



Asia-Pacific Network for Sustainable
Forest Management and Rehabilitation
亚太森林恢复与可持续管理组织

Agenda item 3

APFNet/Council/2023/03

Purpose: Information

Seventh Meeting of the APFNet Council

26–27 April 2023 | Manila, the Philippines

Financial status analysis presentation 2022

Asia-Pacific Network for Sustainable Forest Management and Rehabilitation
Financial Status Analysis Presentation
2022
(Unit: KUSD)

Annual Program Funding Source

In 2022, APFNet performed all work in compliance with the accounting policies which were approved by the Board of Directors (Decision B. 02/05), and the funds were allocated reasonably to ensure the development and implementation of events and activities. We conducted 40 projects in 2022, and the input was RMB18,310K (USD 2,796K), among which, the funding amounted RMB 11,208K (USD 1,709K) was from the Chinese government, and matching fund of RMB 7,102K (USD 1,087K) was contributed by partners.

APFNet kept active communication and broad cooperation with international organizations, forestry universities, forestry research institutes, local forestry bureaus, farms and charity, etc. In 2022, 23 projects were implemented with 19 partners, who provided financial and technical support. The cooperation with a Chinese foundation, a charity, is a new initiative to explore way of funds diversity.

Financial Status Analysis

KUSD	2022	%	2021	%	2022 Vs 2021	
					Diff .	Var.
Income	3,875		4,532		(657)	-15%
Expenses	3,886	100%	5,162	100%	(1,276)	-25%
Program expenses	1,709	44%	3,070	59%	(1,361)	-44%
Management expenses	2,097	54%	2,112	41%	(15)	-1%
Financing expenses	80	2%	(20)	0%	100	-500%
Change in net assets	(11)		(630)		619	-98%
Total Net Assets	957		968		(11)	-1%

1. Income:

Income includes donation and interest income. The donation was from the Chinese government.

2. Expenses:

(a) Program expenses:

Program expenses contributed RMB 11,208K (USD 1,709K), accounting for 44% of total expenses in 2022 and decreased by RMB 8,832K (USD 1,361K) compared to 2021. Program expenses were allocated by four key pillars and seven sub regions, according to Strategic Plan.

From the perspective of the four key pillars, the main expenditures were demonstration projects, with a total amount of RMB 8,900K (USD 1,357K) in 2022, accounting for 79% of the total program expenses. 24 projects were carried out in 2022, mainly included: “Demonstration of vegetation restoration and management and utilization of forest resources in the Greater Central Asia (Chifeng site) Phase II”, “Construction of Multifunctional Forest Management Demonstration Sites - Phase III” and “Establishment of a High Value Tree Species Breeding Center in Cambodia”.

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Financial Status Analysis Presentation (continued)
2022
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	2022			2021			2022 Vs 2021 KUSD	
	KUSD	KRMB	%	KUSD	KRMB	%	Diff.	Var.
Demonstration Projects	1,357	8,900	79%	2,514	16,415	82%	(1,157)	-46%
Capacity Building	144	947	9%	131	856	4%	13	10%
Communication and Information Sharing	161	1,052	9%	305	1,988	10%	(144)	-47%
Regional Policy Dialogue	47	309	3%	120	781	4%	(73)	-61%
Total expenses	1,709	11,208	100%	3,070	20,040	100%	(1,361)	-44%

Geographically, the main expenditures were occurred in the Great Central Asia and the Greater Mekong Sub-region. In 2022, the Greater Central Asia expenditure amounted to RMB 3,909K (USD 596K), accounting for 35% of the total program expenses, and Greater Mekong Sub-region expenditure amounted to RMB 3,467K (USD 529K), accounting for 31% of the total program expenses, of which:

- Regarding the Great Central Asia sub-region, the main projects were “Demonstration of vegetation restoration and management and utilization of forest resources in the Greater Central Asia (Chifeng site) Phase II” and “Construction of Multifunctional Forest Management Demonstration Sites - Phase III”.
- Regarding the Greater Mekong Sub-region, the main project was “Establishment of a High Value Tree Species Breeding Center in Cambodia”.

	2022			2021			2022 Vs 2021 KUSD	
	KUSD	KRMB	%	KUSD	KRMB	%	Diff.	Var.
Greater Central Asia	596	3,909	35%	1,297	8,462	42%	(701)	-54%
Greater Mekong Subregion (GMS)	529	3,467	31%	1,131	7,385	37%	(602)	-53%
Southeast Asia (except GMS)	36	234	2%	119	780	4%	(83)	-70%
South Asia	1	4	0%	25	162	1%	(24)	-96%
Pacific Island Countries	5	32	0%	-	-	0%	5	-
North America	79	517	5%	68	442	2%	11	16%
Latin America	50	332	3%	-	-	0%	50	-
Other	413	2,713	24%	430	2,809	14%	(17)	-4%
Total expenses	1,709	11,208	100%	3,070	20,040	100%	(1,361)	-44%

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(b) Management expenses:

Administrative expenses amount to RMB 13,758K (USD 2,097K), including Human Resources, Administration, Evaluation, Planning and Review, the Board and the Council Expense and Partnership Network, etc., of which:

- The cost of human resources was composed of the expenditure on salary, welfare, staff capacity building, amounting to RMB 9,261K (USD 1,412K).
- Administrative expenses was composed of the expenditure on rent and operations, depreciation and amortization, agency, urban transportation, amounting to RMB 4,410K (USD 672K).

	2022		2021		2022 Vs 2021 KUSD	
	KUSD	KRMB	KUSD	KRMB	Diff.	Var.
Human Resources	1,412	9,261	1,368	8,930	44	3%
Administration	672	4,410	678	4,430	(6)	-1%
Evaluation, Planning and Review	5	34	53	343	(48)	-90%
The Board and the Council Expense	6	42	-	-	6	-
Partnership Network	2	11	13	83	(11)	-87%
Total management expenses	2,097	13,758	2,112	13,786	(15)	-1%

(c) Finance Expenses:

The currency translation of RMB to USD in the financial statements resulted in an exchange difference of USD.

Note: At the request of the Board of Directors of Asia-Pacific Network for Sustainable Forest Management and Rehabilitation, we has prepared this Financial Status Analysis Presentation, which is for internal use by the Board only and is not an integral part of the audited financial statements.