

2011 UN Global Compact Financial Report

The UN Global Compact’s funding comes from voluntary contributions from Governments to a UN Trust Fund and from the private sector to the Foundation for the Global Compact. The Foundation for the Global Compact, a US-based 501(c)3, was established in 2006 to increase the funding base of the Global Compact initiative and better reflect its public-private nature.

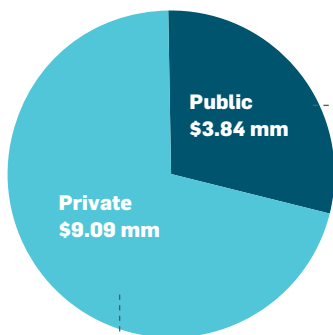
INCOME

In 2011, the total income for the Global Compact was \$12.93 million – including \$3.84 million from voluntary contributions by 13 Member States and \$9.09 million from voluntary private sector contributions.

(1) Private sector contributions include income from annual corporate contributions by 880 companies, LEAD contributions, event and platform sponsorships, and grants for programmes including the CEO Water Mandate, Women’s Empowerment Principles, Human Rights Business Dilemmas Forum, Collective Action against corruption and UN-Business partnerships.

Sources of income for the Global Compact in 2011 (US\$)	
Public	3,840,368
Governments	3,587,658
Interest and other income	252,710
Private ¹	9,098,810
Foundation for the Global Compact	
TOTAL INCOME	12,939,178

Income by source

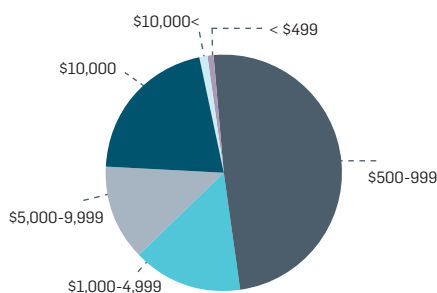


Government Donor Group

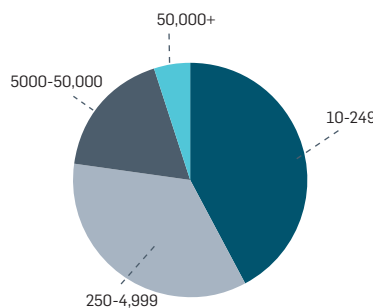
The Global Compact wishes to thank Governments that have, over time, generously supported the initiative by contributing to the Global Compact Trust Fund. The following contributions were received from Governments in 2011:

Denmark	\$644,006	France	\$142,140
Sweden	\$547,289	United Kingdom	\$124,120
Spain	\$457,415	Italy	\$107,865
Switzerland	\$455,062	Turkey	\$100,000
Norway	\$375,236	China	\$10,000
Germany	\$338,825	Chile	\$4,000
Finland	\$281,700		

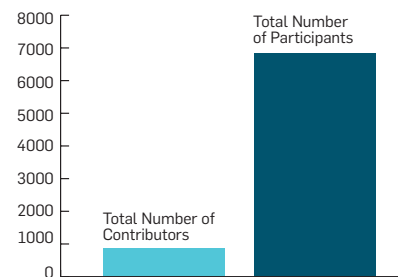
Foundation Annual Contributions by Amount*



Foundation Annual Contributions by Company Size (# of employees)



Contributors to the Foundation v. Total Number of Participants



* 4 contributions valued over US \$10,000 were received in 2011.

A full list of 2011 Foundation contributions can be found at www.globalcompactfoundation.org/contributors-2011-0.php

EXPENSES

In 2011, Global Compact expenditures totalled \$9.28 million. The Global Compact allocates expenses incurred by the Trust Fund and Foundation in accordance with nine objectives developed in cooperation with Government Donors, as well as administrative and governance functions:

- **Outcome I:** Leadership Blueprint for Corporate Sustainability
- **Outcome II:** Communication on Progress (COP) and Participants Management
- **Outcome III:** Local Networks
- **Outcome IV:** UN-Business Partnerships
- **Outcome V:** Human Rights
- **Outcome VI:** Labour
- **Outcome VII:** Environment
- **Outcome VIII:** Anti-Corruption
- **Outcome IX:** Business and Peace

From year to year, remaining funds in the Global Compact Trust Fund and the Foundation are allocated to cover expenses for the following year. The Global Compact operating budget is planned to significantly increase in 2012 and 2013 in order to allow the initiative to continue to work towards its objectives. The estimated budgets for 2012 and 2013 are \$13.7 million and \$16.1 million, respectively.

The Global Compact relies upon voluntary contributions from Government donors and business participants to continue operations.

AUDITS

The Global Compact Trust Fund account is audited by the UN Accounts Division every year as a part of "Financial Report and Audited Financial Statements and Report of the Board of Auditors (BOA), Volume I". BOA is responsible for the audit of the United Nations Trust Fund and its report is available at the end of every biennium. The report for the biennium 2010-2011 (ending at 31 December 2011) is available online at: <http://www.un.org/auditors/board/reports.shtml>

The Foundation for the Global Compact is audited by an independent third party auditor on an annual basis. The report for 2011 is available online at: <http://www.globalcompactfoundation.org/about-legal.php>

Expenses in 2011	GC Trust Fund (US\$)	Foundation (US\$)	Total
Outcome I: Leadership Blueprint for Corporate Sustainability	676,922	556,141	1,233,063
Outcome II: Communication on Progress (COP) and Participants Management	578,951	315,115	894,066
Outcome III: Local Networks	624,301	423,015	1,047,316
Outcome IV: UN-Business Partnerships	389,975	484,266	874,241
Outcome V: Human Rights	361,383	798,028	1,159,411
Outcome VI: Labour	356,148	43,922	400,070
Outcome VII: Environment	483,890	694,206	1,178,096
Outcome VIII: Anti-Corruption ²	422,799	485,521	908,320
Outcome IX: Business and Peace	261,203	82,196	343,399
Administrative Costs ³	290,890	660,384	951,274
Total Expenditure	4,446,462	4,542,793	8,989,255

(2) Outcome VIII expenditures include \$400,000 to support the Integrity Initiative projects on anti-corruption, Promoting Collective Action through Global Compact Local Networks and Sensitizing Future Business Leaders.

(3) The Trust Fund administrative costs include programme support costs which amount to 7% of total direct expenditure. The Foundation administrative costs include salary and benefits for Foundation staff, external financial management and audit services, office space rent, maintenance, and IT infrastructure.