

# 2012 UN Global Compact Financial Report\*

The UN Global Compact's funding comes from voluntary contributions from Governments to a UN Trust Fund and from business and 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.

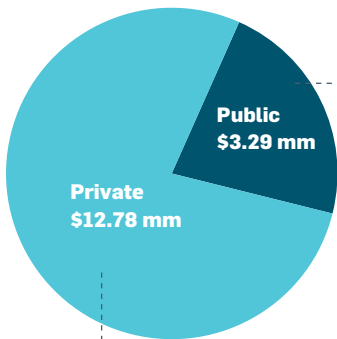
## INCOME

In 2012, the total income for the Global Compact was \$16.08 million – including \$3.29 million from voluntary contributions by 11 Member States and \$12.78 million from voluntary private sector contributions.

(1) Income from business and the private sector includes annual contributions from nearly 1,000 companies, LEAD contributions, event and platform sponsorships including for Rio+20, and grants for programmes including the CEO Water Mandate, Women's Empowerment Principles, Human Rights Business Dilemmas Forum, Collective Action against Corruption, UN-Business partnerships, management and reporting training, and UN Secretary-General's initiatives Education First and Sustainable Energy for All.

Sources of income for the Global Compact in 2012 (US\$)	
<b>Public</b>	<b>3,299,037</b>
Governments	3,147,195
Interest and other income	151,842
<b>Private <sup>1</sup></b>	<b>12,776,383</b>
Foundation for the Global Compact	
<b>TOTAL INCOME</b>	<b>\$16,075,420</b>

### Income by source

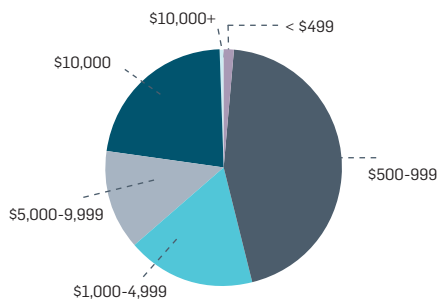


### Government Donor Group

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 2012:

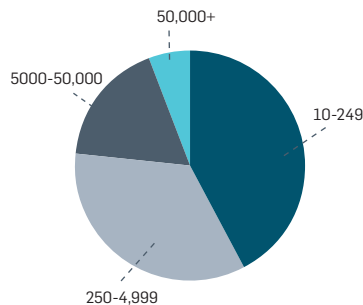
Sweden \$571,495	France \$129,534
Denmark \$498,542	United Kingdom \$128,096
Switzerland \$488,599	Italy \$74,700
Germany \$426,648	Colombia \$30,000
Norway \$413,951	China \$10,000
Finland \$375,630	

### Foundation Annual Contributions by Amount\*

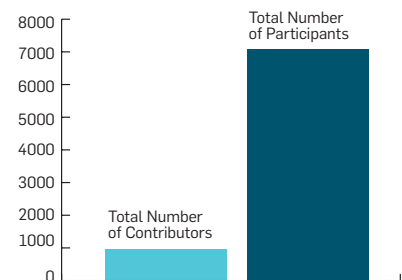


\* 3 annual contributions valued over US \$10,000 were received in 2012.

### Foundation Annual Contributions by Company Size (# of employees)



### Contributors to the Foundation v. Total Number of Participants (USD)



A full list of 2012 Foundation contributions can be found at [www.globalcompactfoundation.org/contributors-2012-0.php](http://www.globalcompactfoundation.org/contributors-2012-0.php)

\*The Foundation for the Global Compact 2012 income and expenditure figures included in this document are temporary, pending the audited financial statements which are expected to be finalized by November 2013.

## EXPENSES

In 2012, Global Compact expenditures totalled \$14.5 million. The Global Compact allocates expenses incurred by the Trust Fund and Foundation in accordance with nine areas developed as part of the strategy discussion and also discussed with Government Donors:

- **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

On an annual basis, a portion of the funds raised by the Foundation for the Global Compact are transferred to the Global Compact Trust Fund to help cover the Trust Fund's expenses (see note 3).

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 2013 in order to allow the initiative to continue to work towards its objectives.

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 2012-2013 (ending at 31 December 2013) will be published at: <http://www.un.org/en/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 2012 will be available in November 2013.

When completed, there will be a link to the audited statements on the UN Global Compact and Foundation for the Global Compact websites.

Expenses in 2012 <sup>2</sup>	GC Trust Fund (US\$)	Foundation (US\$) <sup>4</sup>	Total
Outcome I: Leadership Blueprint for Corporate Sustainability	454,932	1,487,057	1,941,989
Outcome II: Communication on Progress (COP) and Participants Management	961,269	849,879	1,811,148
Outcome III: Local Networks	743,188	1,527,000	2,270,188
Outcome IV: UN-Business Partnerships	425,735	1,047,733	1,473,468
Outcome V: Human Rights	392,725	1,021,574	1,414,299
Outcome VI: Labour	203,367	447,644	651,011
Outcome VII: Environment	591,047	1,580,092	2,171,139
Outcome VIII: Anti-Corruption	412,745	600,383	1,013,128
Outcome IX: Business and Peace	177,228	495,995	673,223
Administrative Costs <sup>3</sup>	305,357	777,589	1,082,946
<b>Total Expenditure</b>	<b>4,667,593</b>	<b>9,834,946</b>	<b>14,502,539</b>

(2) General operating expenses that support the Global Compact as a whole are allocated across each outcome. These expenses include communications expense, rent and IT. Additionally, expenses related to the Rio+20 Corporate Sustainability Forum are allocated across all outcomes.

(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 and maintenance.

(4) In 2012, the Foundation for the Global Compact also incurred an additional expense of \$2 million in the form of a transfer to the Global Compact Trust Fund.