



Zona Libre de Armas Nucleares de  
América Latina y el Caribe

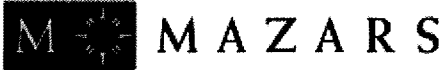
## **OPANAL GENERAL CONFERENCE**

### **XXIII Regular Session**

21-22 August 2013

Mexico City

## **Financial Statements and Auditors' Report to 31 December 2012 (Doc. CG/659)**



**Gioconda Ubeda Rivera**  
**Secretary General of the**  
**Agency for the Prohibition of Nuclear Weapons**  
**in Latin America and the Caribbean (OPANAL)**

**Ms. Ambassador,**

We are honored to present you with this Audit Report of the Financial Statements of OPANAL for the year 2012 that we performed as External Auditors appointed by OPANAL General Conference Resolution *CG/Res.550* adopted at its XXI Ordinary Session.

We respectfully request that you present this Report at the next sessions of the General Conference to be held in August 2013.

We wish to express our sincere appreciation for the cooperation and courtesies received during our review of the financial statements of OPANAL. This invaluable cooperation aided our engagement.

**Mazars Auditores, S. de R.L. de C.V.**

  
**José Luis Durán González, CPA**  
**Partner**

Mexico City, Mexico  
March 11, 2013

**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN**  
**LATIN AMERICA AND THE CARIBBEAN (OPANAL)**  
**FINANCIAL STATEMENTS**  
**AS OF DECEMBER 31, 2012**

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## **General Conference**

### **Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (OPANAL)**

We have audited the accompanying financial statements of the Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (OPANAL) which include the balance sheet as of December 31, 2012, and the related statements of income and expenditures, the statements of changes in equity, and the statements of cash flows of the General Fund for the year then ended, including bank statements "A", "B", "C", and "D" attached, and a summary of significant accounting policies.

### **Management's Responsibility for the Financial Statements**

The management of OPANAL is responsible for the preparation fair presentation of the accompanying financial statements in accordance with the provisions on financial information set forth in the Financial Regulations of OPANAL, and the internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. Our audit was conducted in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including risk assessment of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the entity's effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As mentioned in Note 4 to the financial statements, as of December 31, 2012, there are contributions pending to be paid by State Members for USD\$ 597,385.24.

### **Opinion**

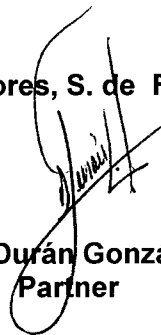
In our opinion, with the exception of accounts receivable not paid to OPANAL by Member States for a total cumulative amount of USD\$ 597,385.24, as mentioned in paragraph above, the accompanying financial statements, which in conformity with the Financial Regulations, are expressed in US Dollar, present fairly<sup>1</sup> the financial position of OPANAL as of December 31, 2012 and the corresponding application of funds to the items of the Budget approved for year 2012.

Without any effect on our opinion, the financial statements have been prepared to allow OPANAL to comply with the financial reporting provisions established in the Financial Regulations. In those matters where the Financial Regulations do not consider accounting recognitions, it has been opted to use the International Public Sector Accounting Standards (IPSAS), issued by the International Federation of Accountants (IFAC), developed by its International Public Sector Accounting Standard Board (IPSASB). Therefore, the financial statements may not be appropriate for any other purpose.

### **Other matters**

Dated June 8, 2012, another external auditor issued his report on the audit of the financial statements as of December 31, 2011 and for the year then ended, in conformity with auditing standards generally accepted in Mexico, which are presented only for comparison purposes. The predecessor external auditor issued a qualified opinion.

**Mazars Auditores, S. de R.L. de C.V.**



**José Luis Durán González, CPA  
Partner**

Mexico City, Mexico  
March 11, 2013

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<sup>1</sup> The term "fairly", for purposes of the auditor's opinion, refers to the judgment which the auditor uses for fairly assessing the application of the audit tests and procedures if evidence obtained is sufficient in quantity and quality for supporting his conclusions that the financial statements are free of significant inaccuracies (material errors).



**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)**  
**BALANCE SHEET AS OF 31 DECEMBER 2012 AND 2011**  
**(US DOLLARS)**  
**(SEE NOTES 1 AND 2)**

**ASSETS**

**2012**

Available assets (See Note 2.b)  
Cash in Mexican pesos US \$ 12,155.22  
Cash in US Dollars 151,411.28  
Petty cash 464.16

US \$ 164,030.66

Other accounts receivable 7,935.30

Restricted Funds (See Notes 2.c and 7)  
Reserve Subfund 435,155.78  
Peaceful Uses of Nuclear Energy Fund 2,298.11  
Permanent Equipment (See Notes 2.d and 5) 10,241.90

Security Deposits 3,400.00

TOTAL ASSETS US \$ 623,065.75

**2011**

US \$ 8,785.66  
137,398.43  
440.85

US \$ 146,625.14

0 Seniority premium  
Subtotal Liabilities 11,148.94

Restricted Funds (See Notes 2.c and 7):  
Reserve Subfund 434,717.99  
Peaceful Uses of Nuclear Energy Fund 14,804.15  
General Fund (See Note 8):  
Unused items from the budget 20,148.32  
Other income 57,162.25

Special Recovery Fund (See Note 9):  
Equity Fund (See Note 2.e) : 10,241.90

Pending contributions (See Note 2.f):  
Accounts receivable (597,385.24)

TOTAL LIABILITIES AND EQUITY US \$ 611,895.22

**LIABILITIES**

**2012**

US \$ 3,490.59  
1,435.02

US \$ 4,925.61

5,876.16

347.17

11,148.94

**EQUITY**

434,717.99  
14,804.15

434,717.99  
14,804.15

20,148.32  
57,162.25

32,787.30  
60,670.09

684,295.69

10,241.90

(597,385.24)

US \$ 611,916.81  
623,065.75

US \$ 566,607.19  
611,895.22

The accompanying notes are an integral part of these financial statements.

Ambassador Gioconda Ubéda R.  
OPANAL Secretary-General

Lic. Claudio Salgado L.  
Administrative and International  
Cooperation Officer

C.P. Fernando García Quintero  
Accountant



**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)**

**GENERAL FUND - INCOME STATEMENT AND EXPENDITURES**

**FOR YEARS 2012 AND 2011**

**(US DOLLARS)**

**(SEE NOTES 1 AND 2)**

	<u>2012</u>	<u>2011</u>
<b>Budgeted Income from Contributions -Years</b>	<b>US\$ 324,000.00</b>	<b>US\$ 324,000.00</b>
<b>Incurred expenses from 1 January to 31 December, 2012 and 2011</b>		
<b>EXPENDITURES</b>		
1.1 Salaries	US \$ 162,654.28	US \$ 160,138.76
1.2 Professional Fees (Special Remuneration)	9,363.33	8,361.10
1.3 Welfare contributions and benefits <sup>(1)</sup>	60,688.58	65,414.47
2.1 Leases and services	49,898.17	48,865.19
2.2 Acquisition and maintenance of equipment, furniture and others	9,083.09	8,311.84
2.3 Travel and moving expenses of the Secretary-General	0.00	0.00
2.4 Office expenditure	16,374.53	14,171.40
2.5 Miscellaneous expenditure	2,058.54	1,789.33
3.1 General Conference	2,400.00	0.00
3.2 Official representations <sup>(2)</sup>	20,764.61	22,563.73
3.3 Other activities	<u>3,000.00</u>	<u>2,437.96</u>
	<b><u>336,285.13</u></b>	<b><u>332,053.78</u></b>
<b>Total of justified over expenditure with regards to 100% of the income for 2012 and the unused budget as of 31 December 2011.</b>	<b>US\$ <u>(12,285.13)</u></b>	<b>US\$ <u>(8,053.78)</u></b>

**Justified Over Expenditure 2012:**

At the 100th Session of CCAAP, held on 6 November 2012, Members States approved the amount of US\$13,321.67, to complement the Financial Year 2012 Budget

**Justified Over Expenditure 2011:**


45th Anniversary of Tlatelolco Treaty (Commemoration and International Seminar)	8,961.97 <sup>(1)</sup>
Travel expenses and per diem for official mission	8,313.73 <sup>(2)</sup>

<sup>(1)</sup> On 8 December 2011, CCAAP, during its 94th meeting, duly noted the savings made by the Secretary-General, and adopted that such surplus was transferred to cover expenses related to the 45th Anniversary of the Treaty of Tlatelolco. The decision was reported to the Members of the Council during their 263rd meeting held on 11 December 2011. The decision was adopted and the amount totaled US\$8,961.97

<sup>(2)</sup> During its 93rd meeting held on 4 October, CCAAP Members approved the participation of the Secretary-General in several multilateral forums, which were not included in the budget. They decided that the Council should state their opinion in that regard. During meetings 262nd and 263rd, held on 13 October and 11 December 2011 respectively, the Members of the Council approved the surplus of US\$8,313.73 in Travel Expenses and Per Diem during the official mission of the Secretary-General.

**The accompanying notes are an integral part of these financial statements.**

  
Ambassador Gioconda Ubeda R.  
OPANAL Secretary-General

  
Elic Gladia Salgado L.  
Administrative and International  
Cooperation Officer

  
C.P. Fernando García Quintero  
Accountant

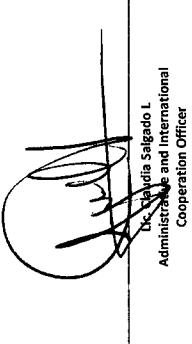



**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011**  
**(US DOLLARS)**  
**(SEE NOTES 1 AND 2)**

	RESTRICTED FUNDS					GENERAL FUND			Total Equity
	Reserve Sub-Fund	FUPEN	Unused Budget Items	Other Products	Special Recovery Fund	Equity Fund	Pending Contributions		
<b>Balances as of 31 December 2010</b>	US\$ 455,958.52	US\$ 308.45	US\$ 41,070.27	US\$ 62,260.66	US\$ 763,779.05	US\$ 15,471.67	US\$ (731,223.84)	US\$ 607,622.78	
<b>2011 Financial movements:</b>									
Interests earned	448.78							448.78	
VAT reimbursement from Honda vehicle purchase	3,396.94							3,396.94	
Payment of 20% balance (Documentary in English)	(584.25)							(584.25)	
Transfer to HSBC account (FUPEN), online course delivered in English	(24,500.00)							(24,500.00)	
Transfer to HSBC account (FUPEN), online course delivered in English		24,500.00						24,500.00	
Interests earned	4.98							4.98	
Payment of duties (online course delivered in English)		(10,000.00)						(10,000.00)	
Payment order issue fees and expenses		(6.00)						(6.00)	
VAT on payment order issue fees and expenses		(1.28)						(1.28)	
Unused items as of 31 December 2011			(6,282.97)					(6,282.97)	
Cancellation of 80% of the debt of Bolivia (See note 11.d)					(79,483.36)				
Uncollected Contributions in FY 2011 budget							79,483.36		
Recovery of Contributions from 2010 and prior years							(80,981.32)	(80,981.32)	
Collection of Advance payments of contributions for 2012 and subsequent years							44,940.18	44,940.18	
Acquisition of Fixed Assets							4,765.64	4,765.64	
Deletions of Fixed Assets									
Application of the depreciation in fiscal year 2011									
Application of other products from Fiscal Year 2011 based on item 9.01 of the Financial Regulations.				(1,590.57)				(1,590.57)	
<b>Balances as of 31 December 2011</b>	434,717.99	14,804.15	32,787.30	60,670.09	684,295.69	12,347.95	-683,015.98	556,807.19	
<b>2012 Financial movements:</b>									
Interests earned	437.79							437.79	
Fees (online course delivered in English)		3.24						3.24	
Payment order issue fees and expenses		(12,500.00)						(12,500.00)	
VAT on payment order issue fees and expenses		(6.00)						(6.00)	
Unused items as of 31 December 2012									
Uncollected Contributions in FY 2012 budget									
Recovery of Contributions from 2011 and prior years							(36,391.50)	(36,391.50)	
Collection of Advance payments of contributions for 2013 and subsequent years							86,755.06	86,755.06	
Unknown Deposit							36,087.18	36,087.18	
Acquisition of Fixed Assets							1,180.00	1,180.00	
Application of the depreciation in Fiscal Year 2012									
Application of other products from Fiscal Year 2012 based on item 9.01 of the Financial Provisions.									
<b>Balances as of 31 December 2012</b>	US\$ 435,155.78	US\$ 2,298.11	US\$ 20,148.32	US\$ 57,162.25	US\$ 684,295.69	US\$ 10,241.91	US\$ (697,385.24)	US\$ 611,916.82	

The accompanying notes are an integral part of these financial statements.

  
 Ambassador Gioconda Ubeda R.  
 OPANAL Secretary-General

  
 Dr. Yanilda Salgado L.  
 Administrative and International  
 Cooperation Officer

  
 P. Fernando Garfía Quintero  
 Accountant






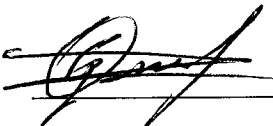
**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)**  
**GENERAL FUND - CASH FLOW STATEMENT**  
**FOR YEARS 2012 AND 2011**  
**(US DOLLARS)**  
**(SEE NOTES 1 AND 2)**

<b><u>OPERATING ACTIVITIES</u></b>	<b>2012</b>	<b>2011</b>
<b>Collection of Member States' Contributions</b>	<b>US\$ 285,608.50</b>	<b>US\$ 249,897.80</b>
Payments to employees	(162,654.28)	(160,138.76)
Fees (Special Remunerations)	(9,363.33)	(8,361.10)
Payment of taxes and social security benefits	(60,819.74)	(65,414.47)
Payment of leases and services	(90,303.72)	(31,865.19)
Payment of acquisition and maintenance of equipment, furniture and other	(8,176.59)	(8,300.00)
Payment of office expenses	(22,830.65)	(13,603.30)
Payment of miscellaneous expenses	(2,058.54)	(1,789.33)
Payment of General Conference expenses	(2,160.65)	-
Payment of Official Representations	(20,764.61)	(22,563.73)
Payment of Other Activities	(3,000.00)	(3,460.99)
Accounts receivable	(8,000.00)	-
Seniority premium	(2,116.42)	-
<b>Net cash deficit from operating activities</b>	<b>(106,640.03)</b>	<b>(65,599.07)</b>
Recovery of Contributions from 2011 and prior years	86,755.06	44,940.18
Collection of Advance payments of contributions for 2013 and subsequent	36,087.18	4,765.64
Unknown Deposit	1,180.00	-
Exchange rate adjustment - petty cash	23.31	-
<b>CASH</b>		
<b>Cash (decrease) increase for the period</b>	<b>17,405.52</b>	<b>(15,893.25)</b>
<b>Cash balance at the beginning of the year</b>	<b>146,625.14</b>	<b>162,518.39</b>
<b>Balance at the end of the year</b>	<b>US\$ 164,030.66</b>	<b>US\$ 146,625.14</b>

The accompanying notes are an integral part of these financial statements.

  
 Ambassador Gioconda Ubéda R.  
 OPANAL Secretary-General

  
 Lic. Claudia Salgado L.  
 Administrative and International  
 Cooperation Officer

  
 C.P. Fernando García Quintero  
 Accountant

**AGENCY FOR THE PROHIBITION  
OF NUCLEAR WEAPONS IN  
LATIN AMERICA AND THE CARIBBEAN (OPANAL)**

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**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS  
IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)  
ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2012**

**(Figures expressed in US Dollars)**

**1. INCORPORATION AND ACTIVITY**

OPANAL (Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean) is an inter-governmental agency created by the Treaty of Tlatelolco to ensure compliance with the provisions of that Treaty. The Treaty was ratified on February 14, 1967, and has been in force since April 25, 1969.

OPANAL is responsible for convoking regular and special conferences and consultation meetings related to the established purposes, means and procedures of the Treaty and to supervise the adherence to the control system and the obligations stemming from the Treaty of Tlatelolco.

The Member States of the Treaty of Tlatelolco are: Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Saint Lucia, Suriname, Trinidad and Tobago, Uruguay, and Venezuela.

**2. SIGNIFICANT ACCOUNTING POLICIES**

Financial statements were prepared based on provisions for presenting financial information set forth in OPANAL Financial Regulations. In those cases where the Financial Regulations do not cover accounting recognitions, it was opted to use the International Public Sector Accounting Standards (IPSAS), developed by the International Public Sector Accounting Standard Board (IPSASB).

The most significant accounting policies and criteria followed by OPANAL while preparing its financial statements are summarized below:

**a) Preparation basis:**

OPANAL maintains its accounting records in US Dollars. The conversion of Local Currency to US Dollars takes place monthly by dividing the amount by the applicable exchange rate in effect on the first business day of each month of the fiscal year.

**AGENCY FOR THE PROHIBITION  
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**b) Available**

This is the cash available in cash and banks, plus interests earned in bank accounts to cover the normal transactions of the Agency:

- Bank account in Mexican pesos, HSBC, Master Account No.4018671016.
- Special account in US Dollars, HSBC, No. 199312100.

**c) Restricted Funds**

Restricted funds<sup>2</sup> have limited availability. Only the General Conference, or, as the case may be, the Council, by recommendation of the Committee on Contributions Administrative and Budgetary Matters ( CCAAP), may approve the use of these funds. The General Conference established the Restricted Funds. On November 19, 2008, the General Conference approved the reactivation of the Reserve Sub-Fund and the Peaceful Uses of Nuclear Energy Fund by means of Resolution CG/E/Res. 508 (E-XIX-08). (See Note 7).

**d) Permanent Equipment**

Permanent equipment is registered at acquisition cost. Depreciation is registered annually by applying the maximum percentages prescribed by Mexican Income Tax Law. Purchases, disposal of unused equipment and depreciation, are registered against the Equity Fund (See Note 5).

**e) Equity Fund**

Consists of purchases and disposals of permanent equipment, and the corresponding depreciation.

**f) Pending Contributions**

In general terms, pending contributions are fees that Member States have yet to pay to OPANAL (See Notes 4 and 11.e).

**g) Revenue Recognition**

Revenue recognition is registered when Member State contributions are collected, not as accrued.

**h) Conversion of balances to US Dollars**

The conversion of local currency accounts to US Dollars was made by dividing

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<sup>2</sup> Article 55, item b of the General Standards to Govern the Operations of OPANAL Secretariat-General states the following: "Special expenditures not provided for in the budget. Such expenditures must be authorized by the General Conference or, when it is not in session, by the Council, which shall first hear a report on the condition of the Reserve Subfund and the reason for such expenditures from -CCAAP.

**AGENCY FOR THE PROHIBITION  
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balances as of December 31, 2012, by the exchange rate in force on December 1, 2012 (\$12.9617 pesos for one US Dollar).

**3. CASH**

Cash to cover standard Agency transactions includes funds available in cash in the amount of USD\$ 464.16 and deposits in two bank accounts at HSBC, Master Account No. 4018671016 in Mexican peso equivalent to USD\$12,155.22, and in the Special Account in US Dollars No. 0199312100 in the amount of USD\$ 151,411.28. In January 2009, two bank accounts were opened to deposit Restricted Funds arising from the Reserve Sub-Fund (HSBC, Special Account in US Dollars No. 7003135001) for USD\$ 435,155.78 and Peaceful Uses for Nuclear Energy Fund (HSBC, Special Account in US Dollars No. 7003134905) for USD\$2,298.11 (see Note 7). Based on Article 7.01, "Deposits and Investments" of the Financial Regulations, states: "The General Secretary will appoint the bank, or banks, where the Funds of the Agency will be deposited, and will be authorized to invest part of such funds in public Financial Instruments and/or Securities guaranteed by Institutions which, in its opinion, are financially sound and prestigious, taking into consideration the destination of the Funds".

**4. OUTSTANDING CONTRIBUTIONS**

As of December 31, 2012 (see Note 11.e), this caption consists of:

	<u>2012</u>
Prior to December 31, 2012	<b>USD\$ 601,233.36</b>
Uncollected 2012 contributions	33,609.81
Unknown Deposit received in 2012	(1,180.00)
Credit balance for 2013 and onwards	(36,277.93)
	<b><u>USD\$ 597,385.24</u></b>

**5. PERMANENT EQUIPMENT**

As of December 31, 2012, amounts to USD\$ 10,241.90, consisting of:

	<u>2012</u>
Transportation equipment	<b>USD\$ 16,880.12</b>
IT equipment	11,160.76
Office furniture and equipment	18,103.43
	<u>46,144.31</u>
Accumulated depreciation	(35,902.41)
	<b><u>USD\$ 10,241.90</u></b>

Depreciation in 2012 amounted to USD\$ 5,261.21, which was registered against the Equity Fund.

**AGENCY FOR THE PROHIBITION  
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**6. ACCOUNTS PAYABLE**

The balance as of December 31, 2012, is conformed by Social Security (IMSS), Retirement Fund (AFORE) and National Workers Housing Fund (INFONAVIT), USD\$1,264.40; taxes withheld, USD\$170.62; and other expenses (telephone service and copier expenses), USD\$ 3,490.59.

**7. RESTRICTED FUNDS**

As of December 31, 2012, amounted to USD\$ 437,453.89, consisting of:

- a) Reserve Sub-Fund: the Sub-Fund was reactivated by applying 95% of Unused Items of Fiscal Years 2007, 2008 and 2009 (see account statement D). Resources from the Reserve Sub Fund are deposited in Special Accounts in USD Dollars No. 7003135001 (checking account) with HSBC.

	<u>2012</u>
Reserve Sub Fund as of December 31, 2011	<b>USD\$ 434,717.99</b>
Interests earned	437.79
Reserve Sub Fund as of December 31, 2012	<b>USD\$ 435,155.78</b>

- b) Peaceful Uses of Nuclear Energy Fund (FUPEN): reactivated by means of the restitution of the original voluntary contributions from Member States, plus 5% of Unused Items of FY 2007, 2008 and 2009. The FUPEN is a Restricted Fund deposited in Special Bank Account in US Dollars No.7003134905, at HSBC.

	<u>2012</u>
Peaceful Uses of Nuclear Energy Fund as of December 31, 2011	<b>USD\$ 14,804.15</b>
Interests earned	3.24
Money order (online English course)	(12,500.00)
Bank commission on money order	(8.00)
VAT on bank commission	(1.28)
Peaceful Use of Nuclear Energy Fund as of December 31, 2012	<b>USD\$ 2,298.11</b>

**AGENCY FOR THE PROHIBITION  
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The Secretary General will discuss specific topics of interest with the Member States in order for consolidating a thematic agenda in coordination with Board, for the purpose of developing projects to be funded by the FUPEN.

**8. GENERAL FUND**

This Fund consists mainly of contributions from Member States.<sup>3</sup>The Fund will be used to finance ordinary services of the Secretary and for special projects. All the obligations and expenses in accord with the budget will be charged to this Fund.

**9. SPECIAL RECOVERY FUND**

The General Conference, through Resolution CG/E/Res.508 (E-XIX-08). "Reactivation and Restructuring of Items that Conform the Peaceful Uses of Nuclear Energy Fund", paragraph 3, resolved to create a Special Recovery Fund that groups: contributions by the Agency, the Contributions of Write-offs of the Fund for Operations, and Unused Items.

**a) Contributions by the Agency:**

The Personnel Regulations approved in August 1973, states that "Pension Fund and Retirement Fund" will consist of personnel contributions, contributions not covered by Member States in prior years, and contributions made by the Agency. As of December 31, 1997, the aforementioned Regulations were no longer in force. The balance of contributions by the Agency as of that date, was used to capitalize the Fund for Peaceful Uses of Nuclear Energy.

**b) Contribution from Write-off of Fund for Operations:**

The balance of the Fund for Operations, as of December 31, 1999, was applied to the Peaceful Uses of Nuclear Energy Fund. The balance consisted of contributions from Member States and unpaid contributions as of that date. The Fund for Operations consisted of the equivalent of 10% of the General Fund budget in proportions assigned for the payment of contributions to the General Fund, whose utilization was to finance the amounts approved in the budget, while contributions from Member States to the General Fund were in process of being collected, and amounts authorized by the General Conference which had not been considered in the budget.

**c) Unused Items:**

This caption was integrated by accumulated contributions that Member States did not pay to the General Fund until Economic Year 2000, and by contributions not made to the Funds for Operations and to the Pension Fund and Retirement Fund, current until 1999.

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<sup>3</sup> Article 3.01 of the Financial Regulations and Article 55 of the General Standards to Govern the Operations of OPANAL Secretariat-General .

**AGENCY FOR THE PROHIBITION  
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As of 31 December 2012, the total of the Special Recovery Fund amounted to USD\$ 684,295.69.

**10. BUDGETARY SITUATION AS OF 31 DECEMBER 2012**

**a) Revenues:**

	<u>2012</u>
Contributions budgeted for the year	<b>USD\$ 324,000.00</b>
Credit balance of contributions from prior years	(4,781.69)
Contributions collected in the year	(285,608.50)
Balance pending to be collected from Member States for budgeted income	<b>USD\$ 33,609.81</b>

As of 31 December 2012, USD\$ 33,609.81 or 10% of the contributions budgeted for 2012 had not been paid as shown on page 1 of Bank Statement "B".

**b) Expenditures:**

	<u>2012</u>
Expenditures budgeted for the year	<b>USD\$ 324,000.00</b>
Used	(336,285.13)
Budget deficit	<b>USD\$ (12,285.13)</b>

At the 100th Session of CCAAP on 6 November 2012, Member States approved the amount of USD\$ 13,321.67 as complement of the budget for the Financial Year 2012.

Bank Statement "C" includes a summary of the budgeted items vs amounts used for the same items as of 31 December 2012.

**AGENCY FOR THE PROHIBITION  
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**11. MEMBER STATES CONTRIBUTION PAYMENT REPORT**

The situation of Member States in respect to the payment of contributions as of December 31, 2012 is as follows:

**a) Up to date in payments of contributions:**

Argentina, Bahamas, Barbados, Chile, Cuba, Ecuador, Guatemala, Guyana, Honduras, Nicaragua, Panama and Venezuela.

**b) Credit balance for 2013 and subsequent years:**

Bahamas, Cuba, Guatemala, Guyana, Honduras, Nicaragua, Panama y Venezuela

**c) Up to date with balances for bank fees:**

Belize, Bolivia, Brazil, Colombia, Costa Rica, Mexico and Saint Kitts and Nevis.

**d) With tiered-payment program:**

- The Government of Paraguay requested a payment program to pay off its debt, which amounted to USD\$ 91, 848.76 as of December 31, 2009. At its 249th Meeting held on April 8, 2010, the Board approved a 50% discount on the unpaid balance as of December 31, 2009 based on Resolution CG/Res.497 (XX-07) paragraph 1b) "Discount Program for the Payment of Recouping Fund Contributions", and in the spirit of reaching an agreeable resolution for all parties. The Government of Paraguay already made a first payment of 30%, or USD\$13,777.31, plus its 2010 contribution in the amount of USD\$2,430.00. The balance will be honored in annual payments during a period of five years plus the annual contribution. To date, the Government of Paraguay has complied with its payment program and regular quotas of 2012 and 2011, remaining 3 of 5 annual payments. Upon completion, Paraguay's debt will be extinguished.



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**e) Account Statement of Member States as of December 31, 2012:**

Member States	Excess contributions paid for 2012 and subsequent years	Pending contributions		Total contributions
		From the 2012 budget	Prior to December 31, 2011	
		USD\$	USD\$	
Antigua and Barbuda	-	994.00	-	994.00
Argentina (a)	-	-	-	-
Bahamas (a) (b)	(80.00)	-	-	(80.00)
Barbados(a)	-	-	-	-
Belize (c)	-	-	12.00	12.00
Bolivia (c)	-	13.00	10.00	23.00
Brazil	-	102.60	12.00	114.60
Chile (a)	-	-	-	-
Colombia	-	11.76	-	11.76
Costa Rica	-	11.65	-	11.65
Cuba (a) (b)	(62.80)	-	-	(62.80)
Dominica	-	1,198.80	26,192.43	27,391.23
Ecuador (a)	-	-	-	-
El Salvador	-	1,296.00	115,958.33	117,254.33
Grenada	-	1,198.80	27,243.66	28,442.46
Guatemala (a)	(15.51)	-	-	(15.51)
Guyana (a)(b)	(188.75)	-	-	(188.75)
Haiti	-	1,198.80	117,724.47	118,923.27
Honduras (b)	(1,074.80)	-	-	(1,074.80)
Jamaica (a)	-	1,198.80	-	1,198.80
Mexico (c)	-	-	12.00	12.00
Nicaragua (a) (b)	(185.26)	-	-	(185.26)
Panamá (a) (b)	(3,800.03)	-	-	(3,800.03)
Paraguay (d)	-	-	65,208.55	65,208.55
Peru	-	8,424.00	60,603.00	69,027.00
Dominican Republic	-	3,240.00	139,744.50	142,984.50
San Kitts and Nevis	-	12.00	-	12.00
St. Vicente and the Saint Lucia	-	1,198.80	26,192.43	27,391.23
Suriname	-	1,198.80	17,479.99	18,587.59
Trinidad and Tobago	-	1,198.80	4,807.20	6,006.00
Uruguay	-	6,577.20	-	6,577.20
Venezuela (a) (b)	(30,870.78)	4,536.00	24.00	4,560.00
Deposit not identify	-	-	-	(1,180.00)
<b>Total</b>	<b><u>(36,277.93)</u></b>	<b><u>33,609.81</u></b>	<b><u>601,233.36</u></b>	<b><u>597,385.24</u></b>

Alphabetical order  
(a) See Note 11.a.  
(b) See Note 11.b.  
(c) See Note 11.c.  
(d) See Note 11.d.

**AGENCY FOR THE PROHIBITION  
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**12. OTHER MATTERS**

**Labor obligations:**

The accumulated seniority premium payments to which employees are entitled have been estimated and recorded against Unused Items as of December 31, 2012 for an estimated amount of USD\$347.17. In accordance with Mexican Federal Labor Law, employees are entitled to receive a Seniority Premium of 12 days of salary for each year of service as long as they have a minimum seniority of 15 years, taking as a basis the equivalent of two current minimum salaries.

**13. AUTHORIZATION TO ISSUE THE FINANCIAL STATEMENTS**

OPANAL Secretary General, Ambassador Gioconda Ubeda Rivera, approved the issue of the accompanying financial statements on 11 March 2013



AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)

FY 2012 INCOME BUDGET

(US DOLLARS)

Budget Income for 2012 from  
Contributions applied to the General Fund US \$ 324,000.00

Income from Contributions from January 1 to December 31,2012


ANTIGUA AND BARBUDA	US \$	0.00	
ARGENTINA		51,840.00	(a)
BAHAMAS		3,148.00	(a) (b)
BARBADOS		1,198.80	(a)
BELIZE		1,198.80	
BOLIVIA		1,185.80	(c)
BRAZIL		66,479.40	
CHILE		16,200.00	(a)
COLOMBIA		16,188.24	(c)
COSTA RICA		2,418.35	
CUBA		2,627.20	(a) (b)
DOMINICA		0.00	
ECUADOR		3,888.00	(a)
EL SALVADOR		0.00	
GRENADA		0.00	
GUATEMALA		3,240.00	(a)
GUYANA		0.00	(b)
HAITI		0.00	
HONDURAS		1,198.80	(a) (b)
JAMAICA		0.00	
MEXICO		72,900.00	(c)
NICARAGUA		1,014.74	(a) (b)
PANAMA		199.97	(a) (b)
PARAGUAY		2,430.00	(d)
PERU		0.00	
DOMINICAN REPUBLIC		0.00	
SAINT KITTS AND NEVIS		1,186.80	
SAINT VINCENT AND THE GRENADINES		0.00	
SAINT LUCIA		0.00	
SURINAME		0.00	
TRINIDAD AND TOBAGO		0.00	
URUGUAY		0.00	
VENEZUELA		<u>37,065.60</u>	(b)
			<b>285,608.50</b>

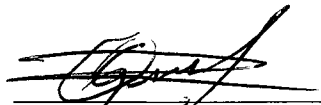
APPLICATION CREDIT BALANCE OF QUOTAS OF PREVIOUS YEARS 4,781.69

PENDING CONTRIBUTIONS AS OF 31 DECEMBER 2012 US \$ 33,609.81

- (a) See Note 11.a.
- (b) See Note 11.b.
- (c) See Note 11.c.
- (d) See Note 11.d.

  
Ambassador Gioconda Ubeda R.  
OPANAL Secretary-General

  
Lic. Claudia Salgado L.  
Administrative and International  
Cooperation Officer.

  
C.P. Fernando García Quintero  
Accountant



**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)**

**INCOME FROM CONTRIBUTIONS PRIOR TO 2012**

(US DOLLARS)

Net balance of accounts receivable as of December 31,2011 US \$ 683,015.98

Income received from contributions in 2011 and prior years

	US \$	
ANTIGUA Y BARBUDA	0.00	
ARGENTINA	24.00 (a)	
BAHAMAS	0.00	
BARBADOS	50.00 (a)	
BELIZE	0.00	
BOLIVIA	0.00	
BRAZIL	0.00	
CHILE	0.00	
COLOMBIA	0.00	
COSTA RICA	37.00	
CUBA	0.00	
DOMINICA	0.00	
ECUADOR	0.00	
EL SALVADOR	0.00	
GRENADA	0.00	
GUATEMALA	6,480.00 (b)	
GUYANA	0.00	
HAITI	0.00	
HONDURAS	3,636.40 (a) (b)	
JAMAICA	0.00	
MEXICO	0.00	
NICARAGUA	0.00	
PANAMA	0.00	
PARAGUAY	649.00 (d)	
PERU	8,412.00	
DOMINICAN REPUBLIC	0.00	
SAINT KITTS AND NEVIS	19,261.86	
SAINT VINCENT AND THE GRENADINES	0.00	
SAINT LUCÍA	0.00	
SURINAME	0.00	
TRINIDAD AND TOBAGO	6,577.20	
URUGUAY	4,524.00	
VENEZUELA	37,103.60 (b)	
	<u>0.00</u>	<u>86,755.06</u>

PENDING CONTRIBUTIONS AS OF DECEMBER 31,2012

US \$ 596,260.92 (1)

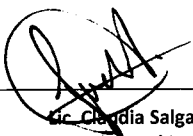
(a) See Note 11.a.

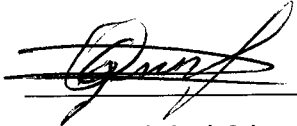
(b) See Note 11.b.

(d) See Note 11.d.

(1) The balance in accounts receivable includes the advance payment of Member States Contributions in prior years.

  
Ambassador Gioconda Ubeda R.  
OPANAL Secretary-General

  
Sr. Claudia Salgado L.  
Administrative and International  
Cooperation Officer

  
C.P. Fernando García Quintero  
Accountant

**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)**

**FY 2012 EXPENDITURE BUDGET**

**(Figures expressed in US Dollars)**



	Budget approved for 2012	Budget Extraordinary for 2012	Used from Jan 1, 2012 to Dec 31, 2012	Budget to be used
<b>TITLE I: PERSONNEL SALARIES AND BENEFITS</b>				
Salaries	US\$ 160,070.00	US\$ 2,994.69	US\$ 162,654.28	US\$ 410.41
Professional Fees	8,300.00	1,083.33	9,363.33	20.00
Welfare contributions and benefits	65,690.00		60,688.58	5,001.42
<b>TOTAL</b>	<b>234,060.00</b>	<b>4,078.02</b>	<b>232,706.19</b>	<b>5,431.83</b>
<b>TITLE II: ADMINISTRATIVE EXPENDITURES</b>				
Leases and services	48,800.00	1,098.17	49,898.17	0.00
Acquisition and maintenance of equipment, furniture and ot	8,300.00	783.09	9,083.09	0.00
Travel and moving expenses of the Secretary-General	0.00		0.00	0.00
Office expenditure	14,140.00	2,234.53	16,374.53	0.00
Miscellaneous expenditure	1,450.00	587.84	2,058.54	(20.70)
<b>TOTAL</b>	<b>72,690.00</b>	<b>4,703.63</b>	<b>77,414.33</b>	<b>(20.70)</b>
<b>TITLE III: MEETINGS, CONFERENCES AND OTHERS EVENTS</b>				
General Conference	0.00	2,400.00	2,400.00	0.00
Official representations	14,250.00	2,140.02	20,764.61	(4,374.59)
Other activities	3,000.00		3,000.00	0.00
<b>TOTAL</b>	<b>17,250.00</b>	<b>4,540.02</b>	<b>26,164.61</b>	<b>(4,374.59)</b>
<b>GRAN TOTAL</b>	<b>US\$ 324,000.00</b>	<b>US\$ 13,321.67</b>	<b>US\$ 336,285.13</b>	<b>US\$ 1,036.54</b>

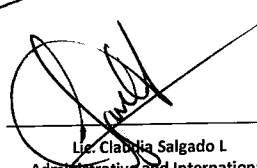
**Justified overspending:**

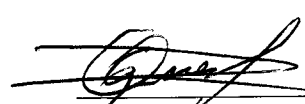
At the 100th session of CCAAP, held on 6 November 2012, Members States approved the amount of US\$13,321.67 to complement complement the Financial Year 2012 Budget

According to Article 76 of the General Standards, transfers between the items above mentioned do not require previous authorization from CCAAP or the Council, but both Organs must be kept informed.

At the 96th session of CCAAP, held on 23 August 2012, Members States approved the transfer between items to cover the deficit in travel expenses and per diem for official travels of the Secretary-General for the purpose of participating in International Conferences

  
Ambassador Gioconda Ubeda R.  
OPANAL Secretary-General

  
Lid. Lidia Salgado L.  
Administrative and International  
Cooperation Officer

  
C.P. Fernando García Quintero  
Accountant


AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)

BUDGET SITUATION- EXPENDITURE AS OF 31 DECEMBER 2012


Unused Items

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
	US \$	US \$	US \$	US \$	US \$	US \$	US \$	US \$	US \$	US \$	US \$	US \$
<b>EXPENDITURES</b>												
Expenditure budget for the year	324,000.00	324,000.00	324,000.00	324,000.00	324,000.00	324,000.00	324,000.00	302,490.00	302,490.00	300,000.00	300,000.00	300,000.00
Used	336,285.13	332,053.78	322,680.64	191,236.78	181,985.83	199,181.09	282,226.74	285,994.88	310,002.00	283,450.69	294,139.88	260,395.11
Write-off of security deposit (Lomas de Chapultepec Headquarters)						40,800.00	10,200.00	20,400.00			2,500.00	
Provision for leasing Headquarters					(3,944.40)	23,578.22						
Provision for severance payments					(1,255.41)	710.00	500.00	600.00		7,000.00		
Provision for seniority premium	(353.85)	(229.19)	(1,555.66)	3,300.00	(1,255.41)	50,663.37	6,887.45					
Discounts from contributions						147.66						
Afore/INFONAVIT fees												
<b>Budget (exceeded) to be used</b>	<b>US \$ (12,638.98)</b>	<b>US \$ (8,282.97)</b>	<b>US \$ 2,875.02</b>	<b>US \$ 129,463.22</b>	<b>US \$ 147,203.98</b>	<b>US \$ 8,919.66</b>	<b>US \$ 24,186.81</b>	<b>US \$ (4,504.88)</b>	<b>US \$ (7,512.00)</b>	<b>US \$ (24,450.69)</b>	<b>US \$ 3,360.12</b>	<b>US \$ 39,604.89</b>
Cancellation against other products												
Transfer of Unused Items to the Reserve Sub-Fund and the FUPEN (1)						(8,919.66)						
5% transfer to the FUPEN					(7,360.20)							
95% transfer to the Reserve Sub-Fund					(139,843.78)							
5% transfer to the FUPEN				(6,473.16)								
95% transfer to the Reserve Sub-Fund				(122,990.06)								
Transfer of accrued balance of unused items.	32,787.30	41,070.27	38,195.25	38,195.25	38,195.25	38,195.25	14,009.44	18,514.32	18,514.32	42,965.01	39,604.89	-
<b>Balance of the reserve fund as of 31 December</b>	<b>US \$ 20,148.32</b>	<b>US \$ 32,787.30</b>	<b>US \$ 41,070.27</b>	<b>US \$ 38,195.25</b>	<b>US \$ 38,195.25</b>	<b>US \$ 38,195.25</b>	<b>US \$ 38,195.25</b>	<b>US \$ 14,009.44</b>	<b>US \$ 18,514.32</b>	<b>US \$ 18,514.32</b>	<b>US \$ 42,965.01</b>	<b>US \$ 39,604.89</b>

(1) The transfer of unused items at the closing of Financial Years 2007, 2008, and 2009 was performed to comply with Resolution CG/RES 508 (XIX-08) "Reactivation and Restructuring of Items that comprise the Peaceful Uses of Nuclear Energy Fund" and the Council Resolution C/Res 46 "Increase of the Reserve Sub-Fund and the Peaceful Uses of Nuclear Energy Fund". It was adopted that the full amount of surplus deposited in the bank would be transferred to the Reserve Sub-Fund (95%) and the FUPEN (5%).

  
 Lic. Claudia Hidalgo L.  
 Administrative and International  
 Cooperation Officer

  
 C.P. Fernando Garcia Quintero  
 Accountant

  
 Ambassador Gioconda Ubeda R.  
 OPANAL Secretary-General