earn revenue on surplus liquidity which, in accordance with Financial Regulations X and XI and Financial Rules X and XI of the Pan American Health Organization, funds a portion of the Regular Program Budget. Investments are made subject to the Organization's Investment Policy, which prescribes guidelines intended to protect invested principal, maintain adequate liquidity, and realize a return commensurate with investment risk constraints. Policy guidelines define duration, diversity and credit quality, which are consistent with limiting credit, market, and interest rate risk exposures. The Organization's credit risk is mitigated by Investment Policies that impose limits on the amount of credit exposure to any-one-counterparty, limiting investments on a single non-government issuer to no more than 25%.

In accordance with the Investment Policy requirements, internally managed investments are restricted to A1/P1 and AAA/Aaa rated financial instruments. Fixed Income Notes consist primarily of U.S. Agency Paper which carries the implicit guarantee of the U.S. Government.

Funds placed with external investment managers are restricted to instruments rated A1/P1 or BBB- credit quality or higher in accordance with their mandates. Mechanisms are in place to divest the portfolio of an investment that falls below the minimum requirements. In the event a security's rating falls below the minimum requirements for credit quality, the external manager immediately notifies PAHO and initiates actions to liquidate the security.

Maximum maturity for the short-term investment of operating cash is not to exceed one year. Long-term investment of strategic funds is limited to an effective maturity of no more than five years.

Depository accounts are held at financial institutions with investment grade ratings by primary rating agencies, where such ratings exist. In instances in which no rating is available, the overall financial strength of the institution is evaluated prior to depositing funds the institution. Non-U.S. dollar accounts are monitored daily to ensure that balances are kept at minimum operating requirements levels.

The PAHO Investment Committee approves financial instruments, as well as partner financial institutions, in accordance with the Investment Policy guidelines noted above in order to mitigate credit risk.

2.6 Accounts Receivable

Accounts receivables are non-derivative financial assets with fixed or determinable payments that are not traded in an active market. Current receivables are for amounts due within 12 months of the reporting date, while non-current receivables are those that are due more than 12 months from the reporting date of the financial statements. Receivables are stated at amortized cost calculated using the effective interest method, less any impairment losses (which are recognized in the Statement of Financial Performance). However, for current receivables there is no material difference between the amortized costs; thus, these receivables have been recognized at cost (less any impairment losses).

Receivables from exchange transactions are recognized when the Organization is owed assets or services (usually in the form of cash) arising from a transaction that directly gives approximately equal value to another entity in exchange (IPSAS 9).

Receivables from non-exchange transactions are established when the Organization is owed assets or services (usually in the form of cash) that arise from a transaction that does not directly give approximately equal value in exchange; or the Organization has given value to another entity without directly receiving approximately equal value in exchange (IPSAS 23).

The main types of receivables are:

- **Assessed Contributions (non-exchange transactions)**

These contributions are formal commitments from Member and Participating States and Associate Members for the biennial budget period. Assessed contributions are recognized as receivables when they fall due and payable on 1 January of each year. There is no provision in the Financial Regulations to write off an assessed contribution; therefore, no impairment loss has been recognized.

- **Tax Equalization Fund (non-exchange transactions)**

Receivables under the Tax Equalization Fund are due from Member States that levy income tax on emoluments received from the Organization by their nationals or others liable to such taxes. The credit from the staff assessment plan is charged with the estimated amount to be levied by those Member States.

Under the Tax Equalization Fund, the assessed contributions of all Members are reduced by the income generated by the staff assessment plan. In determining the reduction of assessed contributions to be applied to the Member States concerned, the Tax Equalization Fund is credited with the revenue from the staff assessment plan, the credits being recorded in the name of individual Members States, in proportion to their assessments for the biennium.

The amounts been charged, in turn, are used by the Organization to reimburse income tax paid by the staff concerned.

- **Voluntary Contributions (non-exchange transactions)**

The Organization enters into Voluntary Contribution agreements which are comprised of (1) the Voluntary Contributions Fund, which includes financial resources from governments, international organizations, and private and public sector organizations governments, PAHO- Member states and Non-PAHO member states; international organizations, United Nations and non-United Nations; for profit organizations; non-government organizations; foundations, and other Voluntary Contributions; (2) the National Voluntary Contributions Fund, which was established on 1 January 2010 and includes financial resources from governments exclusively for internal projects; and (3) the Voluntary Contributions-Emergency Preparedness and Disaster Relief Fund, which includes financial resources from governments, international organizations, and private and public sector organizations which includes financial resources from governments, PAHO- Member states and Non-PAHO member states; international organizations, United Nations and non-United Nations; for profit organizations; non-government organizations; foundations, and other Voluntary Contributions. Upon signature by both parties and approval by the Organization's Office of Legal Counsel of the agreements, the full value of the agreement is recognized as a receivable and as deferred revenue (Note 2.13)

To determine the current portion of accounts receivable from Voluntary Contributions as of 31 December 2016, the Organization classified all the accounts receivable balances of Voluntary Contributions expiring prior to 31 December 2017, as well as those grants with an indefinite status, as current accounts receivable. In addition, accounts receivable balances of Voluntary Contributions agreements extending beyond 2017 were allocated between current and non-current accounts receivable using a straight- line- calculation based on the number of years remaining. The non-current portion of accounts receivable will reflect the balance of

the total accounts receivable amount for Voluntary Contributions, less the calculation of the current accounts receivable.

- **Procurement of Public Health Supplies (exchange transactions)**

The Procurement of Public Health Supplies is critical to the Organization to achieve its mission of supporting Member States through technical cooperation for public health programs, including the procurement of vaccines and syringes, medical supplies, diagnostic kits, medications, and equipment.

The accounts receivable from the Member States in the Procurement of Public Health Supplies is comprised of two funds: the Revolving Fund for Vaccine Procurement and the Regional Revolving Fund for Strategic Public Health Supplies. Receivables are established for each participating Member State upon notification that goods were delivered by the supplier and payment to the supplier has been approved. This triggers the issue of an invoice addressed to the relevant Member State.

- **Inter-organization Funding Activities**

The Inter-organization accounts receivable represents the amount due to the Organization from the World Health Organization as the net result of inter-agency transactions.

- **Advances to Staff**

Advances are made to individuals in accordance with the Financial Regulations and Rules of the Organization for entitlements (i.e., education grants, travel, income tax settlements, insurance claims, etc.) and are recognized as receivables, until they are charged to expense upon receipt of the required claim or supporting documentation.

The Organization will establish allowances for doubtful accounts based on the evidence that certain receivables are uncollectable. A formal procedure must be followed, based on the delegation of authority regarding the amounts to be written off, prior to offsetting the uncollectable receivable against the established allowance.

2.7 Inventories

Medications and medical supplies owned and controlled by the Organization are recorded as inventories with the intention that they be held for distribution in the ordinary course of operations. They are valued at the lower of cost or net realizable value at the end of the financial period. The Organization-owned medications and medical supplies quantities, derived from the Organization's tracking systems, are validated by physical stock counts. These medications and medical supplies are expensed when distributed directly by the Organization or handed over to government or non-government institutions. Inventories held for distribution without charge are valued at the lower of cost or replacement cost. Inventories are held at the PROMESS warehouse in Haiti, a strategic storage facility. If the Organization receives inventories acquired through non-exchange transactions, they will be valued at fair value of acquisition. Due to the specific circumstances in Haiti, the cost formula is "First to expire, First out" for the inventories of pharmaceutical drugs and medications.

The Expanded Textbook and Instructional Materials Program (PALTEX) was established by the Pan American Health Organization (PAHO) in the mid-1960s as a technical cooperation program aimed at improving the quality of health science educational processes in Latin America. PALTEX is a publishing program that acquires, produces, and distributes quality textbooks and instructional materials in Spanish and Portuguese at affordable prices.

Inventories, procured with Voluntary Contributions on behalf of a project do not form part of the Organization's inventory. The Organization is simply the implementing agent and is responsible only for the disposition of the items within the terms of the agreement. If the items are not consumed within the project period, the final disposition will be determined by the donor. At no time does the Organization retain control of these items; therefore, the correct accounting treatment is to expense these items at the time of purchase.

2.8 Property, Plant and Equipment

Property, plant, and equipment assets with a value greater than the \$20 000 threshold are recognized as non-current assets in the Statement of Financial Position. They are initially recognized at cost, unless acquired through a non-exchange transaction, in which case they are recognized at fair value as of the date of acquisition. The Organization applies the cost model to its plant and equipment—i.e. the items are carried at cost, less accumulated depreciation and any accumulated impairment losses. The Organization applies the revaluation model to land and buildings only.

The Organization considers all its Property, Plant and Equipment to be non-cash generating assets.

Depreciation is charged on property, plant, and equipment (except for land) to write down the cost/fair value of the asset to its residual value over the estimated useful life, using the straight-line method with a full year's depreciation charged in the year of acquisition. In 2014, during the design of the new Enterprise Resource Planning system, it was determined that, for the depreciation calculation of the acquisition year, the new system will support only half-year depreciation instead of the usual full year that had been applied previously. In order to fully leverage the automation capabilities of the new ERP, the decision was made to change the depreciation policy to half year. The estimated useful lives for fixed asset classes are as follows:

<u>Assets Class and Description</u>	<u>Estimated Useful Life (years)</u>
Buildings	40 years
Computer Equipment	3 years
Office Equipment	3 years
Motor Vehicle	5 years
Audio Visual Equipment	3 years
Lease-hold Improvements	3 years
Office Fixture and Fittings	3 years

Property, plant, or equipment procured with Voluntary Contributions on behalf of a project are not the Organization's assets and are meant solely for the use of the project beneficiary. The Organization is the implementing agent and is responsible simply for the disposition of the items within the terms of the agreement. The Organization does not retain ownership of these items; therefore, these items are expensed at the time of purchase. If the items are not consumed within the project period, the final disposition will be determined by the donor.

Transitional provisions were applied in the initial recognition of Property, Plant, and Equipment (PP&E) purchased or donated before 1 January 2010. Except for land and buildings, assets acquired prior to 1 January 2010 were expensed at the date of purchase and were not recognized as assets. The Organization will periodically revalue its land and buildings, including leased property. External experts will be utilized to determine updated market value. All improvements, renovations, etc. made to the buildings since the prior appraisal will be expensed in the year they occur and included in the future revaluation

The Organization recognized the effect of the initial recognition of Property, Plant, and Equipment (PP&E) as an adjustment to the opening balance of accumulated surpluses or deficits. In regard to IPSAS 17, paragraph 99, Transitional Provision, the Organization did not recognize the accumulated depreciation of buildings that were recognized, as it was not practical to do so.

Leasehold improvements are recognized as assets and valued at cost, and depreciated over the lesser of the remaining useful life of the improvements or the lease term.

Donated land and buildings are valued at fair market value and recognized as non-current assets.

2.9 Leases

The Organization is the owner and lessor of the land parcel for the building at 2121 Virginia Avenue, N.W., Washington, D.C.

The Organization is the lessee for the first two floors of the same building mentioned above under an operating lease. The Organization also leases various office premises for the Representative Offices throughout the Americas. These are all cancelable agreements. Total annual lease payments have been disclosed in Note 16 on Expenses as a footnote.

Assets held under finance leases are included within Property, Plant, and Equipment and are depreciated on a straight-line basis over their estimated useful lives. Assets are recognized at fair value or, if lower, the present value of the minimum lease payments. Where assets are provided to PAHO with no or nominal lease payments, the fair value of the asset has been recognized.

On 1 January 2016 the Organization migrated its administrative, budgetary and financial operations to a new Enterprise Resource Planning System. These software services are provided through an operating lease which is expensed on an annual basis. No capitalization or recognition of an intangible asset was recorded.

A liability is also recognized for the same amount. Rental payments are apportioned between the finance element, which is charged in the statement of financial performance, and the capital element, which reduces the lease liability.

2.10 Intangible Assets

Intangible assets, which are above the pre-established thresholds of \$30 000 for intangible assets purchased externally and \$100 000 for intangible assets developed in-house, are stated at historical cost less accumulated amortization and any impairment losses. Amortization is determined for intangible assets over their estimated useful life using the straight-line method. Amortization is charged on Intangible Assets to write down the cost/fair value of the asset to its residual value over the estimated useful life, using the straight-line method, with a full year's amortization charged in the year of acquisition. The estimated useful lives for intangible asset classes are as follows:

<u>Class</u>	<u>Estimated useful life (years)</u>
Software acquired externally	7
Internally developed software	5
Licenses and rights, copyrights and other intangible assets	3

On 1 January 2016 the Organization migrated its administrative, budgetary and financial operations to a new Enterprise Resource Planning System. These software services are provided through an operating lease which is expensed on an annual basis. No capitalization or recognition of an intangible asset was recorded.

2.11 Accounts Payable

Accounts Payables are financial liabilities in respect of goods or services that have been received by the Organization and are recognized at amortized cost, which for payables are equal to cost. Accounts payable include the following:

- Amounts due to donors, partners, and stakeholders representing the unspent Voluntary Contributions for expired agreements.
- The inter-organization accounts payable represent the amount due from the Organization to the World Health Organization as the net result of inter-agency transactions.
- Invoices received and approved for payment but not yet paid.

2.12 Accrued Liabilities

Accrued liabilities are financial liabilities in respect of goods or services that have been received or provided to the Organization during the reporting period and that have not yet been invoiced, or invoices have been received but not approved for payment. They are recognized at amortized cost, which for accruals are equal to cost.

2.13 Deferred Revenue

Deferred revenue derives from legally binding agreements between the Organization and partners, such as governments, PAHO-Member states and Non-PAHO member states; international organizations, United Nations and non-United Nations; for profit organizations; non-government organizations; foundations, and other Voluntary Contributions, where the partners provide funding to the Organization to support technical cooperation initiatives (voluntary contributions).

Deferred revenue is recognized when (1) a contractual agreement is confirmed in writing by both parties—i.e., the Organization and the donors, partners, or stakeholders, and (2) the funds are conditional. Conditionality of voluntary contribution agreements is determined by factors like:

- The agreement has a stated purpose.
- Funds provided under the agreement must be used for activities as required/described in the agreement.
- The agreement has a budget.
- The agreement has an effective date and an end date.
- The agreement requires technical and financial reporting.
- Upon completion, any unused funds will be returned to the donor, partner, or stakeholder.

Revenue is recognized in the Statement of Financial Performance based on the level of funds implemented during the financial period.

Funds received from governments and institutions participating in the Procurement of Public Health Supplies, in advance of the procurement of the goods, are treated as deferred revenue. Once confirmation is received that goods were delivered by the supplier and payment to the supplier has been approved, the revenue is recognized in the Statement of Financial Performance.

To determine the current portion of deferred revenue from Voluntary Contributions as of 31 December 2016, the Organization classified all the deferred revenue balances of Voluntary Contributions expiring prior to 31 December 2017, as well as those grants with an indefinite status, as current deferred revenue. In addition, deferred revenue balances of Voluntary Contributions agreements extending beyond 2017 were allocated between current and non current deferred revenue using a straight line calculation based on the number of years remaining. The non-current portion of deferred revenue will reflect the balance of the total deferred revenue amount for Voluntary Contributions, less the calculation of the current deferred revenue.

2.14 Employee Benefits

The Organization recognizes expenses and liabilities in respect of the following employee benefits:

- 1) Employee benefits earned in the current financial period are current liabilities recognized at an undiscounted cost.
- 2) Post-employment benefits— e.g., ASHI—are recognized at present value of the liability.
- 3) Other separation-related employee benefits are recognized at present value of the liability.

The Organization periodically contracts the actuarial services of external experts to provide confident figures on the liabilities regarding employee benefits. This information is used to calculate different contribution percentages to be applied for staff costs.

The Organization also uses this information for investment purposes to ensure that the Plan's investments meet the liquidity requirements of the respective liabilities.

2.15 Provisions and Contingent Liabilities

Provisions are made for future liabilities and expenses where the Organization has a present legal or constructive obligation as a result of past events, and it is probable that the Organization will be required to settle the obligation, and the value can be reliably measured.

Other commitments that do not meet the recognition criteria for liabilities are disclosed in the Notes to the financial statements as contingent liabilities when their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events that are not wholly within the control of the Organization or the value cannot be reliably estimated.

2.16 Contingent Assets

In accordance with IPSAS 19, Contingent Assets will be disclosed when there is enough information that the inflow of economic benefits or service potential is probable.

2.17 Revenue

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the Organization during the year that represent an increase in net assets (IPSAS 23). The Organization recognizes revenue following the criteria established by IPSAS 9, "Revenue from Exchange Transactions," and IPSAS 23, "Revenue from Non-Exchange Transactions."

Exchange transactions are transactions in which the Organization receives assets or services, or has liabilities extinguished, and directly gives approximately equal value primarily in the form of cash, goods, services, or use of assets to another entity in exchange (IPSAS 9).

In a non-exchange transaction, the Organization either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange (IPSAS 9).

The main sources of revenue for the Organization include but are not limited to: Assessed Contributions, Voluntary Contributions, Procurement of Public Health Supplies, Other Revenue, and Miscellaneous Revenue.

- **Revenue from Assessed Contributions (non-exchange transactions)**
Revenue from assessed contributions is recognized as of 1 January of each year when the Member States' assessed contribution commitment to the Organization is incurred.
- **Revenue from Voluntary Contributions (non-exchange transactions)**
Voluntary Contributions, confirmed in writing by both parties, are recognized as receivables and deferred revenue (liabilities) because these funding agreements are conditional. As the Voluntary Contribution projects are implemented, the deferred revenue is then recognized as revenue. Voluntary Contributions categories are explained in Note 2.6.
- **Revenue from the Procurement of Public Health Supplies (exchange transactions)**
Revenue is recognized in respect of the procurement of public health supplies, because the Organization bears the risks and rewards of the purchased goods. Revenue on these transactions is recognized upon notification that goods were delivered by the supplier and payment to the supplier has been approved. The Procurement of Public Health Supplies is comprised of three funds: the Revolving Fund for Vaccine Procurement; Reimbursable Procurement; and the Regional Revolving Fund for Strategic Public Health Supplies. (See Note 2.6 Accounts Receivables, in respect of the Revolving Funds, and Note 2.13 Deferred Revenue, in respect of Reimbursable Procurement).
- **Other Revenue (non-exchange transactions)**
As the Regional Office of the Americas (AMRO) of the World Health Organization, the Organization

receives funding allocations from WHO for the implementation of technical cooperation activities.

Funds received by the Organization from WHO include the following allocations:

- Allocations of WHO regular budget
- Allocations of WHO voluntary contributions
- Allocations of other WHO internal funds
- **Other Revenue (exchange transactions)**
The Organization, under its specific mandates, carries out other technical cooperation activities for which revenue is separately disclosed. These activities include the following: Sales of services and program support costs.

When necessary, as per IPSAS 18, internal transfers will be eliminated to avoid duplication of revenue.

- **Miscellaneous Revenue (exchange transactions)**
Miscellaneous revenue includes foreign currency revaluations, exchange rate gains and losses, interest earned, realized gains and losses, and gains and losses from the sale of property, plant, and equipment.
- **Special Activities Segment**
Special Activities are activities approved by the Organization's Governing Bodies for specific objectives and entitlements. (i.e., staff entitlements, terminal entitlements, after-service health insurance.) Therefore, all employee benefits liabilities have been included in this segment.

2.18 Foreign Currency Transactions and Balances

The functional and reporting currency of the Organization is the United States dollar (US\$). Transactions in currencies other than US\$ are converted to US\$ at the prevailing market rate at the time of the transaction. The Organization has determined that the United Nations Operational Rates of Exchange (UNORE) are aligned closely with the prevailing market rates due to frequent analysis and adjustments and thus function as an approximation of the market rate at the time of the transaction. At the end of each reporting period, the Organization analyzes the performance of the UNORE in comparison with the prevailing market rate in order to determine the alignment and make any required adjustments. Assets and liabilities in currencies other than US\$ are converted to US\$ at the prevailing market rate at the end of the reporting period. Resulting gains or losses are accounted for in the Statement of Financial Performance within Miscellaneous Revenue.

2.19 Segment Reporting

A segment is a distinguishable activity or group of activities for which financial information is reported separately in order to evaluate an entity's past performance in achieving its objectives and to make decisions about the future allocation of resources. The Organization classifies all projects, operations, and fund activities into five segments: 1) Core Activities Segment; 2) Partnership Activities Segment; 3) Enterprise Activities Segment; 4) Special Activities Segment; and 5) Sub-regional Centers Activities Segments and Inter-party Transactions. The Organization reports on the transactions and balances of each segment during the financial period.

In every financial period, the Organization processes internal transactions not involving the use of cash (transfers) within any given segment and between different segments (i.e., Program Support Cost, Provision for Termination and Repatriation Entitlements, After-Service Health Insurance, Master Capital Investment Fund, etc.). The effect of these transfers is an over-statement (duplication) of both revenue and expense by the same amount, which are valued at the cost incurred at the time of the original transaction. The Inter-Party Transactions column in the Statement of Financial Performance allows for the elimination of such duplication.

The following segments were identified to provide a better understanding of the different activities of the Organization:

Core Activities Segment—Activities critical to the Organization's Strategic Plan that are mandated and appropriated by the Organization's Governing Bodies (i.e., activities funded with assessed contributions and other revenue for Regular Budget activities).

Partnership Activities Segment—Activities aligned with the Organization’s Strategic Plan and supported by partners, donors, and stakeholders (i.e., activities developed in partnership with external donors who provide the voluntary contributions and to whom the technical and financial reports are provided).

Enterprise Activities Segment—Activities performed by the Organization to strengthen technical cooperation with the ministries of health and facilitate their access to essential public health supplies (i.e., procurement activities funded by the Member States for the access to essential public health supplies).

Special Activities Segment—Activities approved by the Organization’s Governing Bodies for specific objectives and entitlements. (i.e., staff entitlements, terminal entitlements, after-service health insurance).

Sub-Regional Centers Activities Segment – The Organization does not have regional centers to consolidate Effective January 1, 2013.

Intra-party Transactions – internal transfers. According to IPSAS 18, the Organization eliminates these activities.

2.20 Budget Comparison

The Organization’s budget and financial statements are prepared using different accounting bases. The Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Net Assets, and Cash Flow Statement are prepared on a full accrual basis, whereas the Comparison of Budget and Actual Amounts are prepared on a cash basis.

As required under IPSAS 24, the actual amounts presented on a comparable basis to the budget shall, where the financial statements and the budget are not prepared on a comparable basis, be reconciled to the actual amounts presented in the financial statements, identifying separately any basis, timing, and entity differences. There may also be differences in formats and classification schemes adopted for presentation of financial statements and the budget.

The Organization’s Governing Bodies approve the Biennial Program and Budget Plan, which includes assessed contributions, projected voluntary funds, and estimated miscellaneous income. The Biennial Program and Budget Plan may subsequently be amended by the Governing Bodies.

The Comparison of Budget and Actual Amounts compares the final budget to actual amounts disbursed, calculated on the same Strategic Objective categories as the corresponding budgetary amounts. Timing differences occur when the budget period differs from the reporting period reflected in the financial statements. There are timing differences for the Organization for purposes of comparison of budget and actual amounts because the budget is prepared on a biennial basis and the financial statements are prepared on an annual basis. Furthermore, other differences result from depreciation and amortization.

Entity differences occur when the budget omits programs or entities that are part of the entity for which the financial statements are prepared. Presentation differences are due to differences in the format and classification schemes adopted for presentation of the Statement of Financial Performance and the Comparison of Budget and Actual Amounts.

2.21 In-Kind Contributions

In-kind contributions of services that support approved operations and activities, including the use of premises, utilities, personnel, transportation services, etc., are identified by categories of services under the respective Member State providing the in-kind contribution during the reporting accounting period. These are not recognized in the financial statements because the fair value of the services or assets cannot be reliably measured.

Donated land and buildings are recognized on the Statement of Financial Position at fair market value.

Donated inventories are capitalized subject to the materiality and conditions of the goods. The Organization will only accept donated goods in alignment with its core activities.

3. Cash and Cash Equivalents

	<u>31 December 2016</u>	<u>31 December 2015</u>
Cash on Hand, US\$	90 394	69 620
Cash on Hand, Other Currencies	40 367	15 172
Money Market Funds	1 312	58 163
Less: Plan Assets	<u>(3 789)</u>	<u>(714)</u>
Total	<u>128 286</u>	<u>142 241</u>

4. Investments

4.1 Short-Term Investments

Short-term investments are those with final maturities at purchase between 91-365 days.

	<u>31 December 2016</u>	<u>31 December 2015</u>
Certificates of Deposit	305 786	256 843
Less: Plan assets	<u>(66 081)</u>	<u>(66 081)</u>
Certificates of Deposit	<u>239 705</u>	<u>256 843</u>

Accrued interest of \$ 1 351 476 (2015: \$400 813) is included in the balance of short-term investments in the Statement of Financial Position \$281 271 of the accrued amount is attributable to Plan Assets.

4.2 Long-Term Investments

Long-term fixed income notes within the Organization's general portfolio are held to maturity and stated at amortized cost using the effective interest method. Long-term fixed income notes within the ASHI/TAREP portfolio, comprising the plan assets held in an irrevocable trust, are stated at fair value with value changes recognized in the fund balance.

	<u>31 December 2016</u>	<u>31 December 2015</u>
Net Increase in Long-term Investments		
Increase (decrease) in Long-term Investments	73 974	(44 698)
Unrealized Net (Gains)/Losses	<u>1 692</u>	<u>616</u>
Net Increase in Long-term Investments	<u>75 666</u>	<u>(44 082)</u>
Cash Flows from Long-term Investments		
Interest Revenue	4 052	2 711
Realized Net Gains/(Losses)	<u>(180)</u>	<u>(364)</u>
Total	<u>3 872</u>	<u>2 347</u>

Valuation of Long-term Investments	<u>31 December 2016</u>		<u>31 December 2015</u>	
	Cost	Market	Cost	Market
Fixed Income Notes	1 563	1 535	59 526	59 161
Managed Portfolios	300 039	297 674	223 727	223 054
Total	301 602	299 209	283 253	282 215

Reconciliation of Long-term Investments	<u>31 December 2016</u>	<u>31 December 2015</u>
Fixed Income Notes (Market)	1 535	59 161
Less: Plan Assets (see note 12.3.5)	(1 535)	(59 161)
Managed Portfolio (Market)	297 674	223 054
Total for Long-term Investments	297 674	223 054

Long-term fixed income instruments held in the two portfolios are issued by U.S. Government agencies and backed by the full faith and credit of the U.S. Government. Although the credit rating of the U.S. Government was downgraded from its historical AAA rating by one credit rating agency in 2012, there is no evidence to suggest that the borrower will default on these obligations. Accrued interest of \$2 534 has been included in the balance of long-term investments and recognized on the Statement of Financial Performance as Miscellaneous Revenue

Managed Portfolios are classified as available for sale and stated at fair value with value changes recognized in the fund balance. The market value above includes accrued interest of \$1 155 698 (2015: \$488 872) and recognized on the Statement of Financial Performance as Miscellaneous Revenue.

Total gains (losses) on managed portfolios are comprised of the cumulative gain or loss previously recognized in the Statement of Changes in Net Assets and the incremental change in value at the point of sale or maturity. Total gains (losses) are recognized in the surplus or deficit for the period. In accordance with IPSAS accounting principles, a cumulative gain of \$367 305 recognized in the Statement of Changes in Net Assets was recognized during 2016.

5. Financial Instruments

5.1 Nature of Financial Instruments

Details of the significant accounting policies and methods adopted, including the criteria for recognition and de-recognition, the basis of measurement, and the basis on which gains and losses are recognized in respect of each class of financial asset and financial liability, are set out in Note 2.3.

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Financial Instruments and Method of Valuation

	2016	2016	2015	2015
	Amortized	Fair Market	Amortized	Fair Market
	Cost	Value	Cost	Value
Cash and Cash Equivalents			142 955	
Cash and Cash Equivalents	128 286			
Cash and Cash Equivalents (Plan Assets)	3 789			
Short-term Investments				
Certificates of Deposit (held to maturity)	239 705			
Certificates of Deposit (held to maturity) (Plan Assets)	66 081		256 843	
Long-term Investments				
Fixed Income Notes (held to maturity)				
Fixed Income Notes (Plan Assets)		1 535		59 161
Managed Portfolios (available for sale)		297 674		223 054
Total	437 860	299 209	399 798	282 215

5.2 Interest Rate Risk

The Organization is exposed to interest rate risk through both short-term and long-term investments. Principal amounts are stated at amortized cost for investments held to maturity and at fair value for investments available for sale.

	Effective	Effective		Floating	Non-Interest
	Maturity	Interest Rate	Fixed Interest	Interest	Bearing
Total Cash and Cash Equivalents	<90 days	0.40%		1 812	130 262
Short-term Investment					
Certificates of Deposit	50.31 days	3.26%	305 786		
Long-term Investments					
Plan Assets	5.93 years	2.14%	1 535		
Managed Portfolios	1.92 years	1.83%	297 674		
Total			604 995	1 812	130 262

The Organization holds certain fixed income notes that the issuer has a right to redeem prior to the maturity date.

Callable Instruments

Issuer	Principal	Rate	Maturity	Call Dates
Federal Home Loan Bank	1 563	2.14%	5-Dec-22	12-Jan-17
Total	1 563			

Changes in market interest rate impact the fair value and future cash flows of investment instruments. This impact is irrelevant for held-to-maturity investments but would affect the Statement of Financial Position for available-for-sale fixed rate investments and the Statement of Financial Performance for floating rate available-for-sale investments. The portion of PAHO's available-for-sale

portfolio comprised of floating rate instruments is insignificant, and rate fluctuations would not have a material effect. However, a market rate shift for fixed rate available-for-sale investments could materially impact the Statement of Financial Position.

A fluctuation of market interest rates of 100 basis points would have the following impact on the fair market value of fixed rate available-for-sale investments:

Fair Market Value of fixed rate investments at 12-31-16	Increase of 100 basis points	Change in Fair Market Value	Decrease of 100 basis points	Change in Fair Market Value
297 674	290 729	(6 831)	304 595	6 921

5.3 Credit Risk

The maximum credit risk represents the carrying amount of loans and receivables. PAHO's investment guidelines stipulate limits on the amount of credit exposure to any one counterparty. However, there may be some counterparty risk associated with the concentration of financial instruments and cash deposits in the banking sector. These significant concentrations in the banking sector equal 58% of the total cash, short-term and long-term investments.

The minimum credit quality requirements for all investments, as defined by the Investment Policy, falls within the investment grade range. Although the credit rating of the U.S. Government was downgraded from its historical AAA rating by one credit rating agency in 2012, there is no evidence to suggest that the borrower will default on these obligations.

PAHO's long-term investments and managed portfolios are held as follows:

Investment Type	2016	2015
Money Market Funds	5 224	4 287
Government & U.S. Agency Issues	211 484	230 384
Mortgage- and Asset-backed Securities	14 156	2 468
Corporate Notes	66 565	42 890
Municipal Government Bonds	999	2 097
Total Long Term Investments	298 428	282 126

5.4 Exchange Rate Risk

The Statement of Financial Position does not reflect significant exposure to exchange rate risk as foreign currency deposits at any given time are either immaterial or are designated for foreign currency expenditures. During the course of the year, a considerable portion of expenditures (40%) is disbursed in currencies other than the United States dollar. These disbursements are not hedged, but are met by local currency receipts and the purchase of local currency as needed in the market at the time of disbursement.

Contributions may be received in foreign currency, provided the amount can be absorbed by country offices within a thirty day window. The majority of funds held in Brazilian accounts are committed to specific programs that stipulate disbursements in local currency within six months. An exception to the Cash Management Guidelines, which limit the balance of local currency maintained locally, has been approved by the Investment Committee for the Brazilian program to eliminate the need to enter the market to buy or sell local currency. It is, therefore, not anticipated that Brazilian deposits would be subject to exchange rate risk.

Some local currency deposits held in Dominican Republic, Cuba and Venezuela totaling the equivalent of \$ 3.3 million are subject to restrictions that make it difficult to repatriate those funds to PAHO headquarters. These restrictions may increase the exchange risk for the organization.

6. Accounts Receivable

6.1 Accounts Receivable - Current

	31 December 2016	31 December 2015
Assessed Contributions	40 500	44 254
Tax Equalization Fund	8	
Voluntary Contributions	208 168	181 419
Procurement Funds	73 928	96 144
Balance due from the World Health Organization due to inter-office transactions	10 836	15 284
Balance due from the PAHO Foundation	560	561
Expanded Textbook and Instructional Materials	49	34
Advances to Staff	5 562	5 369
Prepaid Expenses	6 605	11 024
Miscellaneous Receivables	3 397	4 203
Total	349 612	358 292

6.1.1 Accounts Receivable from Assessed Contributions

Statement of Assessed Contributions as of 31 December 2016

(Expressed in thousand US Dollars)

	Arrears	2016	Total 2016	Total 2015
PAHO				
Argentina				2 316
Aruba		21	21	16
Brazil		11 976	11 976	10 672
Colombia		1 263	1 263	1 009
Costa Rica		5	5	
Dominican Republic		1	1	
El Salvador	110	83	193	219
France		4	4	
Grenada		21	21	21
Guatemala				
Peru				
Puerto Rico	162	79	241	162
Sint Maarten	16	21	37	16
Suriname		25	25	
United Kingdom				
United States		20 356	20 356	25 556
Venezuela	4 266	2 091	6 357	4 266
TOTAL	4 554	35 946	40 500	44 254

6.1.2 Accounts Receivable from Voluntary Contributions

	31 December 2016	31 December 2015
Voluntary Contributions		
Voluntary Contributions - Emergency		
Preparedness and Disaster Relief	559	630
Voluntary Contributions	67 333	24 145
Voluntary Contributions - National Voluntary Contributions	140 276	156 644
Total	208 168	181 419

6.1.3 Accounts Receivable from the Procurement of Public Health Supplies

The Accounts Receivable from Member States in the Procurement of Public Health Supplies is comprised by two funds: the Revolving Fund for Vaccine Procurement and the Regional Revolving Fund for Strategic Public Health Supplies.

Receivables under the category of Procurement of Public Health Supplies are considered to be current assets, as follows:

a. Revolving Fund for Vaccine Procurement

The establishment of the Revolving Fund for Vaccine Procurement was authorized by Resolution CD25 R27 of the 25th Directing Council (1977). The Revolving Fund finances the procurement of vaccines for participating Member States/Institutions unable to deposit funds with the Organization in U.S. currency in advance of procurement.

b. Regional Revolving Fund for Strategic Public Health Supplies

The Regional Revolving Fund for Strategic Public Health Supplies was established in 1999 by the Director under the authority vested in him by Financial Regulation 9.3 (originally 6.7), following the request of the Organization's Member States. The objectives of the Fund include reducing the cost of strategic public health supplies, making these supplies continuously available to the participating Member States, assisting the Member States in improving their planning capabilities to use these supplies, and broadening the scope of the Member States' public health programs. Specific details on the governments and institutions are not disclosed in these financial statements, although such information can be found in the unaudited informational annexes.

Receivables from the Procurement of Public Health Supplies are as follows:

	31 December 2016	31 December 2015
Procurement of Public Health Supplies		
Revolving Fund for Vaccine Procurement	71 997	91 269
Regional Revolving Fund for Strategic Public Health Supplies	1 931	4 875
Total	73 928	96 144

6.2 Accounts Receivable Non-Current

	31 December 2016	31 December 2015
Voluntary Contributions	144 271	58 600
Revolving Fund for Vaccine Procurement	4 602	
Termination and Repatriation Entitlements (see Note 12.3.2)	4 014	5 013
Total	152 887	63 613

6.2.1 Accounts Receivable from Voluntary Contributions Non-Current

	31 December 2016	31 December 2015
Voluntary Contributions		
Voluntary Contributions	46 791	20 568
National Voluntary Contributions	97 480	38 032
Total	144 271	58 600

7. Inventories

	31 December 2016	31 December 2015
PROMESS	485	909
Expanded Textbook and Instructional Materials Program	8 411	7 730
Ending Balance of inventory	8 896	8 639

7.1 Inventories PROMESS

The following table shows the movement of the PAHO inventory for medications and medical supplies at the PROMESS warehouse in Port-au-Prince, Haiti, during the financial period. The table shows the reconciliation of the inventory, which reflects the pending balance and additions during the period, reduced by the value of the goods distributed during the year.

	31 December 2016	31 December 2015
PROMESS		
Beginning inventory	909	788
Additions	767	827
Distributions	(1 191)	(706)
Ending Balance of inventory	485	909

In addition to the PAHO inventory, the PROMESS warehouse provides warehousing services for essential public health medications and medical supplies to international agencies and non-governmental organizations (NGOs) providing assistance to the Haitian government. Furthermore, PROMESS also warehouses the medications and medical supplies provided by donors, partners, and stakeholders to the Haitian government through the Organization.

7.2 Inventories Expanded Textbook and Instructional Materials Program

	<u>31 December 2016</u>	<u>31 December 2015</u>
PALTEX		
Beginning inventory	7 730	7 080
Additions	3 575	3 718
Distributions	(2 740)	(2 939)
Write-Offs	(107)	(95)
Allowance for Obsolete/Damaged Inventory	(47)	(34)
Ending Balance of inventory	<u>8 411</u>	<u>7 730</u>

8. Property, Plant and Equipment

8.1 General Information

The category Property, Plant, and Equipment consists of buildings; computer, office, and audio visual equipment; motor vehicles; leasehold improvements; and mobile buildings, as well as land. Net acquisitions (after disposals) for the year totaled \$94 737 (2015: \$574 856).

Additions or reductions in fixed assets are reported in the Statement of Financial Position, while the depreciation expenses for the period are reported in the Statement of Financial Performance

Buildings; computer, office and audio visual equipment; motor vehicles; leasehold improvements; and mobile buildings are capitalized if their cost is greater than or equal to the threshold limit set at \$20 000. They are depreciated over the asset's estimated useful life using the straight-line method. The threshold level is reviewed periodically. Assets are reviewed annually to determine whether there is any impairment in their value.

Pursuant to IPSAS 17, paragraph 44, land and buildings were revalued at the end of 2015 according to expert appraiser reports. In the case of one country, no revaluation was recorded due to the hyperinflationary economy and existence of different exchange rates. This decision was made in compliance with IPSAS 1, paragraphs 31 and 32, which recommend avoiding certain practices when they could be misleading.

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	Land	Build- ings	Computer Equip- ment	Office Equip- ment	Motor Vehicles	Audio Visual Equip- ment	Lease- hold Improve- ments	Mobile Build- ings	Total
Cost as of 1 January	64 026	44 867	657	89	1 846	317	266	27	112 095
Additions				76	51				127
Disposals					(32)				(32)
Impairments									
Adjustments									
Net Revaluations									
Cost as of 31 December	64 026	44 867	657	165	1 865	317	266	27	112 190
Depreciation as of 1 January			490	41	983	272	266	8	2 060
Charged in current period		1 313	120	32	285	30		6	1 786
Disposals					(32)				(32)
Adjustments									
Net Revaluations									
Depreciation as of 31 December		1 313	610	73	1 236	302	266	14	3 814
Net book value as of 31 December 2016	64 026	43 554	47	92	629	15		13	108 376
Net book value as of 31 December 2015	64 026	44 867	167	48	863	45		19	110 035

8.2 Transferred Assets with Conditions

In accordance with the donation document filed in Public Record, the Government of Brazil Development Company for the New Capital of Brazil, Successors and Assigns granted PAHO ownership of the land on which the PAHO/WHO Representative Office buildings in Brazil are located. The document further stipulates that PAHO may not transfer, rent, or lend the donated land under penalty of revocation of the donation. In the event that the land is sold for the same purpose (i.e., establishment of a headquarters facility), PAHO must obtain written consent from the Government and pay the Government the present value of the land. This does not include the buildings and other immovable property thereon. Because of the restriction on the sale of the land and the requirement to pay the Government of Brazil the present value of the land, the Organization recognized such property in the Statement of Financial Position as both an asset and a liability. (Note 11.2).

8.3 Revaluation of Land and Buildings:

Following the Organization's Accounting Policies (Note 2.8), a revaluation exercise is performed on periodic basis. The last full revaluation occurred at the end of 2015

The new 2015 appraisal amounts for each property of the Organization are as follows:

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Buildings	
Argentina	1 600
Barbados	2 332
Brazil	4 418
Jamaica	1 464
Guatemala	2 437
Guyana	614
Haiti	1 061
Washington DC	28 110
Paraguay	464
Peru	1 441
Venezuela	926
	<hr/>
Sub-total Buildings	44 867
	<hr/>
Land	
Brazil	7 796
Haiti	1 229
Washington DC	44 440
Peru	8 914
Venezuela	1 647
	<hr/>
Sub-total Land	64 026
	<hr/>
Total	108 893
	<hr/> <hr/>

As of 31 December 2015, the Organization adjusted the figures related to the Revaluation Surplus in order to be compliant with the Revaluation Model for its Property, Plant, and Equipment, as prescribed by IPSAS 17 paragraphs 44 to 58. The overall result of the adjustment of the revaluation of buildings ended in the recognition in 2015 of a loss of US\$ 4 808, reflected in the Statement of Financial Performance.

9. Intangible Assets

The Organization separately discloses Intangible Assets that are: (a) Available for use and subject to amortization; and, (b) Under development and have not been completed.

	<u>31 December 2016</u>	<u>31 December 2015</u>
Intangible Assets Available for use		
Cost as of 1 January	3 689	3 689
Additions		
Adjustments		
Deletions		
Cost as of 31 December	<u>3 689</u>	<u>3 689</u>
Amortization as of 1 January	2 665	1 960
Charged in current period	598	705
Adjustments		
Amortization as of 31 December	<u>3 263</u>	<u>2 665</u>
Net book value as of 31 December for Intangible Assets Available for use	426	1 024
Intangible Assets under Development	<u>337</u>	
Total Intangible Assets	<u><u>763</u></u>	<u><u>1 024</u></u>

10. Accrued Liabilities

	<u>31 December 2016</u>	<u>31 December 2015</u>
Accrued Liabilities-Regular Budget Fund	503	4 262
Accrued Liabilities-Other Sources - PAHO	12 284	87 577
Accrued Liabilities-Other Sources - WHO	<u>388</u>	<u>1 843</u>
Total	<u><u>13 175</u></u>	<u><u>93 682</u></u>

11. Accounts Payable

11.1 Accounts Payable Current

	<u>31 December 2016</u>	<u>31 December 2015</u>
Assessed Contributions Received in Advance	96	7
Voluntary Contributions Expired Agreements	5 501	2 794
Voluntary Contributions Pending Signature of Agreement		626
Procurement of Public Health Supplies	49 024	3 682
Miscellaneous	<u>7 731</u>	<u>8 924</u>
Total	<u><u>62 352</u></u>	<u><u>16 033</u></u>

11.2 Accounts Payable-Non Current

	31 December 2016	31 December 2015
Liability Restricted Assets-Land in Brasilia, Brazil (Note 8.2)	7 796	7 796
Total	7 796	7 796

12. Employee Benefits

Under the Staff Rules of the Pan American Health Organization, the Organization provides employee benefits that can be categorized as short-term liabilities and others that can be categorized as long-term liabilities. The employee benefits categorized as short-term liabilities are the education grant, education grant travel, and the assignment grant. The employee benefits that can be categorized as long-term liabilities include certain terminal payments, such as payment for annual leave, the repatriation grant, repatriation travel, or other separation indemnities, as appropriate.

In order to accrue the funds required for these short-term and long-term liabilities, the Organization has established three funds. The Staff Entitlements Fund, established in January 2008, funds the short-term liabilities of the education grant, education grant travel, and assignment grant. The After-Service Health Insurance Fund, established in 2010, reflects the financing and liability of the Organization for current and prior staff members' health insurance for future years. The Termination and Repatriation Entitlements Fund, established in April 1972, reflects the financing and liability of the Organization for terminal entitlements, including annual leave, repatriation grant, repatriation travel, and household removal.

As of 31 December 2016, the status of the current and non-current employee benefits liabilities is as follows:

	After-Service Health Insurance Fund	Termination and Repatriation Entitlements Fund	Total 2016	Total 2015
Current liability	8 614	2 356	10 970	13 052
Non-current Liability	210 430		210 430	210 838
Non-current (Asset) (Note 6.2)		(4 014)	(4 014)	(5 013)
Total	219 044	(1 658)	217 386	218 877

- Gains and losses (unexpected changes in surplus or deficit) are recognized over time via the Corridor Method.
- The expected rate of return on assets was based on the e-tool of Aon Hewitt Corporation, previously known as Aon Hewitt Associates LLC, (30-year time horizon for ASHI only) and the current portfolio.
- There is no reimbursement right.
- The expected Organization's contributions during 2016 are estimated at \$4 062 000 for After-Service Health Insurance and \$2 355 555 for Termination and Repatriation Entitlements.

12.1 Actuarial Valuations of Post-Employment and Other Separation-Related Benefits

Post-employment Benefits and Other Separation-Related Benefits are defined benefit plans of After-Service Health Insurance and Termination and Repatriation Entitlements. During 2016, the rates of contribution to these two long-term liability funds were 5% of net base pay plus post adjustment being credited to the Termination and Repatriation Fund, and 4% of the net pay credited to the After-Service Health Insurance.

The WHO/PAHO Staff Health Insurance Plan (SHI) allows eligible retirees, beneficiaries, and their eligible family members to participate in the Plan. The Termination and Repatriation Entitlements Fund finances the end-of-service payments for the Organization's staff members upon separation. These benefits, which include accrued annual leave, household removal, repatriation grant, repatriation travel, and termination indemnities, are payable when staff members leave the Organization's employment.

The assets shown for the After-Service Health Insurance Plan do not include any part of the assets held in the aggregate World Health Organization (WHO) Staff Health Insurance Fund (SHI) managed by the WHO. The staff members of the WHO and its administered entities, including the Organization, contribute to this SHI Fund. However, the Fund's assets have not been irrevocably allocated between WHO, the Organization (i.e., PAHO), and the rest of the WHO and its administered entities. Therefore, under IPSAS 25, no portion of the Fund qualifies as a plan asset for the Organization's After-Service Health Insurance Fund.

The Defined Benefit Obligation (DBO) as of 31 December 2016, as calculated by Aon Hewitt Corporation, decreased to \$16 769 017 for terminal entitlements and decreased to \$ 252 127 583 for after-service health insurance. The Termination and Repatriation Fund had assets of \$ 11 293 572; therefore the net liability was \$ 5 475 445 as of 31 December 2016. As the Organization's After-Service Health Insurance Fund had assets of \$ 60 111 537, the net liability for the After-Service Health Insurance decreased to \$192 016 046 as of 31 December 2016

Two of the more significant contributory factors in the decrease in the obligation for Termination and Repatriation Entitlements were the reduction on pay changes, different than expected, as well as the DBO decreased due to benefit payments in excess of the benefit accruals and interest on the liability (Service Cost and Interest Cost) during 2016. Some of the major factors in the decrease of the obligation for After-Service Health Insurance were: Updated Claims and Trend Assumptions; the DBO decreased as the net result of favorable claims experience and updated assumptions for how claims will change over time (Claims Costs and Administrative Expenses, and Medical Trend Rates); as well as a favorable Population Changes. The DBO also decreased due to participants declining coverage upon retirement and other population changes different than expected, partially offset by new hires and rehires.

12.2 Other Long-Term Employee Benefits

Other long-term employee benefits consist of home leave travel, which is accrued on a monthly basis. Employees entitled to this benefit are meant to earn it and take it every two years.

12.3 Actuarial Assumptions and Methods

Each year the Organization identifies and selects assumptions and methods that will be used by the actuaries in the year-end valuation to determine the expense and contribution requirements for the Organization's after-service benefit plans (post-employment benefits and other terminal entitlement benefits). Actuarial assumptions are required to be disclosed in the financial statements in accordance with IPSAS 25. In addition, each actuarial assumption is required to be disclosed in absolute terms.

12.3.1 Actuarial Assumptions

The following assumptions and methods have been used to determine the value of post-employment and other separation-related employee liabilities for the Organization at 31 December 2016.

Assumption	After Service Health Insurance Fund	Termination and Repatriation Entitlements Fund
Accounting Standard	International Public Sector Accounting Standard 25; first adopted by the Organization on 1 January 2010	
Measurement Date	31 December 2016	
Discount Rate	4.3 %	3.4 %
Expected Rate of Return on Assets	3.4 %	3.4 %
General Inflation	2.5 %	2.5 %
Medical Costs Increases	<p>U.S. Pre-65—4.65% in 2017 and 2018, increasing to 5.0% in 2019, then decreasing in 0.1% increments every other year starting in 2022 to 4.0% in 2040.</p> <p>U.S. Post-65—4.8% in 2017 and 2018, increasing to 5.0% in 2019, then decreasing in 0.1% increments every other year starting in 2022 to 4.0% in 2040+.</p> <p>Non-U.S. Americas—6.5% in 2017, decreasing in approximately 0.1% increments every year starting in 2018 to 4.0% in 2040+.</p>	Not Applicable
Future Participant Contribution Rate Changes	<p>Rates are assumed to increase by 4.0% per year in 2017 through 2041, based on the planned increases from the 31 December 2010 funding valuation. 1.0% per year thereafter, as we understand that rate increases are expected to decrease to 1.0% per year at that point. Increases are compounded geometrically.</p>	Not Applicable
Average Retirement Age	Average remaining years of service: 10.67	Average remaining years of service: 9.04
Life Expectancy	<p>Mortality rates match those in the 31 December 2015 valuation of the United Nations Joint Staff Pension Fund.</p>	Not Applicable
Average Medical Costs	\$8,901 per person per year in 2016	Not Applicable

The following tables provide additional information and analysis on employee benefits liabilities calculated by actuaries.

12.3.2 Reconciliation of Funded Status

	After-Service Health Insurance Fund	Termination and Repatriation Entitlements Fund	Total 2016	Total 2015
Defined Benefit Obligation (DBO)				
Inactive	90 579		90 579	192 611
Active	161 549	16 769	178 318	124 609
Defined Benefit Obligation including actuarial loss	252 128	16 769	268 897	317 220
Less: Plan Assets	(60 112)	(11 294)	(71 406)	(59 875)
Net Defined Benefit Obligation including actuarial loss	192 016	5 475	197 491	257 345
Less: Unrecognized Actuarial Gain/(Loss)	24 122	(7 133)	16 989	(42 060)
Unrecognized Prior Service Credit/(Cost)	2 906		2 906	3 592
Net Liability/(Asset) Recognized in the Statement of Financial Position	219 044	(1 658)	217 386	218 877
Split between:				
Current Liability	8 614	2 356	10 970	13 053
Non-Current Liability / (Asset)	210 430	(4 014)	206 416	205 825
Net Liability/(Asset) Recognized in the Statement of Financial Position	219 044	(1 658)	217 386	218 878

12.3.3 Annual Expense for Calendar Year 2016

	After-Service Health Insurance Fund	Termination and Repatriation Entitlements Fund	Total 2016	Total 2015
Current Service Cost	7 018	1 589	8 607	8 613
Interest Cost	13 293	538	13 831	13 585
Expected Return on Assets	(1 853)	(402)	(2 255)	(1 835)
Amortization of (Gain)/Loss	448	697	1 145	4 725
Recognition of Prior Service Cost	(1 422)		(1 422)	(789)
Changes in Accounting Methods				4 961
Total Expense Recognized in the Statement of Financial Performance	17 484	2 422	19 906	29 260

12.3.4 Reconciliation of Defined Benefit Obligation

	After-Service Health Insurance Fund	Termination and Repatriation Entitlements Fund	Total 2016	Total 2015
Defined Benefit Obligation as of 1 January	300 203	17 017	317 220	332 131
Service Cost	7 018	1 589	8 607	8 613
Interest cost	13 293	538	13 831	13 585
Benefits Paid	(10 250)	(2 380)	(12 630)	(13 045)
Administrative Expenses	(491)		(491)	
Contributions by Plan Participants	1 857		1 857	(225)
Plan Amendments	(736)		(736)	1 767
Actuarial (Gain) / Loss	(58 766)	5	(58 761)	(30 567)
Changes in Accounting Methods				4 961
Defined Benefit Obligation including Actuarial Loss as of 31 December	252 128	16 769	268 897	317 220
Less: Plan Assets	(60 112)	(11 294)	(71 406)	(59 875)
Net Defined Benefit Obligation including Actuarial Loss as of 31 December	192 016	5 475	197 491	257 345
Less: Unrecognized Gain/(Loss)				
Unrecognized Net (Loss) at End of Prior Year (Loss) Arising during Current Year	(34 400)	(7 659)	(42 059)	(77 572)
Actuarial (Loss) on Defined Benefit Obligation	58 766	(5)	58 761	30 567
Actuarial (Loss) on Plan Assets	(692)	(166)	(858)	220
Gain Recognized during Current Year	448	697	1 145	4 725
Unrecognized Actuarial (Loss) at End of Year	24 122	(7 133)	16 989	(42 060)
Unrecognized Prior Service Credit	2 906		2 906	3 592
Net Liability Recognized in the Statement of Financial Position as of 31 December	219 044	(1 658)	217 386	218 877

12.3.5 Reconciliation of Plan Assets

	After-Service Health Insurance Fund	Termination and Repatriation Entitlements Fund	Total 2016	Total 2015
Plan Assets as of 1 January	48 816	11 059	59 875	54 688
Benefits Paid	(10 740)	(2 380)	(13 120)	(13 269)
Contributions by Plan Participants	1 857		1 857	1 767
Contributions by the Employer	13 437	2 380	15 817	10 171
PAHO/WHO SHI Fund Contribution	5 581		5 581	4 463
Expected Return on Assets	1 853	402	2 255	1 834
Actuarial Gain / (Loss) - on Plan assets	(692)	(167)	(859)	221
Plan Assets as of 31 December	60 112	11 294	71 406	59 875
Made up of:				
Long Term Investments - Fixed Income Notes (Note 4.2)	1 293	243	1 536	59 161
Short Term Investments -Certificates of deposit (Note 4.1)	55 508	10 573	66 081	
Cash and Cash Equivalents (Note 3)	3 311	478	3 789	714
	60 112	11 294	71 406	59 875

12.3.6 After-Service Medical Plan - Sensitivity Analysis

Three of the principal assumptions in the valuation of the After-Service Medical Plan are: 1) the rate at which medical costs are expected to change in the future; 2) the return on the assets; and 3) the discount rate used to determine the present value of benefits that will be paid from the plan in the future. Because the medical inflation rate and the discount rate have a very significant impact on the determination of the Organization's long-term valuation, it is helpful to conduct sensitivity analysis on them. The sensitivity analysis identifies the impact that the medical inflation rate and the discount rate variables will have on the total valuation. The Aon Hewitt Corporation determined the impact of increasing or decreasing assumptions on the valuation.

12.3.7 Medical Sensitivity Analysis - After - Service Health Insurance *

	Current Medical Inflation Assumption Minus 1%	Current Medical Inflation Assumption	Current Medical Inflation Assumption Plus 1%
2016 Service Cost plus Interest Cost	16 892	20 310	24 728
Defined Benefit Obligation as of 31 December 2016	217 580	252 128	295 287

12.3.8 Discount Rate Sensitivity Analysis – After-Service Health Insurance *

	Current Discount Rate Assumption Minus 1%: 3.3%	Current Discount Rate Assumption: 4.3%	Current Discount Rate Assumption Plus 1%: 5.3%
Defined Benefit Obligation as of 31 December 2016	297 646	252 128	216 536

*The Sensitivity Analyses above do not address the Termination and Repatriation Entitlements Fund, because the benefits from this Fund are distributed upon retirement or shortly thereafter.

12.3.9 Settlement of Employee Benefit Liability

	31 December 2016	31 December 2015
Termination and Repatriation Entitlements Plan		
Settlement of Benefits	2 380	3 281
After- Service Health Insurance		
Administrative Expenses paid by the Organization		224
SHI Fund Contribution	5 581	4 463
Contribution to PAHO's ASHI Fund paid by the Organization	3 303	8 884
Total	11 264	11 502

12.4 United Nations Joint Staff Pension Fund

1. The Fund's Regulations state that the Pension Board shall have an actuarial valuation made of the Fund at least once every three years by the Consulting Actuary. The practice of the Pension Board has been to carry out an actuarial valuation every two years using the Open Group Aggregate Method. The primary purpose of the actuarial valuation is to determine whether the current and estimated future assets of the Pension Fund will be sufficient to meet its liabilities.

2. The Organization's financial obligation to the UNJSPF consists of its mandated contribution, at the rate established by the United Nations General Assembly (currently at 7.9% for participants and 15.8% for member organizations) together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date. Each member organization shall contribute to this deficiency an amount proportionate to the total contributions which each paid during the three years preceding the valuation date.

3. The actuarial valuation performed as of 31 December 2015 revealed an actuarial surplus of 0.16% (a deficit of 0.72% in the 2013 valuation) of pensionable remuneration, implying that the theoretical contribution rate required to achieve balance as of 31 December 2013 was 23.54% of pensionable remuneration, compared to the actual contribution rate of 23.70%. The next actuarial valuation will be conducted as of 31 December 2017.

4. At 31 December 2015, the funded ratio of actuarial assets to actuarial liabilities, assuming no future pension adjustments, was 141.1% (127.5% in the 2013 valuation). The funded ratio was 100.9% (91.2% in the 2013 valuation) when the current system of pension adjustments was taken into account.

5. After assessing the actuarial sufficiency of the Fund, the Consulting Actuary concluded that there was no requirement, as of 31 December 2015, for deficiency payments under Article 26 of the Regulations of the Fund as the actuarial value of assets exceeded

the actuarial value of all accrued liabilities under the Fund. In addition, the market value of assets also exceeded the actuarial value of all accrued liabilities as of the valuation date. At the time of this report, the General Assembly has not invoked the provision of Article 26.

6. During 2016, contributions paid to the UNJSPF by the Organization amounted to \$15 690 234 (2015: 16 107 684) and by the participants, \$ 7 859 840 (2015: \$8 053 842), including \$14 723 (2015: none) in pension restoration payments.

7. The United Nations Board of Auditors carries out an annual audit of the UNJSPF and reports to the UNJSPF Pension Board on the audit every year. The UNJSPF publishes quarterly reports on its investments and these can be viewed by visiting the UNJSPF at www.unjspf.org.

13. Deferred Revenue

13.1 Deferred Revenue – Current

	<u>31 December 2016</u>	<u>31 December 2015</u>
Voluntary Contributions		
Voluntary Contributions - Emergency Preparedness and Disaster Relief	704	1 645
Voluntary Contributions	84 420	29 517
National Voluntary Contributions	213 992	210 030
Procurement of Public Health Supplies		
Revolving Fund for Vaccine Procurement	164 751	159 271
Regional Revolving Fund for Strategic Public Health Supplies	5 272	47 581
Reimbursable Procurement	33 631	5 301
Total	<u>502 770</u>	<u>453 345</u>

13.2 Deferred Revenue – Non-Current

	<u>31 December 2016</u>	<u>31 December 2015</u>
Voluntary Contributions		
Voluntary Contributions	61 165	36 076
National Voluntary Contributions	154 960	103 313
Total	<u>216 125</u>	<u>139 389</u>

14. Fund Balances and Reserves

Fund balances represent the unexpended portion of contributions that are intended to be utilized in future operational requirements of the programs or projects.

Reserves are established by the Governing Bodies as facilities for funding and/or financing the Organization's programs and projects. They currently are:

- Working Capital Fund
- Holding Account
- Tax Equalization Fund
- Master Capital Investment Fund
- Special Fund for Program Support Costs
- Voluntary Contributions – Emergency Preparedness and Disaster Relief

- Governing Bodies Authorized Fund
- Special Fund for Health Promotion
- Budgetary Surplus Fund
- Epidemic Emergency Fund
- Food Safety Five – Years Plan Fund
- PMIS Funding PAHO IPSAS Surplus Fund
- Revenue Surplus Fund
- IPSAS Surplus Fund

Summary of Fund Balances and Reserves

	Balance as of 31 December 2016	Balance as of 31 December 2015		
Fund Balances:				
Strategic Public Health Supplies-Capitalization	13 071	10 518		
PAHO After-Service Health Insurance	(219 044)	(220 578)		
Voluntary Contributions	46	46		
Income from Services	5 399	4 650		
Provision for Staff Entitlements	1 935	1 612		
Revolving Fund for Vaccine Procurement	163 930	147 404		
PAHO Regular Budget	115 227	112 088		
Provision for Termination and Repatriation Entitlements	6 728	5 703		
PAHO Post Occupancy Charge	10 763	12 437		
Expanded Textbook and Instructional Materials Program	14 175	15 377	112 230	89 257
Reserves:				
Working Capital Fund	20 745	20 745		
Tax Equalization Fund	(298)	3 921		
Master Capital Investment Fund	15 227	16 912		
Special Fund for Program Support	100 045	78 859		
Voluntary Contributions - Emergency Preparedness and Disaster Relief	2 629	2 629		
Governing Bodies Authorized Fund	(531)	(524)		
Special Fund for Health Promotion	951	1 000		
Budgetary Surplus Fund	132	132		
Epidemic Emergency Fund	1 336	1 875		
Food Safety Five-Years Plan Fund	131	206		
PMIS Funding PAHO IPSAS Surplus Fund	2 120	6 729		
Revenue Surplus Fund	7 864	7 864	150 351	140 348
Total	262 581	229 605		

14.1 Working Capital Fund

The Working Capital Fund was established for the primary purpose of providing funds as required to finance the Regular Budget pending receipt of contributions from Member and Participating States and Associate Members.

Noting that since 1978-1979, the Organization's budget had grown from \$64 849 990 to \$159 457 717 in 1994-1995, the 37th Directing Council (1993) authorized the Director to gradually increase the level of the Working Capital Fund from \$11 000 000 to an authorized level not to exceed \$15 000 000. The 44th Directing Council (2003) increased the authorized level of the Working Capital Fund from \$15 000 000 to \$20 000 000. The 53rd Directing Council, per Resolution CD53.R10 dated 2 October 2014, approved an increase in the authorized level from \$20 000 000 to \$25 000 000.

In accordance with Financial Regulation 4.5, any deficit of revenue over expenses of the Regular Budget appropriation at the end of the current budgetary period shall be funded first by the Working Capital Fund to the extent possible, and then by borrowing or by other authorized means. Non-budgetary items, such as depreciation, amortization and contributions in-kind, do not constitute part of the Regular Budget and are therefore excluded from revenue and expense for the purposes of calculating the Regular Budget Appropriation surplus or deficit.

	Total as of 31 December 2016	Total as of 31 December Biennium 2014-2015
Balance as of 1 January - Biennium	20 745	15 864
2014 Surplus / (Deficit)		9 743
2015 Surplus / (Deficit)		(9 238)
2014-2015 Surplus / (Deficit)		505
2014 Non-budgetary Items *		1 300
2015 Non-budgetary Items *		6 714
2014-2015 Non-budgetary items *		8 014
2014 Transfer to Revenue Surplus Fund		(3 722)
2015 Transfer to Revenue Surplus Fund		(4 052)
2014-2015 Transfer to Revenue Surplus Fund		(7 774)
Regular Budget Appropriation Surplus/(Deficit)		745
Repayment of the Loan from the Revolving Fund for Vaccine Procurement		4 136
Balance as of 31 December	20 745	20 745

* Non-budgetary Items are comprised, of but not limited to, depreciation, amortization and in-kind contributions .

14.2 Holding Account

The balance of this account was recorded pursuant to the Financial Regulations in effect until the adoption of IPSAS in 2010, when the Regulations were revised. This balance will be utilized in future financial periods, subject to a decision by the Governing Bodies.

14.3 Tax Equalization Fund

The Tax Equalization Fund, as established by Resolution CD18.R7 of the 18th Directing Council (1968), is credited with the revenue derived from the staff assessment plan. The credits to the Fund are recorded in the name of each Member State in proportion to its assessment for the financial period concerned and reduced by the amount needed to reimburse income taxes levied by the Member State on Organization staff. Adjustments are made in the next financial period to take account of the actual charges in respect of amounts reimbursed to staff members who are subject to national taxes.

Member States participating in the Tax Equalization Fund had the following balances at the end of the reporting period.

Member States	Balance 1 January 2016	Credits from the Tax Equalization Fund	Apportionment to Member States	Available to Cover Tax Reimbursements to Staff	Taxes Reimbursed to Staff	Balance 31 December 2016
Canada	109	947	947		46	63
Colombia	16	117	117			16
United States	3 819	5 322	3 922	1 400	5 573	(354)
Venezuela	(23)	192	167	25	25	(23)
Other		2 374	2 374			
Total	3 921	8 952	7 527	1 425	5 644	(298)

There is no outstanding accounts receivable for the Tax Equalization Fund because the liabilities for the reimbursement of income taxes are included in the accounts receivable for assessed contributions due from the relevant Member States.

14.4 Master Capital Investment Fund

The Organization's Master Capital Investment Fund (MCIF) was established by Resolution CSP27. R19 of the 27th Pan American Sanitary Conference, 59th Session of the Regional Committee, in October 2007. This fund was initially created with two sub-funds, Real Estate and Equipment, and Information Technology, in lieu of the Organization's Building Fund and the Capital Equipment Fund, effective 1 January 2008. The purpose of the Fund is to finance the repairs of the Organization's office buildings and the systematic replacement of computer and telecommunications equipment software and systems to support the Organization's information technology infrastructure.

In 2012, under Resolution CSP28.R17 of the 28th Pan American Sanitary Conference, 64th Session of the Regional Committee of WHO for the Americas, the establishment of three additional sub-funds was authorized: Real State Maintenance and Improvement, Revolving Strategic Real Estate and Vehicle Replacement.

14.5 Special Fund for Program Support Costs

The Special Fund for Program Support Costs was established in 1976 by the Director under the authority of Financial Regulation 9.3 (originally 6.7) and subsequently reaffirmed by Resolution CSP20.R32 of the 20th Pan American Sanitary Conference (1978).

Trust Fund projects are charged a program support cost on a percentage of the direct project cost incurred, and this income is credited to the Fund. Other activities include sales of publications, support to fellowships, and others. The Fund is used to provide support for indirect costs associated with non-regular budget activities or projects. Reimbursable Procurement is charged a service charge based on the value of procurement, and this income is also credited to this Fund.

14.6 Special Fund for Natural Disaster Relief

In accordance with Resolution CD24.R10 of the 24th Directing Council (1976), the Special Fund for Natural Disaster Relief was created to provide funds that can be used promptly by the Organization's Emergency Preparedness and Disaster Relief team.

14.7 Governing Bodies Authorized Fund

Noting the revised document on proposed uses of program budget income exceeding the authorized effective working Regular Budget for the financial period 2006-2007 (Document CD48/22), the 48th Directing Council resolved to establish the Governing Bodies Authorized Fund to fund proposed initiatives that will strengthen the Organization, that minimize added re-current costs, are sustainable within normal operations, and for which other funding resources are scarce or unavailable.

14.8 Special Fund for Health Promotion

At its 13th Meeting in 1961, the Directing Council established the Special Fund for Health Promotion, with the objective of strengthening the health program of the Americas.

14.9 Epidemic Emergency Fund

The Epidemic Emergency Fund was established by Resolution CSP28.R16 of the 28th Pan American Sanitary Conference, 64th Session of the Regional Committee. This fund is used as a revolving fund to advance monies to affected countries in the event of an epidemic outbreak or public health emergency. Advanced funds would be recovered from appeals and other forms of voluntary contributions received in response to the emergency.

14.10 Food Safety Five-Year Plan Fund

The Food Safety Five-Year Plan Fund was established by Resolution CSP28.R16 of the 28th Pan American Sanitary Conference, 64th Session of the Regional Committee. This fund supports food safety initiatives.

14.11 Pan American Sanitary Bureau Management Information System (PMIS) Fund

The Pan American Sanitary Bureau Management Information System (PMIS) Fund was established by Resolution CSP28.R16 of the 28th Pan American Sanitary Conference, 64th Session of the Regional Committee. The PMIS fund was established for the implementation of enterprise resource planning (ERP) software for the Organization.

14.12 IPSAS Surplus Fund

The IPSAS Surplus Fund was established by Resolution CSP28.R16 of the 28th Pan American Sanitary Conference, 64th Session of the Regional Committee. This fund will be used to meet future unforeseen strategic and/or administrative initiatives. Future proposals for the use of this reserve may also include increases in any other existing funds.

14.13 Budgetary Surplus

The Financial Regulations, approved by Resolution CD49.R1 of the 49th Directing Council, 61st Session of the Regional Committee, stipulate that “Any balance of the Regular Budget appropriation not committed by the end of the current budgetary period, shall be used to replenish the Working Capital Fund to its authorized level, after which any balance will be available for subsequent use in accordance with the resolutions adopted by the Conference or Directing Council.”

14.14 Revenue Surplus

The Financial Regulations approved by Resolution CD49.R1 of the 49th Directing Council, 61st Session of the Regional Committee, stipulate that “Any excess of revenue over the Regular Budget appropriation at the end of a budgetary period shall be considered a revenue surplus and shall be available for use in subsequent periods to cover the unfunded portion of the Strategic Plan, as determined by the Director and with the concurrence of the Subcommittee on Program, Budget, and Administration.”

PAN AMERICAN HEALTH ORGANIZATION
 FINANCIAL REPORT OF THE DIRECTOR and REPORT OF THE EXTERNAL AUDITOR
 1 January 2016 – 31 December 2016

15. Revenue

	2016		2015	
	Gross Revenue	Net Revenue	Gross Revenue	Net Revenue
Revenue from Non-Exchange Transactions				
Assessed Contributions				
PAHO Regular Budget	96 368	96 368	96 200	96 200
Tax Equalization Fund	1 425	1 425	9 420	9 420
Subtotal	97 793	97 793	105 620	105 620
Voluntary Contributions				
Voluntary Contributions	30 330	27 713	36 152	33 158
Voluntary Contributions - National Voluntary Contributions	537 632	511 931	582 682	554 737
Voluntary Contributions - Emergency				
Preparedness and Disaster Relief	3 490	3 248	1 143	1 060
Special Fund for Program Support	28 568	28 568	31 022	31 022
Subtotal	600 020	571 460	650 999	619 977
Other Revenue				
AMRO Regular Budget	31 022	31 022	52 986	52 986
AMRO Voluntary Funds for Health Promotion	22 954	22 954	27 083	26 689
Epidemic Emergency Fund			580	580
AMRO Special Account for Servicing Costs	9 043	9 043	5 756	5 756
AMRO Contribution for Renovation of Assets			203	
Staff Development and Learning Fund			338	338
AMRO Post Occupancy Charges			3 180	
Subtotal	63 019	63 019	90 126	86 349
Revenue from Exchange Transactions				
Procurement of Public Health Supplies				
Revolving Fund for Vaccine Procurement	589 110	582 273	567 744	561 155
Reimbursable Procurement on Behalf of Member States	4 114	3 956	6 208	5 971
Regional Revolving Fund for				
Strategic Public Health Supplies	93 295	92 236	72 267	71 461
Special Fund for Program Support	8 053	8 053	7 632	7 632
Subtotal	694 572	686 518	653 851	646 219
Other Revenue				
PAHO Regular Budget			164	164
Voluntary Contributions				
Income for Services	2 947	2 411	3 705	3 262
Special Fund for Program Support			59	59
Expanded Textbook and Instructional Materials Program	4 118	4 027	5 862	5 862
Health Promotion	18	18	13	13
Provision for Termination and Repatriation Entitlements	3 448		5 439	
Provisions for Staff Entitlements	5 650		4 032	
PAHO Post Occupancy Charge	8 546		7 357	
After Service Health Insurance	2 135		3 132	
Master Capital Investment Fund	1 006	1 006	1 357	1 286
AMRO Terminal Payments Account			314	
AMRO Non-Payroll Statutory Entitlements			1 055	
Special Fund for Program Support	503	503		
Subtotal	28 371	7 965	32 489	10 646
Miscellaneous Revenue				
PAHO Regular Budget				
Interest Earned	12 937	12 937	8 125	8 125
Saving on or cancellation of prior periods' obligations	3 330	3 330		
Valuation Gains and Losses	(581)	(581)	(636)	(636)
Investment Management Fees	(606)	(606)	(519)	(519)
Other Miscellaneous	97	97	82	82
Special Fund for Program Support	6 395	6 395	(15 838)	(15 838)
Expanded Textbook and Instructional Materials Program			76	76
Voluntary Contributions			1	1
Voluntary Contributions - Emergency				
Preparedness and Disaster Relief			(80)	(80)
Subtotal	21 572	21 572	(8 789)	(8 789)
TOTAL REVENUE	1 505 347	1 448 327	1 524 296	1 460 022

16. Expenses

	2016		2015	
	Gross Expenses	Net Expenses	Gross Expenses	Net Expenses
Staff and Other Personnel Costs				
International and National Staff	149 664	129 885	183 219	161 486
Consultants			19 290	19 290
Temporary Staff	44 036	44 036	4 770	4 770
Subtotal	193 700	173 921	207 279	185 546
Supplies, Commodities, Materials				
Vaccines / Syringes / Cold Chain	572 584	565 747	607 208	600 619
Medications and Medical Supplies	94 856	93 639	23 725	23 488
Other Goods and Supplies	21 561	21 139	22 108	20 683
Subtotal	689 001	680 525	653 041	644 790
Equipment, Vehicles, Furniture, Intangible Assets, Depreciation and Amortization				
Equipment, Vehicles, Furniture ²	(127)	(127)	(503)	(574)
Intangible Assets ²	(338)	(338)		
Depreciation / Amortization	2 384	2 384	7 646	7 646
Subtotal	1 919	1 919	7 143	7 072
Contract Services				
Contracts	80 303	80 303	74 892	72 136
Subtotal	80 303	80 303	74 892	72 136
Travel				
Duty Travel	36 452	36 247	9 197	8 804
Courses and Seminars ³			59 163	59 163
Subtotal	36 452	36 247	68 360	67 967
Transfers and Grants to Counterparts				
Letters of Agreements	441 327	441 327	480 879	480 879
Subtotal	441 327	441 327	480 879	480 879
General Operating and Other Direct Costs¹				
Maintenance, Security and Insurance	12 248	12 248	10 526	10 478
Subtotal	12 248	12 248	10 526	10 478
Indirect Support Costs				
Program Support Costs	28 560		31 022	
Subtotal	28 560		31 022	
Total Expenses	1 483 510	1 426 490	1 533 142	1 468 868

Note¹ General Operating Expense and Other Direct Costs Include Lease Payments for \$2 395 086. (2015: \$2 215 405).

Note² The balance includes the capitalization of assets in the Statement of Financial Position.

Note³ Effective fiscal period 2016 with the implementation of Workday, the components associated with Courses and Seminars will be reflected in the proper expense line. The predominate components used for Courses and Seminars are travel and Contract Services.

17. Comparison of Budget and Actual Amounts

The reconciliation between the actual amounts on a comparable basis in the Comparison of Budget and Actual Amounts and the actual amounts in the Cash Flow Statement for the year ended 31 December 2016 is presented below:

(Expressed in thousand US Dollars)

	31 December 2016			31 December 2015		
	Operating	Investing and Financing	Total	Operating	Investing and Financing	Total
Actual amount on comparable basis from Statement of Budget and Actual Amounts	(219 658)		(219 658)	(270 741)		(270 741)
Basis Differences						
Timing Differences						
Presentation Differences	1 599 951	(59 638)	1 540 313	1 444 003	54 823	1 498 826
Entity Differences	(1 334 610)		(1 334 610)	(1 223 527)		(1 223 527)
Actual amount in the Statement of Cash Flow	45 683	(59 638)	(13 955)	(50 265)	54 823	4 558

The budget and financial statements are prepared using a different accounting basis. The financial statements are prepared on an accrual basis and the Comparison of Budget and Actual Amounts is prepared on a cash basis. The chart above illustrates the actual amount of cash disbursements based on the budget, reconciled to the actual cash change in the Statement of Cash Flow.

Basis differences occur when comparing two different bases. There are no basis differences for the reconciliation of a cash budget position to a cash flow position. The Comparison of Budget and Actual Amounts reflects disbursements in comparison with the budget and does not include cash receipts; therefore, the cash receipts are reflected as a presentation difference. Entity differences are activities included in the financial statements and omitted from the budget.

18. Segment Reporting

18.1 Statement of Financial Position by Segments

	Total Core Activities Segment	Total Partnership Activities Segment	Total Enterprise Activities Segment	Total Special Activities Segment	Intra-Party Segment	Total 2016	Total 2015
ASSETS							
Current Assets							
Cash and Cash Equivalents	128 286					128 286	137 683
Short Term Investments	239 705					239 705	268 202
Owed From Other Segments *		178 338	462 269	37 722	(678 329)		
Accounts Receivable	64 748	208 287	74 745	1 832		349 612	412 938
Inventories	485		8 411			8 896	7 868
Total Current Assets	433 224	386 625	545 425	39 554	(678 329)	726 499	826 691
Non-Current Assets							
LongTerm Investments	297 674					297 674	267 753
Accounts Receivable		144 271	4602	4 014		152 887	52 985
Net Fixed Assets	106 397			1 979		108 376	120 250
Intangible Assets	395		337	31		763	1 728
Total Non-Current Assets	404 466	144 271	4 939	6 024		559 700	442 716
TOTAL ASSETS	837 690	530 896	550 364	45 578	(678 329)	1 286 199	1 269 407
LIABILITIES							
Current Liabilities							
Accrued Liabilities	2 537	5 480	285	4 873		13 175	42 681
Owed To Other Segments *	678 329				(678 329)		
Accounts Payable	5 591	6 163	49 806	792		62 352	9 259
Employee Benefits				10 970		10 970	11 616
Deferred Revenue		299 117	203 653			502 770	600 662
Total Current Liabilities	686 457	310 760	253 744	16 635	(678 329)	589 267	664 218
Non-Current Liabilities							
Accounts Payable	7 796					7 796	15 089
Employee Benefits				210 430		210 430	199 986
Deferred Revenue		216 125				216 125	174 223
Total Non-Current Liabilities	7 796	216 125		210 430		434 351	389 298
TOTAL LIABILITIES	694 253	526 885	253 744	227 065	(678 329)	1 023 618	1 053 516
NET ASSETS / EQUITY							
Fund Balances and Reserves							
Fund Balances	115 227	46	196 575	(199 618)		112 230	84 093
Reserves	28 210	3 965	100 045	18 131		150 351	131 798
NET FUND BALANCES and RESERVES	143 437	4 011	296 620	(181 487)		262 581	215 891

* Owed to/from Other Segments is due to PAHO holding pooled cash on behalf of other segments. This cannot be allocated directly to a cash segment. These are eliminated on consolidation.

18.2 Statement of Financial Performance by Segments

	Total Core Activities Segment	Total Partnership Activities Segment	Total Enterprise Activities Segment
REVENUE			
Revenue from Non-Exchange Transactions			
Assessed Contributions	96 368		
Voluntary Contributions		571 452	28 568
Other Revenue	31 022	22 954	9 043
Revenue from Exchange Transactions			
Procurement of Public Health Supplies			694 572
Other Revenue			7 568
Miscellaneous Revenue	15 177		6 395
TOTAL REVENUE	142 567	594 406	746 146
EXPENSES			
Staff and Other Personnel Costs	93 803	36 308	28 452
Supplies, Commodities, Materials	4 711	10 342	672 731
Equipment, Vehicles, Furniture, Intangible Assets, Depreciation and Amortization	2 055		(252)
Contract Services	11 452	55 743	2 830
Travel	11 354	23 246	1 046
Transfers and Grants to Counterparts	2 385	438 955	(13)
General Operating and Other			
Direct Costs	5 551	1 790	1 540
Indirect Support Costs		28 560	
TOTAL EXPENSES	131 311	594 944	706 334
NET SURPLUS/ (DEFICIT)	11 256	(538)	39 812

Statement of Financial Performance by Segments

Total Special Activities Segment	Intra-Party Segment	Total 2016	Total 2015
1 425		97 793	105 620
	(28 560)	571 460	619 977
		63 019	86 349
	(8 054)	686 518	646 219
20 803	(20 406)	7 965	10 646
		21 572	(8 789)
22 228	(57 020)	1 448 327	1 460 022
35 137	(19 779)	173 921	185 546
1 217	(8 476)	680 525	644 790
116		1 919	7 072
10 278		80 303	72 136
806	(205)	36 247	67 967
		441 327	
3 367		12 248	480 879
	(28 560)		10 478
50 921	(57 020)	1 426 490	1 468 868
(28 693)		21 837	(8 846)

19. Losses, Ex-Gratia Payments and Write-Offs

In 2016 the Organization recorded the following accounting entries:

- \$216 was recorded as Losses/Damage of the PALTEX program as a result of physical inventory counts during annual visit to the points of distributions. (2015: \$13 413)
- \$147 148 was recorded as write-off to refunds of letters of agreement not implemented by the recipient institutions. (2015: none)
- \$68 963 was written off as uncollectable debts from staff, former staff, and retirees of the Organization. (2015: \$ 98 872)
- \$2 791 was written off for other small amounts. (2015: none)
- No Administrative waivers were recorded for courses and seminars implemented by Member States. (2015: \$3 974)
- No Ex-Gratia Payments were recorded. (2015: \$22 342)

20. Cases of Fraud and Presumptive Fraud

In 2016, a total of 29 cases of fraud, theft and loss of property were reported. The PALTEX program had eight cases involving the loss or theft of textbooks totaling \$23 114. PAHO recovered or anticipates recovering \$22 898 in full from the point of sales locations in question leaving a net loss of \$216 to the Organization. There were 17 cases involving the loss or theft of PAHO property from PAHO personnel in the country offices and Headquarters. The total net loss to the Organization of this lost or stolen property was \$8 997.

Finally, there were four cases involving the misuse of PAHO purchasing or travel credit cards committed by people outside the Organization. In these four cases, the fraudulent charges amounting to \$8 453, were reimbursed by the financial institutions concerned.

21. Related-Party and Other Senior Management Disclosure

Key management personnel are the Director, Deputy Director, Assistant Director, and Director of Administration, as they have the authority and responsibility for planning, directing, and controlling the activities of the Organization.

The aggregate remuneration paid to key management personnel, as established by the United Nations International Civil Service Commission (ICSC), includes: gross salaries, post adjustment, entitlements such as representation allowance and other allowances, assignment and other grants, rental subsidy, personal effects shipment costs, income tax reimbursement, and employer pension and current health insurance contributions. These remunerations are provided in conformity with the standards established by the ICSC and are applicable to all United Nations personnel.

Key management personnel are also qualified for post-employment benefits at the same level as other employees. These benefits cannot be reliably quantified.

Key management personnel are ordinary members of the United Nations Joint Staff Pension Fund (UNJSPF).

21.1 Key Management Personnel

Key Management Personnel	2016	2015
Number of Positions	4	4
Compensation and Post Adjustment	772	772
Entitlements	258	283
Pension and Health Plans	240	242
Total Remuneration	1 270	1 297
Outstanding Advances against Entitlements	-	-

22. Events after Reporting Date

The Organization's reporting date is 31 December of each year. On the date of signature of these accounts by the External Auditor, no material events, favorable or unfavorable, have occurred between the date of the Statement of Financial Position and the date when the financial statements have been authorized for issue that would have impacted these statements.

23. Provisions

As at 31 December 2016, the Organization had not recognized any provisions.

24. (Recognition)/De-recognition of Liability through Reserves

The de-recognition of the Staff Health Insurance (SHI) liability to Reserves was the result of a 4% increase in first-tier rates of contribution to the SHI Fund during 2015, resulting in a reduction in the regional deficit for active staff. The regional deficit is covered by second-tier contributions (25% of the first-tier rate) from active staff, in accordance with paragraph F.395 of the WHO Staff Health Insurance Rules. The excess of second-tier contributions over the amount required to fund the regional deficit is reflected in the increase of the SHI reserve balance. The total de-recognition for 2016 was \$1 566 783, reflected in the Statement of Changes in Net Assets.

25. In-Kind Contributions

Host governments and cooperating partners at the country level provide different in-kind contributions, which are utilized by the Organization's Country Offices for their general and daily operations. These contributions are not recognized in the Organization's financial statements due to the complexity of standardizing a fair value throughout all the Organization's Country Offices. In-kind contributions received by the Organization include personnel, office premises, office services, use of office equipment and vehicles.

Country Office or Center	Services received In-Kind Contributions				
	Personnel	Office Premises	Office Services	Office Equipment	Vehicles
Argentina	X				
Bahamas	X	X	X		
Barbados	X	X	X		
Belize	X		X		
Bolivia	X				
Brazil					
Chile	X	X			
Colombia					
Costa Rica	X	X	X		
Cuba	X				
Dominican Republic	X	X			
Ecuador	X				
El Salvador	X				
Guatemala	X				
Guyana	X	X	X		
Haiti	X		X		
Honduras	X				
Jamaica	X		X		
Mexico	X				
Nicaragua	X	X	X		
Panama	X	X	X		
Paraguay	X				
Peru					
Suriname	X	X	X		
Trinidad and Tobago	X	X	X		
Uruguay	X		X		
Venezuela	X				
PANAFTOSA	X	X	X	X	X
BIREME	X	X	X		
CLAP	X				