

PART V

**INSTITUTE OF NUTRITION OF
CENTRAL AMERICA AND PANAMA**



INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA

**INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
ADMINISTERED BY THE PAN AMERICAN HEALTH ORGANIZATION
STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDING 31 DECEMBER 2006
(expressed in US dollars)**

	Reference	Regular Budget and Working Capital Fund	Trust Funds Table 24	Special Funds Table 20.1	Subtotal INCAP
INCOME					
Assessed contributions	Table 23	428,700	-	-	428,700
Voluntary contributions					
INCAP program activities		-	2,030,949	-	2,030,949
Non-INCAP program activities		-	-	194,921	194,921
Other income					
Revenue-producing activities		156,953	-	82,230	239,183
Funds received under					
interorganization arrangements		-	-	-	-
Allocation from other funds		-	-	293,479	293,479
Income for services rendered		-	-	168,770	168,770
Interest income		42,045	-	82,638	124,683
Currency exchange differential		(1,554)	-	-	(1,554)
Other/Miscellaneous		89,646	-	-	89,646
TOTAL INCOME		715,790	2,030,949	822,038	3,568,777
EXPENDITURE					
International health program		686,023	1,232,968	161,572	2,080,563
Other purposes		-	-	749,781	749,781
TOTAL EXPENDITURE		686,023	1,232,968	911,353	2,830,344
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE					
		29,767	797,981	(89,315)	738,433
Provision for delays in collection of assessed contributions	Table 23	(66,372)	-	-	(66,372)
Payment of assessed contributions for prior years	Table 23	97,083	-	-	97,083
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE					
		60,478	797,981	(89,315)	769,144
Savings on or cancellation of prior periods' obligations		-	-	-	-
Other project adjustments		-	(8,812)	-	(8,812)
Transfer to/from other funds		-	-	-	-
TOTAL CHANGES IN FUND BALANCES		60,478	789,169	(89,315)	760,332
FUND BALANCES, 1 JANUARY 2006		1,000,000	429,217	2,998,595	4,427,812
FUND BALANCES, 31 DECEMBER 2006		1,060,478	1,218,386	2,909,280	5,188,144

**INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
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STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDING 31 DECEMBER 2006
(expressed in US dollars)**

PAHO	Subtotal 2006	Eliminations	Total 2006	
-	428,700	-	428,700	INCOME
-	2,030,949	-	2,030,949	Assessed contributions
-	194,921	(194,921)	-	Voluntary contributions
-	239,183	(61,980)	177,203	INCAP program activities
1,081,481	1,081,481	-	1,081,481	Non-INCAP program activities
-	293,479	(293,479)	-	Other income
-	168,770	(28,636)	140,134	Revenue-producing activities
-	124,683	-	124,683	Funds received under
-	(1,554)	-	(1,554)	interorganization arrangements
-	89,646	-	89,646	Allocation from other funds
1,081,481	4,650,258	(579,016)	4,071,242	Income for services rendered
				Interest income
				Currency exchange differential
				Other/Miscellaneous
				TOTAL INCOME
1,081,481	3,162,044	(579,016)	2,583,028	EXPENDITURE
-	749,781	-	749,781	International health program
1,081,481	3,911,825	(579,016)	3,332,809	Other purposes
				TOTAL EXPENDITURE
-	738,433	-	738,433	EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE
-	(66,372)	-	(66,372)	Provision for delays in collection of assessed contributions
-	97,083	-	97,083	Payment of assessed contributions for prior years
-	769,144	-	769,144	NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE
-	-	-	-	Savings on or cancellation of prior periods' obligations
-	(8,812)	-	(8,812)	Other project adjustments
-	-	-	-	Transfer to/from other funds
-	760,332	-	760,332	TOTAL CHANGES IN FUND BALANCES
-	4,427,812	-	4,427,812	FUND BALANCES, 1 JANUARY 2006
-	5,188,144	-	5,188,144	FUND BALANCES, 31 DECEMBER 2006

INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
ADMINISTERED BY THE PAN AMERICAN HEALTH ORGANIZATION
SPECIAL FUNDS
STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDING 31 DECEMBER 2006
 (expressed in US dollars)

	Staff Provident Fund	Endowment Fund	Special Fund for Program Support Costs
INCOME			
Assessed contributions			
Voluntary contributions			
INCAP program activities	-	-	-
Non-INCAP program activities	194,921	-	-
Other income			
Revenue-producing activities	-	-	-
Funds received under			
interorganization arrangements	-	-	-
Allocation from other funds	-	-	-
Income for services rendered	140,134	-	28,636
Interest income	64,710	17,928	-
Currency exchange differential	-	-	-
Other/Miscellaneous	-	-	-
TOTAL INCOME	399,765	17,928	28,636
EXPENDITURE			
International health program	-	-	89,509
Other purposes	516,447	3,392	-
TOTAL EXPENDITURE	516,447	3,392	89,509
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	(116,682)	14,536	(60,873)
Provision for delays in collection of assessed contributions	-	-	-
Payment of assessed contributions for prior years	-	-	-
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	(116,682)	14,536	(60,873)
Savings on or cancellation of prior periods' obligations	-	-	-
Other project adjustments	-	-	-
Transfer to/from other funds	-	-	-
TOTAL CHANGES IN FUND BALANCES	(116,682)	14,536	(60,873)
FUND BALANCES, 1 JANUARY 2006	1,633,787	371,191	82,377
FUND BALANCES, 31 DECEMBER 2006	1,517,105	385,727	21,504

INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
ADMINISTERED BY THE PAN AMERICAN HEALTH ORGANIZATION
SPECIAL FUNDS
STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDING 31 DECEMBER 2006
(expressed in US dollars)

Special Fund for INCAP Services	Provision for Personnel Entitlements	Total 2006	
			INCOME
			Assessed contributions
			Voluntary contributions
-	-	-	INCAP program activities
-	-	194,921	Non-INCAP program activities
			Other income
82,230	-	82,230	Revenue-producing activities
			Funds received under
-	-	-	interorganization arrangements
-	293,479	293,479	Allocation from other funds
-	-	168,770	Income for services rendered
-	-	82,638	Interest income
-	-	-	Currency exchange differential
-	-	-	Other/Miscellaneous
<u>82,230</u>	<u>293,479</u>	<u>822,038</u>	TOTAL INCOME
			EXPENDITURE
72,063	-	161,572	International health program
-	229,942	749,781	Other purposes
<u>72,063</u>	<u>229,942</u>	<u>911,353</u>	TOTAL EXPENDITURE
			EXCESS (SHORTFALL) OF
10,167	63,537	(89,315)	INCOME OVER EXPENDITURE
			Provision for delays in collection
-	-	-	of assessed contributions
			Payment of assessed contributions
-	-	-	for prior years
<u>10,167</u>	<u>63,537</u>	<u>(89,315)</u>	NET EXCESS (SHORTFALL) OF
			INCOME OVER EXPENDITURE
-	-	-	Savings on or cancellation of prior
-	-	-	periods' obligations
-	-	-	Other project adjustments
-	-	-	Transfer to/from other funds
<u>10,167</u>	<u>63,537</u>	<u>(89,315)</u>	TOTAL CHANGES IN FUND BALANCES
31,954	879,286	2,998,595	FUND BALANCES, 1 JANUARY 2006
<u>42,121</u>	<u>942,823</u>	<u>2,909,280</u>	FUND BALANCES, 31 DECEMBER 2006

INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
ADMINISTERED BY THE PAN AMERICAN HEALTH ORGANIZATION
STATEMENT OF ASSETS, LIABILITIES, AND RESERVES AND FUND BALANCES
AS OF 31 DECEMBER 2006
(expressed in US dollars)

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash and term deposits (Table 22)	3,169,141	3,148,745
Accounts receivable		
Quota contributions due from Members (Table 23)	69,860	100,571
Provision for delays in collection of assessed contributions	(69,860)	(100,571)
Sundry debtors	7,537	2,159
Balance due from the Pan American Health Organization for interorganization funding activities	2,064,712	1,300,910
Supplies inventory	693	2,194
Land	171,714	171,714
TOTAL ASSETS	<u><u>5,413,797</u></u>	<u><u>4,625,722</u></u>
LIABILITIES		
Quota contributions received in advance	22,093	196
Prior biennium reserves / Current unliquidated obligations	6,346	-
Accounts payable	25,500	26,000
TOTAL LIABILITIES	<u><u>53,939</u></u>	<u><u>26,196</u></u>
RESERVES AND FUND BALANCES		
Staff Provident Fund	1,517,105	1,633,787
Endowment Fund	385,727	371,191
Trust Funds (Table 24)	1,218,386	429,217
Special Fund for Program Support Costs	21,504	82,377
Special Fund for INCAP Services	42,121	31,954
Provision for Personnel Entitlements	942,823	879,286
Working Capital Fund	1,060,478	1,000,000
TOTAL FUND BALANCES	<u><u>5,188,144</u></u>	<u><u>4,427,812</u></u>
Equity in Land	171,714	171,714
TOTAL RESERVES AND FUND BALANCES	<u><u>5,359,858</u></u>	<u><u>4,599,526</u></u>
TOTAL LIABILITIES, AND RESERVES AND FUND BALANCES	<u><u>5,413,797</u></u>	<u><u>4,625,722</u></u>

**INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
ADMINISTERED BY THE PAN AMERICAN HEALTH ORGANIZATION
STATEMENT OF CASH FLOW
FOR THE YEAR ENDING 2006
(expressed in US dollars)**

	2006
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net excess (shortfall) of income over expenditure (Table 20)	769,144
(Increase) decrease in sundry debtors	(5,378)
(Increase) decrease in supplies inventory	1,501
Increase (decrease) in prior biennium reserves / Current unliquidated obligations	6,346
Increase (decrease) in contributions or payments received in advance	21,897
Increase (decrease) in accounts payable	(500)
Less: Interest income	(124,683)
NET CASH FROM OPERATING ACTIVITIES	668,327
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES:	
(Increase) decrease in interorganization funding balance receivable	(763,802)
Add: Interest income	124,683
NET CASH FROM INVESTING AND FINANCING ACTIVITIES	(639,119)
CASH FLOWS FROM OTHER SOURCES:	
Other project adjustments	(8,812)
NET CASH FROM OTHER SOURCES	(8,812)
NET INCREASE (DECREASE) IN CASH AND TERM DEPOSITS	20,396
CASH AND TERM DEPOSITS at 1 JANUARY 2006	3,148,745
CASH AND TERM DEPOSITS at 31 DECEMBER 2006	3,169,141

**INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
ADMINISTERED BY THE PAN AMERICAN HEALTH ORGANIZATION
EXPLANATORY NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2006
(expressed in US dollars)**

1. Mission Statement

INCAP is an institution specializing in food and nutrition, whose mission is to support the efforts of its Member Countries by providing them with technical cooperation in order to reach and maintain food and nutrition security for their populations, through its basic functions of Research, Information and Communication, Technical Cooperation, Training and Development of Human Resources, and Mobilization of Financial and Non-Financial Resources in support of its mission.

2. Cash and term deposits

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

	2006
Bank and fixed term deposits held by INCAP	583,893
Petty cash held by INCAP	1,319
Fixed term deposits held by PAHO on INCAP's behalf	2,583,929
Total	3,169,141

3. Expenditures

Expenditure incurred by INCAP during the biennium was as follows:

	Regular Budget INCAP	Trust Funds INCAP	Special Funds INCAP	Regular Budget PAHO	Special Funds PAHO	2006 Total
Personnel	317,051	530,687	91,222	894,212	8,353	1,841,525
Duty travel	18,422	51,362	-	18,526	7,871	96,181
Contractual services	118,812	244,792	16,224	33,311	2,412	415,551
Fellowships and seminars	35,739	274,152	-	65,301	1,009	376,201
General operation expenses	165,342	70,888	45,324	45,431	-	326,985
Supplies and equipment	30,657	40,742	511	5,055	-	76,965
Program support costs	-	20,345	8,291	-	-	28,636
Total:	686,023	1,232,968	161,572	1,061,836	19,645	3,162,044

**INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
ADMINISTERED BY THE PAN AMERICAN HEALTH ORGANIZATION
STATEMENT OF QUOTA CONTRIBUTIONS DUE FROM MEMBERS
2006 ASSESSMENTS AND PRIOR YEARS
(expressed in US dollars)**

<u>Member</u>	<u>Year</u>	<u>Amount Due</u>	<u>Collected</u>	<u>Balance Due 31 December 2006</u>
Belize	2006	18,700	18,700	-
		<u>18,700</u>	<u>18,700</u>	<u>-</u>
Costa Rica	2006	50,400	50,400	-
	2004-2005	27,039	27,039	-
		<u>77,439</u>	<u>77,439</u>	<u>-</u>
Dominican Republic	2006	50,000	-	50,000
	2004-2005	50,000	46,512	3,488
		<u>100,000</u>	<u>46,512</u>	<u>53,488</u>
El Salvador	2006	61,200	61,200	-
		<u>61,200</u>	<u>61,200</u>	<u>-</u>
Guatemala	2006	112,700	112,700	-
		<u>112,700</u>	<u>112,700</u>	<u>-</u>
Honduras	2006	37,400	37,400	-
		<u>37,400</u>	<u>37,400</u>	<u>-</u>
Nicaragua	2006	44,600	44,600	-
		<u>44,600</u>	<u>44,600</u>	<u>-</u>
Panama	2006	53,700	37,328	16,372
	2004-2005	23,532	23,532	-
		<u>77,232</u>	<u>60,860</u>	<u>16,372</u>
Total		<u><u>529,271</u></u>	<u><u>459,411</u></u>	<u><u>69,860</u></u>
Amounts consist of:				
Contributions for 2006		428,700	362,328	66,372
Contributions for prior years		100,571	97,083	3,488
		<u><u>529,271</u></u>	<u><u>459,411</u></u>	<u><u>69,860</u></u>

**INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA
ADMINISTERED BY THE PAN AMERICAN HEALTH ORGANIZATION
STATEMENT OF TRUST FUNDS
AS OF 31 DECEMBER 2006
(expressed in US dollars)**

<u>Source of Funds</u>	<u>Project Reference</u>	<u>Balance 1 January 2006</u>	<u>Funds Received ^{1/}</u>	<u>Project Expenditure</u>	<u>Project Adjustments</u>	<u>Balance 31 December 2006</u>
I. GOVERNMENT FINANCING						
BELGIUM						
Support for agroindustrial enterprises with incorporation of women into municipalities by the development of the border area Nicaragua-Costa Rica	NUT-469	-	247,734	70,849	-	176,885
DENMARK						
The risk approach in nutrition interventions	NUT-885	278	-	-	(278)	-
UNITED STATES OF AMERICA						
U.S. Department of Agriculture Food Security as Related to Gender in Mesoamerica. (Workshop)	NUT-448	37,184	-	2,721	-	34,463
Assuring an accurate risk assessment for corn products in the USA and Central America	NUT-453	73	-	-	(73)	-
II. INTERNATIONAL ORGANIZATIONS						
FAO						
Feasibility study on the long-term welfare effects of commercialization of agriculture among smallholders in the central Highlands of Guatemala	NUT-457	3	-	-	(3)	-
Case studies on school gardening and nutrition education in four countries in Central America and the Caribbean	NUT-458	2,285	-	1,777	-	508
Survey fieldwork on the long-term welfare effects of commercialization of agriculture among smallholders in the central Highlands of Guatemala	NUT-462	857	6,311	-	-	7,168
Feasibility study on the long-term welfare effects of commercialization of agriculture among smallholders in the central Highlands of Guatemala	NUT-472	-	28,375	34,371	-	(5,996)
IAEA						
Body composition and daily expenditure of older adults living in rural Guatemala	NUT-461	6,116	9,000	11,569	-	3,547
Nobel Peace Prize Fund Schools in nutrition "Combating the double burden of malnutrition"	NUT-474	-	43,648	39,644	(4,004)	-
IDRC						
Development and validation of a community based strategy for reduction of Dengue and Diarrhea risks in urban ecosystem on the guatemalan border with southern Mexico	NUT-456	48,974	39,000	87,683	-	291

Table 24

<u>Source of Funds</u>	<u>Project Reference</u>	<u>Balance 1 January 2006</u>	<u>Funds Received ^{1/}</u>	<u>Project Expenditure</u>	<u>Project Adjustments</u>	<u>Balance 31 December 2006</u>
INCAP						
Experimental farm	NUT-130	2,097	39,360	34,454	(5,422)	1,581
THE WORLD BANK						
Early Nutrition, Human Capital, and Economic Productivity	NUT-437	342	-	331	(11)	-
PAHEF						
Indigenous perspective and cultural and system barriers for postpartum care	NUT-471	-	22,160	17,742	-	4,418
SICA - CENTRAL AMERICAN INTEGRATION SYSTEM						
Food and nutrition security in marginalized communities of Central America	NUT-439	97	-	-	(97)	-
Central American program to support small enterprises headed by women, producers of foods, with emphasis in nutritionally enriched foods	NUT-444	10,853	-	9,169	-	1,684
Central American program to support small enterprises headed by women, producers of foods, with emphasis in nutritionally enriched foods	NUT-463	183,674	3,428	182,055	-	5,047
Regional program of food and nutrition security to Central America	NUT-468	-	218,917	139,781	-	79,136
INCAP's technical cooperation to PRESANCA	NUT-473	-	1,128,676	297,085	-	831,591
UNICEF						
Fortified food evaluation (salt with iodine, sugar with vitamin A), in sentinel schools	NUT-452	20,932	27,913	23,102	-	25,743
III. PRIVATE AND PUBLIC SECTOR						
EMORY UNIVERSITY						
Early Nutrition, Human Capital, and Economic Productivity	NUT-441	(8,337)	100,032	71,906	-	19,789
Zinc, mental health, scholar development	NUT-467	-	61,958	59,594	-	2,364
JOHNS HOPKINS UNIVERSITY						
Evaluation of an oral vaccine to prevent travelers diarrhea due to enterotoxigenic E.Coli	NUT-428	23	-	-	(23)	-

Table 24

<u>Source of Funds</u>	<u>Project Reference</u>	<u>Balance 1 January 2006</u>	<u>Funds Received ^{1/}</u>	<u>Project Expenditure</u>	<u>Project Adjustments</u>	<u>Balance 31 December 2006</u>
UNIVERSITY OF CALIFORNIA						
Beef as a source of vitamin B-12, iron, and zinc to improve development of infants fed low amounts of animal products	NUT-464	358	10,595	10,188	1,146	1,911
URC WASHINGTON						
Validation of practical methods for the monitoring at the level of the country of the realization of the right to an adequate diet	NUT-476	-	-	4,138	-	(4,138)
W.K. KELLOGG FOUNDATION						
Design and implementation of a micro regional development program in Carchá, A.V	NUT-429	1,747	-	-	-	1,747
Systematization and Dissemination of Experiences learned through projects of the Human Nutrition Initiative	NUT-434	1,597	-	-	-	1,597
Promoting health in young people within the Framework of Food and Nutrition Security in local development processes	NUT-438	1,969	-	-	-	1,969
Center for training and development of proper technologies and ecotechnologies	NUT-446	47	-	-	(47)	-
Facilitating emotional development of children by providing training for parents and teachers in Central American and Caribbean countries	NUT-459	104	43,842	42,639	-	1,307
Institutional Strengthening Project	NUT-466	117,944	-	92,170	-	25,774
Total		429,217	2,030,949	1,232,968	(8,812)	1,218,386
Balance at 31 December 2006 is represented by:						
Receipts in excess of expenditure accumulated on projects held in trust by INCAP						1,228,520
Expenditure funded by INCAP in excess of receipts incurred on projects						(10,134)
						<u>1,218,386</u>

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