



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

## **General Conference**

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XXVIII Session  
3 November 2023  
Agenda Item 18.1

**CG/03/2023**  
Original: Spanish/English

### **Financial Statements and Opinion of the External Auditor's Report as of 31<sup>st</sup> December 2022**

This document has in annex:

Financial Statements and Opinion of the External Auditor's Report as of 31<sup>st</sup> December 2022  
(CCAAP/17/2023)

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

**REPORT ON THE REVIEW OF THE  
FINANCIAL STATEMENTS**

**December 31, 2022**

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## Contadores Certificados y Asesores de Negocios

### Report of the Independent Auditor

To the General-Secretary of the Agency for the Prohibition of Arms Nuclear Weapons in Latin America and the Caribbean.

### Opinion

We have audited the financial statements of the **Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (the Agency)**, which includes the financial statements as of December 31, 2022 and 2021, the state of activity and the Statement of shareholders' equity for the year ended on that date, as well as explanatory notes to the financial statements that include a summary of the significant accounting policies. The financial statements have been prepared in accordance with the accounting rules contained in the "Financial Regulations" of the OPANAL and in addition, in accordance with the Mexican Financial Reporting Rules.

In our view, the accompanying financial statements reasonably present, in all material respects, the financial situation of the **Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean**, as of 31 December 2022 and 2021, as well as its result and changes in equity for the years ended on those dates, in accordance with the accounting rules on financial information established in the "Financial Regulation" and, in addition, with the Mexican Financial Reporting Standards and internal control that the Secretariat deems necessary to allow the preparation of financial statements free of material impropriety, due to fraud or error.

### Foundation of opinion

We have conducted our audit in accordance with the Mexican Financial Reporting Standards and internal control that the Secretariat deems necessary to allow the preparation of financial statements. Our responsibilities under these standards are described below in the **Auditor's Responsibilities section in connection with the audit of the financial statements** of this report. We are independent of the Agency, in accordance with the ethical requirements, contained in the Code of Professional Ethics of the Mexican Institute of Public Accountants (Code of Professional Ethics), applicable to our audit of financial statements in Mexico, and we have fulfilled the other ethical responsibilities in accordance with the Code of Professional Ethics. We believe that the audit evidence we have obtained, provides a sufficient and adequate basis for our opinion.

### Responsibilities of the Secretariat and those responsible for the Agency's administration in relation to financial statements

The Secretariat is responsible for the preparation and reasonable presentation of financial statements, in accordance with the accounting rules on financial reporting set out in the "Financial Regulations" and, in addition, with the Information Standards Mexican Financial and internal control that the Secretariat deems necessary to allow the preparation of financial statements free of material deviation due to fraud or error.

In the preparation of the financial statements, the Secretariat is responsible for submitting to the organs of the OPANAL-Council and General Conference an assessment of the status of the accounting equity and the financial resources made available to the OPANAL, to continue as International Agency and achieve the purposes for which it was created, by revealing, as appropriate, the issues relating to the active Agency and using the ongoing business accounting principle unless the "Agency Secretariat" intends to liquidate the Agency or to cease operations, or there is no other realistic alternative.

The General-Secretary of the Agency is responsible for overseeing the Agency's financial reporting process.

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## Contadores Certificados y Asesores de Negocios

### Auditor's responsibilities in relation to auditing financial statements

Our goals are to obtain reasonable assurance that the financial statements as a whole are free of material impropriety, due to fraud or error, and to issue an audit report containing our opinion. Reasonable security is a high degree of security, but does not guarantee that an audit conducted in accordance with the International Auditing Standards will always detect a material impropriety when it exists. Inaccuracies may be due to fraud or error and are considered material, if individually or in aggregate, they can reasonably be expected to influence the decisions of the Member States of the Agency on the basis of the financial statements.

As part of an audit in accordance with the accounting rules on financial reporting set out in the "Financial Regulations" and, in addition, with the Mexican Financial Reporting Standards and internal control that the Secretariat considers necessary to allow the preparation of financial statements, we apply our professional judgment and maintain an attitude of professional skepticism throughout the audit. Also:

- We identify and assess the risks of material deviation in the financial statements, due to fraud or error, design and apply audit procedures to respond to those risks and obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a material deviation due to fraud is higher than in the case of material impropriety due to error, as fraud may involve collusion, forgery, deliberate omissions, intentionally wrongful statements or circumvention of internal control.
- We gain knowledge of the internal control relevant to the audit in order to design audit procedures that are appropriate according to the circumstances and not for the purpose of expressing an opinion on the effectiveness of the Internal Control of the Agency.
- We assess the appropriateness of the accounting policies applied and the reasonableness of the accounting estimates and the corresponding information disclosed by the Secretariat.
- We conclude on the appropriateness of the use by the Secretariat of the accounting principle of "business" underway and, with the audit evidence obtained, conclude on whether or not there is a material deviation related to facts or conditions that may generate significant doubts about the Agency's ability to continue as an Ongoing Entity. If we conclude that there is material uncertainty, we are required to draw attention in our audit report to the corresponding information disclosed in the financial statements or, if such disclosures are not appropriate, to express an opinion Modified. Our findings are based on the audit evidence obtained to date from our audit report. However, future events or conditions may cause the Agency to cease to be a running business.
- We assess as a whole presentation, structure and content of financial statements, including disclosed information, and whether the financial statements represent the underlying transactions and facts in a manner that achieves reasonable presentation.
- We communicate to the General Secretary of the Agency, among other issues, the scope and timing of the audit and the significant findings of the audit, as well as any significant deficiencies in the internal control that we identified in the audit.

Kind regards  
Vieyra Mota y Asociados, S.C.

L.C.C. Ricardo Vieyra Gómez  
Professional Certificate 3338022

Mexico City, June 16, 2023

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**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN - note 1**  
**BALANCE SHEET**

**December 31, 2022 and 2021**  
 (United States dollars - note 2 a)

ASSETS	2022	2021	LIABILITIES	2022	2021
<b>ASSETS</b>			<b>CURRENT</b>		
Cash ( note 2 b and 3 )	\$ 352,294	\$ 268,885	Accounts payable ( note 7 )	\$ 77,887	\$ 166,552
Reserve Fund ( note 2 b )	393,677	482,341	Unearned contributions ( note 7 )	1,803	6,392
Accounts receivable ( note 2 d and 4 )	947,054	983,467	Accrued liabilities ( note 7 )	300,033	284,166
Donations for a particular purpose ( note 2 b )	95,000	126,545	Tax payable ( note 7 )	1,517	915
<b>TOTAL ASSETS</b>	<b>1,788,025</b>	<b>1,861,238</b>	<b>TOTAL LIABILITIES</b>	<b>381,240</b>	<b>458,025</b>
<b>PROPERTY PLANT AND EQUIPEMENT</b>			<b>OWNERS' EQUITY</b>		
Transport, Computer, and Fourniture equipment (	59,093	59,093	Reserve Fund ( note 8 )	482,341	482,341
Depreciation ( note 2 c and 5 )	(55,186)	(52,279)	Retained earnings-not in budget ( note 10 )	929,131	925,559
Security deposits ( note 6 )	4,687	4,687	Inventory tangible assets ( note 2 c and 5 )	3,907	6,814
<b>TOTAL PROPERTY PLANT AND EQUIPEMENT</b>	<b>8,594</b>	<b>11,501</b>	<b>TOTAL OWNERS' EQUITY</b>	<b>1,415,379</b>	<b>1,414,714</b>
<b>TOTAL</b>	<b>\$ 1,796,619</b>	<b>\$ 1,872,739</b>	<b>TOTAL</b>	<b>\$ 1,796,619</b>	<b>\$ 1,872,739</b>

The accompanying notes are part of this financial statement

Under protest to tell the truth, we declare that the financial statements and their notes are reasonably correct and are the responsibility of the issuer

*FR Bonzanini*

Ambassador Flavio Roberto Bonzanini  
 General Secretary

**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND  
THE CARIBBEAN - note 1  
INCOME STATEMENT  
for the period ending December 31st, 2022 and 2021  
( United States dollars - note 2 a )**

	2022	2021
Income from contributions ( Appendix 6 )		
Current period	\$ 176,693	\$ 137,637
Contributions not received ( note 2 a )	240,296	279,352
	<u>416,989</u>	<u>416,989</u>
Expenses General fund ( Appendix 5 )		
Personal-staff	286,718	233,054
External services	44,089	11,552
Operative expenses	69,924	71,444
	<u>400,731</u>	<u>316,050</u>
<b>NET INCOME FROM GENERAL FUND</b>	<b>\$ 16,258</b>	<b>\$ 100,939</b>
Other Income		
Interest income	217	285
Realized exchange rate gain	2,563	-
	<u>2,780</u>	<u>285</u>
Other expenses		
Bank fees	2,466	2,074
Realized exchange rate loss	-	8,141
Tax paid (IVA)	-	-
Transfer to the Reserve Fund	13,000	14,000
	<u>15,466</u>	<u>24,215</u>
<b>BALANCE OTHER INCOME OVER OTHER EXPENSES</b>	<b>\$ (12,686)</b>	<b>\$ (23,930)</b>
<b>NET INCOME</b>	<b>\$ 3,572</b>	<b>\$ 77,009</b>

The accompanying notes are part of this financial statement

Under protest to tell the truth, we declare that the financial statements and their notes are reasonably correct and are the responsibility of the issuer

*FR Bonzanini*

Ambassador Flavio Roberto Bonzanini  
General Secretary

**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN - note 1**  
**OWNERS' EQUITY ( note 2 b and 10 )**  
**for the period ending December 31st, 2022 and 2021**  
( United States dollars - note 2 a )

	Reserve Fund ( note 2 a )	Special Recovery Fund	Retained earnings-not in budget (note 10)	Inventory tangible assets	Total
<b>Owners' equity period ending 31st of December 2020</b>	<b>\$ 375,650</b>	<b>-</b>	<b>955,241</b>	<b>13,526</b>	<b>\$ 1,344,417</b>
<u>2021</u>					
Plus:					
Purchase of furniture and computer equipment	-	-	-	694	694
Replacement for theft and loss of assets, net	-	-	-	-	-
Increase Reserve fund	106,691	-	-	-	106,691
Less:					
Reclassification of the special recovery fund	-	-	(106,691)	-	(106,691)
Depreciation for the year 2021	-	-	-	(7,406)	(7,406)
Correction to reserves 2021	-	-	-	-	-
Plus:					
Balance General fund	-	-	100,939	-	100,939
Balance other income/expenses	-	-	(23,930)	-	(23,930)
<b>Owners' equity period ending 31st of December 2021</b>	<b>482,341</b>	<b>-</b>	<b>925,559</b>	<b>6,814</b>	<b>1,414,714</b>
<u>2022</u>					
Plus:					
Purchase of furniture and computer equipment	-	-	-	-	-
Replacement for theft and loss of assets, net	-	-	-	-	-
Increase Reserve fund	-	-	-	-	-
Less:					
Reclassification of the special recovery fund	-	-	-	-	-
Depreciation for the year 2022	-	-	-	(2,907)	(2,907)
Correction to reserves 2022	-	-	-	-	-
Plus					
Balance General fund	-	-	16,258	-	16,258
Balance other income/expenses	-	-	(12,686)	-	(12,686)
<b>Owners' equity period ending 31st of December 2022</b>	<b>\$ 482,341</b>	<b>\$ -</b>	<b>929,131</b>	<b>3,907</b>	<b>\$ 1,415,379</b>

The accompanying notes are part of this financial statement

Under protest to tell the truth, we declare that the financial statements and their notes are reasonably correct and are the responsibility of the issuer

  
Ambassador Flavio Roberto Bonzanini  
General Secretary



## **OPANAL**

Organismo para la Proscripción de las Armas Nucleares en la América Latina y el Caribe

Comisión de Cuotas y Asuntos Administrativos y de Presupuesto - CCAAP

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### **OPANAL Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean Committee on Contributions, Administrative and Budgetary Affairs**

**Accounting Policies and Notes to Financial Statements  
December 31, 2022 and 2021  
Figures are expressed in US dollars**

#### **1. Constitution and object**

OPANAL is an intergovernmental organization established by the "Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean" (Treaty of Tlatelolco), to ensure compliance with the obligations of the Treaty. The Treaty of Tlatelolco was signed on February 14, 1967 in Mexico City and came into effect on April 25, 1969.

Obligations defined in Article 1 of the Treaty of Tlatelolco states:

1. The Contracting Parties undertake to use exclusively for peaceful purposes the nuclear material and facilities which are under their jurisdiction, and to prohibit and prevent in their respective territories:
  - a. The testing, use, manufacture, production or acquisition by any means whatsoever of any nuclear weapons, by the Parties themselves, directly or indirectly, on behalf of anyone else or in any other way, and
  - b. The receipt, storage, installation, deployment and any form of possession of any nuclear weapons, directly or indirectly, by the Parties themselves, by anyone on their behalf or in any other way.
2. The Contracting Parties also undertake to refrain from carrying out, promoting or authorizing, directly or indirectly, the testing, use, manufacture, production, possession or control of any nuclear weapon or from participating in it in any way.

OPANAL is responsible for convening and holding regular or extraordinary meetings between Member States relating to the purposes, measures and procedures determined in the Treaty of Tlatelolco and for overseeing compliance with the obligations under that legal instrument.



The States in the Treaty of Tlatelolco and therefore, OPANAL members are: Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominica, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, San Kitts and Nevis, Santa Lucia, San Vicente and Las Granadinas, Suriname, Trinidad and Tobago, Uruguay and Venezuela.

Article 8 of the Treaty of Tlatelolco establishes as OPANAL's principal organs, the General Conference, the Council and the Secretariat. Also establishing in Articles 9, 10 and 11 the structure and functions of each body.

Article 11, paragraph 1 of the Treaty of Tlatelolco, states that the OPANAL Secretariat shall consist of a General Secretary, who shall be the highest official of the Agency, and the staff required by it (local employees).

## **2. Top accounting policies**

The financial statements were prepared in accordance with the dispositions, set out in OPANAL's financial regulation (Doc. Inf.01/2019). In cases where the financial regulations are not covered under accounting recognition, International Accounting Standards for the Public Sector have been chosen, emitted by the Accountants International Federation (AIF) and developed by the International Public Sector Accounting Standards Board (IPSASB).

The main accounting policies and criteria followed by OPANAL in the preparation of its financial statements are summarized below.

### **A. Preparation base**

Under the Financial Regulations, OPANAL keeps its accounting records in United States dollars (USD). However, most expenses are delivered in Mexican Pesos (MXN). The conversion to USD of the transactions in national currency is made using the weighted exchange rate, except for payroll payments, for which the exchange rate of the 14th day of the month or the immediate business day before that day, is used.

The Agency operates with two funds and other revenues:

- I. The General Fund
- II. The Reserve Fund
- III. Other income

## I. **General Fund (Appendix 5)**

The Financial Regulations (Doc. Inf.01/2019) in Article 11 defines the General Fund and its implementation.

The General Fund contains the resources from the fees paid for the execution of the budget. The General Fund may contain other incomes in accordance with article 32, among which are the reserved amounts.

As of December 31, 2021, the reserved amounts had a balance of USD \$65,352.37, of which USD \$20,074.72 are the provision to purchase the Agency's vehicle, USD \$25,969.00 asset replacement and USD \$19,308.65 to transfer and installing the General Secretary.

In the year 2022, the reserved amounts increased by USD \$3,000.00 for the reserve for the purchase of the vehicle and by USD \$10,000.00 the provision for expenses for the transfer and installation of the General Secretary, as established in the Budget Project for that year.

As of December 31, 2022, the balance of reserved amounts is USD \$ 78,352.37, of which USD \$23,074.72 are the provision to purchase the Agency's vehicle, USD \$25,969.00 asset replacement and USD \$29,308.65 to transfer and installing the General Secretary.

## II. **Reserve Fund**

The Reserve Fund and its uses are subject to Article 12 of the Financial Regulation.

The purpose of the Reserve Fund is to ensure that OPANAL does not stop working due to insufficient collection of its quotas.

The Reserve Fund comprises the resources that exceed the amounts necessary to finance the budget.

Efforts will be made to ensure that the Reserve Fund reaches an amount equivalent to the total of the annual quotas of the Member States. The Reserve Fund may be used temporarily to:

- a) Financing the Budget in the event that there are not sufficient resources in the General Fund. The General Secretary has to notify the Council of the transfers made;
- b) Finance necessary expenses not foreseen in the Budget, by authorization of the General Conference or the Council, which will previously consider the CCAAP report on the situation of the Reserve Fund and the reason for such expenses.

In the event that the Reserve Fund is reduced to less than 50% of the total annual quotas of the Member States, the General Secretary may include in the Budget a proposal request to replenish the Reserve Fund in accordance with the provisions of Article 12, paragraph 2.

In the event that the Reserve Fund substantially exceeds the total of the annual quotas of the Member States, the General Secretary shall propose to the Council to transfer resources from the Reserve Fund to the General Fund.

The Reserve Fund as of December 31, 2021 had a balance of USD \$416,989.00. In the year 2022, the Reserve Fund decreased USD \$101,664.33 corresponding to the reimbursement of payment from Haiti.

As of December 31, 2022, this Fund has a balance of USD \$ 315,324.67

### **III. Other income**

Other income from:

a) Donations or inheritances;

Mexico made two bank deposits in December 2022, one of MXN \$1,000,000.00 (USD \$ 51,776.72) for refurbishment of a possible new OPANAL's headquarters, or to support the rent of the headquarters. And MXN\$ 386,274.00 (USD \$ 20,000.00) for the 2023 Summer School.

The funds from the Government of the Netherlands for the Internship Program. The amount as of December 31, 2021 amounted to USD \$941.14. On May 3, 2022, the Netherlands deposited USD \$10,985.00 for the Internship Program, which covered the tickets and monthly support of two interns in the year 2022 for a total of USD \$11,248.92. The amount as of December 31, 2022 is USD \$677.22

On February 10, 2023, the Embassy of the Kingdom of the Netherlands in Mexico requested that the remaining money (USD \$677.22 be used for an activity with youth or as part of a stipend for subsequent participants of the Caribbean internship course).

b) Resources resulting from the disposal of property;

c) Unidentified bank deposits;

d) Bank interest.

The amounts from other income will be integrated into the General Fund or the Reserve Fund at the discretion of the General Secretary, who must inform the CCAAP.

**B. Agency bank accounts**

Currently the Agency has six bank accounts, three in HSBC and three in Scotiabank Inverlat. These accounts contain:

**• General Fund:**

- HSBC Bank, account in mexican pesos No. 4018671016: intended for the expenses established in the budget. Balance as of December 31, 2022, USD \$53,951.63.
- HSBC Bank, account in american dollars No. 199312100: intended for the quota collection and for the expenditure established in the budget. Balance as of December 31, 2022, USD \$281,493.37.
- Scotiabank Bank, account in mexican pesos No. 104194809: used for the expenses established in the budget. Balance as of December 31, 2022, USD \$152.04.
- Account in american dollars No. 107272022: destined for the collection of quotas and to carry out the expenses established in the Budget. The balance as of December 31, 2022, is USD \$16,624.08.

**• Reserve Fund and Reserved Amounts:**

- Scotiabank Bank, account in american dollars No. 107270887. Balance as of December 31, 2022, is USD \$393,677.04

**• Donations for a particular purpose:**

- HSBC bank account in mexican pesos No. 4059454249 contains the funds from the Government of Mexico to bring about the Summer School on disarmament and non-proliferation. Balance as of December 31, 2022, USD \$95,000.40.

**C. Permanent Equipment (Fixed Asset)**

The cost of acquisition of assets and depreciation are recorded annually by applying the maximum percentages authorized by the Income Law Tax. The additions (purchases), the removals of the equipment that is no longer used, and the depreciation are recorded in Equity (See Note 5).

**D. Pending collection contributions (Appendix 6)**

Generally, represents unpaid contributions to OPANAL by the State members.

**E. Income**

Income is recorded when any Member State of OPANAL pays its annual contribution established in the Scale of Quotas, which is approved by the General Conference each year, or when it comes from other income (see Note III)

**F. Conversion of balances from national currency to dollars**

The conversion of balances of national currency to US dollars was carried out by dividing the balances as of December 31, 2022 in national currency with the December 2022 weighted exchange rate (USD \$19.6128 pesos per dollar).

**3. Cash**

The available amounts to cover the Agency's operations, under the budget were, as of 31 December 2022 and 2021, as follows:

	<b>2022</b>	<b>2021</b>
Petty cash	USD\$ 73	83
HSBC Bank No. 4018671016 (MXN)	53,952	58,312
HSBC Account No. 0199312100 (USD)	281,493	201,689
Banco Scotiabank S.A. No. 00104194809 (MXN)	152	489
Scotiabank Account No. 00107272022 (USD)	16,624	8,312
	<b>USD\$ 352,294</b>	<b>268,885</b>

The Reserve Fund is in the Scotiabank account– 0889 and in the HSBC-4249 account which are not part of the above-mentioned cash (point III).

**4. Pending collection contributions (Appendix 6)**

As of December 31, 2021, and 2022 (See Note 14.c), as it follows:

	<b>2021</b>	<b>2022</b>
Receivable contributions as of December 31, 2021 / 2022	USD\$ 1,077,995	977,095
Unpaid budget contributions for 2021 / 2022	277,560	244,990
Fee recovery contributions for 2022 and earlier / 2021 and earlier	(373,880)	(279,600)
Raised for next economic years	(6,392)	(52)
Applied balances in favour of previous years	1,792	4,641
	<b>USD\$ 977,075</b>	<b>947,054</b>

## 5. Assets

As of December 31, 2022, and 2021 the balances are USD \$3,907 and USD \$6,814 respectively explained as follows:

	<b>2022</b>	<b>2021</b>
Transport equipment	USD\$ 22,574	22,574
Computer equipment	12,472	12,472
Furniture and equipment	2,4047	24,047
	<u>59,093</u>	<u>59,093</u>
Depreciation	<u>(55,186)</u>	<u>(52,279)</u>
	<b>USD\$ 3,907</b>	<b>6,814</b>

The depreciation only for the years 2022 and 2021 was USD \$2,907 and USD \$7,406 respectively, which was applied to the equity.

## 6. Security deposits

The balance as of December 31, 2022, is USD \$3,931 for a month's rent with Mr. Federico Mendoza Mirassou (Second clause and second paragraph of the Headquarters Lease), USD \$74 for Pegaso (mobile phone service) and USD \$682 for ADT (alarm service of the building).

## 7. Accounts payable

The balance, as of December 31, 2022, is USD \$381,240. They are explained as follows:

- i. USD \$1,517, IMSS, SAR, INFONAVIT corresponding to the month of December to be paid in January 2023;
- ii. USD \$48,550 amount corresponding to the "asset replenishment" ledger account;
- iii. USD \$299,356 balance in favor of the SRE-Mexico for the Summer School 2023, and for another possible headquarters of the Agency, or rental assistance of the same,
- iv. USD \$677 corresponds to the balance in favor of the Netherlands for the internship program.

- v. USD \$1,803 to Guyana, Peru, Saint Kitts and Nevis and Saint Vincent and Grenadines
- vi. USD \$29,338 provision to transfer and installation of the General Secretary.

## **8. Reserve Fund and Reserved Amounts**

The resources of these funds are in Scotiabank account No. 107270887. Its balance as of December 31, 2022 is USD \$393,677.04 and is explained as follows:

	<u>2022</u>		<u>2021</u>
Reserve Fund and Reserved amounts as of December 31, 2022/2021	<b>USD\$ 482,341</b>	<b>USD\$</b>	<b>375,650</b>
Bank fees	-		-
Expenses on Reserved amounts	(101,664)		(9,037)
Transfer to Reserved amounts	13,000		59,000
Transfer to Reserved Fund	-		56,728
Reserve Fund as of December 31, 2022/2021	<b>USD\$ 393,677</b>	<b>USD\$</b>	<b>482,341</b>

## **9. Transfer of Reserved Amounts (Appendix 2)**

In March 2022, USD \$10,000.00, were transferred from the Scotiabank account- dollars-001072722022 to the Scotiabank account- dollars -107270887, as provision for the installation of the General Secretary, and USD \$3,000.00 to reserve the purchase of an OPANAL vehicle.

## **10. Non-budget items (Appendix 3)**

The “unexpired budget items” are the accounting result of the difference between the approved budget and the expenses executed in the year. The annual approved budget (which corresponds to the total contributions according to the scale of quotas), is an authorization granted by the General Conference to the General Secretary of the OPANAL, to establish the ceiling of expenses, organized by titles, sections and chapters.

However, not all members are up to date with their contributions, therefore the General-Secretary executes the budget by moving the revenue from contributions for the current year from previous years and from future years.

Given the uncertainty generated by the out-of-date payments received by the Agency, a "saving" effort is made. That "saving" is called "unexercised items" and is an amount for accounting purposes only.

At the end of each financial year, the "savings" from "unexercised items" are added to the cumulative amounts of previous years. The balance accumulated as of December 31, 2022 is USD \$479,098.

#### **11. Other products and income**

This section records the cancellation of expenses (bank fees and foreign exchange losses) and the financial products (interest earned) for each financial year. Income that differs from the quotas approved by the General Conference are also recorded as long as they are not donations for a specific purpose, in accordance with Article 8 of the Financial Regulations, (example: unidentify fees, and by decision of the Commission of Quotas and Administrative and Budgetary Affairs (CCAAP) were posted as "other revenue").

The balance as of December 31, 2022 and 2021 is USD \$121,295 and USD \$121,610 respectively.

#### **12. Agreements between the Government of Mexico and the OPANAL - Extra budget income**

Since 2015, the Government of Mexico and OPANAL have had an agreement to co-sponsor the Summer School on Nuclear Disarmament and Non-Proliferation. In the agreement, the Government of Mexico determines the amount needed for the Summer School- depending on the amount remaining from last edition and the amount to be used in the current year. The Mexican government deposits in OPANAL's bank account this amount. OPANAL undertakes to make the purchase of plane tickets for the participants, the payment of meals and per diem and the payments of materials and some supplies to bring about the course. The agreement describes that in the event that expenses exceed the budget (deposit amount), the Government of Mexico undertakes to reimburse the Agency, otherwise, if there is a surplus, it would be reserved for future editions of the Summer School.

In 2018, the balance of the Summer School was USD \$1,264.00 which was reserved for the 2019 edition. The participation of the OPANAL's Secretariat was made through an agreement with the Government of Mexico by exchange of notes. From the Mexican Foreign Affairs Secretary, it was the note number 2927 dated April 4th, 2018 and from OPANAL, the note number was S-253/2018 dated May 7th, 2018.

On December 31, 2019, the Government of Mexico deposited to the agency (MXN \$948,215) USD \$50,000 for the summer school of the year 2020.



On December 31, 2020, the Government of Mexico deposited MXN \$802,248.00 (USD \$40,000) in the OPANAL account for the summer school of 2021.

The balance as of December 31, 2020 is MXN \$1,775,875 (USD \$91,264)

On December 31, 2021, the Government of Mexico deposited MXN \$804,000 (USD \$40,000) in the OPANAL account for the summer school of 2022, thus obtaining a cumulative amount of \$ 2,579,875.

On December 31, 2022, the Government of Mexico deposited MXN \$368,274 (USD \$20,000) in the OPANAL account for the summer school of 2023, thus obtaining a cumulative amount of \$ 1,842,273.

**Note:** *These resources are reported as donations for a specific purpose, in accordance with Article 8 of the Financial Regulations, and they are not part of the General Fund.*

### **13. Special Recovery Fund (Appendix 3)**

In 2008, the Agency experienced an economic crisis generated by low incomes and increased expenses, so the General Conference decided to establish a Special Recovery Fund.

The Special Recovery Fund aimed to group in a single fund the Non-exercised Items, the contributions to the Agency and the Operations Fund, so that the Balance sheet reflects the reality of the Agency.

This account includes the recovery of contributions from State members prior to 1999, as well as the remaining balances for contributions from the Agency, mainly from funds already extinct: Pension Fund and Retire, and Fund of Operations.

In 2017 a discount of USD \$11,494 was made in favour of the Santa Lucia's debt. As of December 31, 2017, the balance in this ledger account is USD \$559,919. With the aim of showing the actual operation of the funds currently held by the OPANAL, the Special Recovery Fund joins the remainder of "Non-exercised items" (see note 9) as of 2018, which as of December 31, 2019 was USD \$868,385. Valued for accounting purposes only.

### **14. Loss on changes (Appendix 2)**

The Agency's accounting is posted in US Dollars (USD). However, most of the expenses are made in Mexican pesos (MXN). Every month the Agency tries to post the expenses as accurately as possible, using the weighted exchange rate.

The difference between the types of exchange rates generates the need for a monthly adjustment which makes up an exchange rate loss (see Appendix 2).

#### **15. Budget situation as of December 31, 2022**

##### **a) Income:**

		<u>2022</u>	<u>2021</u>
Budgeted revenue from contributions of the year	<b>USD\$</b>	416,989	416,989
Implementation balance in favor of contributions from previous years		-	-
Contributions charged of the year		<u>(176,693)</u>	<u>(137,637)</u>
Balance accounts receivable State members from budget income	<b>USD\$</b>	<u><b>240,296</b></u>	<u><b>279,352</b></u>

As of December 31, 2022, USD \$240,296, equivalent to 58% of the contributions budgeted had not been received.

##### **b) Expenses:**

		<u>2022</u>	<u>2021</u>
Expenses budget of the year	<b>USD\$</b>	416,989	416,989
Budget exercised		<u>(413,731)</u>	<u>(330,050)</u>
Budget balance	<b>USD\$</b>	<u><b>3,258</b></u>	<u><b>86,939</b></u>

Appendix 5 provides a summary of the budgeted items compared to the exercised amounts, as of December 31, 2022.

#### **16. State members report on the payment of contributions**

The situation of the State members of the Agency with regard to the payment of their dues as of 31 December 2022 is as follows:

##### **a) Up to date on the payment of contributions:**

Bahamas, Belice Bolivia, Colombia, Costa Rica, Cuba, Guatemala, Guyana, Haití, Jamaica, Nicaragua, México, Perú, República Dominicana, Panamá, Saint Kitts & Nevis, Saint Lucia, Saint Vincent & Grendines, Trinidad & Tobago y Uruguay.

**With balance in favor for the year 2023 and later:**

Guyana, Perú, Saint Kitts & Nevis y Saint Vincent & Grenadines

**b) Countries with late payment:**

El Salvador is the only historical debtors as of December 31, 2022 with an accumulated debt of USD \$133,578.50.

Antigua and Barbuda have a pending payment of theirs 2012 to 2022 dues with a cumulative debt as of December 31st, 2022 of USD \$16,094.65.

Venezuela have not paid their dues from 2015 to 2022, generating a cumulative debt as of December 31, 2022 of USD \$335,282.99.

Suriname, presents a debt since 2016, as of December 31, 2022 it is of USD \$10,801.00

Dominica owe its quotas from 2020 to 2022, for a total of USD \$4,629.00.

Honduras owe its quotas from 2019 to 2022, for a total of USD \$6,204.00.

Argentina and Brazil owe since 2021, for a total of USD \$133,436.00 and USD \$171,382.00 respectively.

Barbados, Chile, Ecuador, Grenada, Paraguay, owe the 2022 fee.

**17. Authorization of the issuance of the financial statements**

The emission of the accompanying financial statements was authorized on June 15, 2023, by Ambassador Flavio Roberto Bonzanini, General Secretary, consequently these do not reflect the events that occurred after that date and are subject to the approval of the General Conference of OPANAL.



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**Ambassador Flavio Roberto Bonzanini  
General Secretary**

**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA AND THE  
CARIBBEAN - note 1  
INCOME STATEMENT  
BUDGET VS REAL EXPENSE**

**for the period ending 31st of December 2022**

( United States dollars - note 2 a )

General Funs Account	for the period ending December 31st, 2022		
	Budget	Real	Variation + (-)
Income			
Contributions of the year	\$ 416,989	\$ 176,693	\$ 240,296
Not received contrinutions	-	240,296	(240,296)
<b>Total income General fund</b>	<b>\$ 416,989</b>	<b>\$ 416,989</b>	<b>\$ -</b>
Expenses General fund			
Salaries	219,408	219,409	(1)
Social Security	7,000	3,338	3,662
Infonavit	7,000	5,983	1,017
Gratifications	57,177	56,444	733
Medical Insurance S.G.	8,000	789	7,211
Representation	2,400	755	1,645
General Conference	5,000	3,786	1,214
Travel expenses	15,500	20,643	(5,143)
Passages	8,000	9,632	(1,632)
Water consumption rights	150	456	(306)
Financial services	1,200	-	1,200
Postal service	300	96	204
Telephone service	2,400	1,557	843
Website and email	250	333	(83)
Fees	16,245	10,027	6,218
Electricity	1,200	681	519
Insurance	1,300	830	470
Gasoline and lubricants	2,500	2,160	340
Maintenance on transport equipment	600	420	180
Office supplies	1,200	1,164	36
Sanitary material and cleaning	-	-	-
Headquarters rent	36,365	49,613	(13,248)
Miscellaneous expenses	9,694	11,596	(1,902)
Unforeseen	1,100	1,019	81
Reserve for vehicule change	3,000	3,000	-
Provision for transfer and installation GS	10,000	10,000	-
	<b>\$ 416,989</b>	<b>\$ 413,731</b>	<b>\$ 3,258</b>
(-) Bank fees/other expenses	-	2,466	(2,466)
<b>Total expenses General fund</b>	<b>\$ 416,989</b>	<b>\$ 411,265</b>	<b>\$ 5,724</b>
<b>Net income from General fund</b>	<b>\$ -</b>	<b>\$ 5,724</b>	<b>\$ (5,724)</b>

*FR Bonzanini*

Ambassador Flavio Roberto Bonzanini  
General Secretary

**AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN  
AMERICA AND THE CARIBBEAN - note 1  
CONTRIBUTIONS TO RECEIVE FROM STATE MEMBERS  
for the period ending December 31st, 2022**

( United States dollars - note 2 a )

Country	Account receivable- Contributions as of Dec, 31, 2022	Contributions of 2022	From previous years
Antigua y Barbuda	\$ 16,095	\$ 1,543	\$ 14,552
Argentina	133,436	66,718	66,718
Bahamas	-	-	-
Barbados	1,543	1,543	-
Belice	-	-	-
Bolivia	-	-	-
Brasil	171,382	85,691	85,691
Chile	20,849	20,849	-
Colombia	-	-	-
Costa Rica	4	4	-
Cuba	-	-	-
Dominica	4,629	1,543	3,086
Ecuador	5,004	5,004	-
El Salvador	133,579	1,668	131,911
Grenada	1,543	1,543	-
Guatemala	-	-	-
Guyana (1)	-	-	-
Haiti	104,750	-	104,750
Honduras	6,204	1,543	4,661
Jamaica	-	-	-
México	-	-	-
Nicaragua	25	25	-
Panamá	-	-	-
Paraguay	3,127	3,127	-
Perú (2)	-	-	-
Republica Dominicana	301	301	-
Saint Kitts y Nevis (3)	-	-	-
St Vicente y Granadinas (4)	-	-	-
Saint Lucia	-	-	-
Suriname	10,801	1,543	9,258
Trinidad y Tobago	-	-	-
Uruguay	-	-	-
Venezuela	335,283	47,703	287,580
Undentified contributions	(1,501)	-	(1,501)
<b>Total</b>	<b>\$ 947,054</b>	<b>\$ 240,348</b>	<b>\$ 706,706</b>

  
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**Ambassador Flavio Roberto Bonzanini**  
**General Secretary**

(1) Payment for future contributions US\$ 1,651.17

(2) Payment for future contributions US\$ 14.98

(3) Payment for future contributions US\$ 100.00

(4) Payment for future contributions US\$ 37.11