



# Auditor's Report

December 31<sup>ST</sup>, 2020

**PAN AMERICAN INSTITUTE OF  
GEOGRAPHY AND HISTORY**

**REPORT ON THE EXAMINATION OF THE  
FINANCIAL STATEMENTS**

**December 31st, 2020**

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**Report from the Independent Auditor**

**To the President of Pan American Institute of Geography and History  
Mr. Israel Sánchez Moreno**

***Opinion***

We have audited the financial statements of the **Pan American Institute of Geography and History (the Institute)**, covering the status of the financial situation as of December 31<sup>st</sup> in both 2020 and 2019, and the status of activities and of variations in the corresponding assets for the years ending on those dates. There are also the explanatory notes to the financial statements which include a summary of the significant accounting policies. The financial statements have been prepared in accordance with the accounting rules of the PAIGH "Financial Regulations" and, secondarily, in accordance with the Mexican Financial Information Standards.

In our opinion, the attached financial statements reasonably present, in all material aspects, the financial situation of the **Pan American Institute of Geography and History** as of December 31<sup>st</sup> in 2020 and in 2019, also the outcome and the variations in the assets corresponding to the financial years ending on those dates, in accordance with the accounting rules for financial information established in the "Financial Regulations" and, secondarily, in accordance with the Mexican Financial Information Standards and also the internal control that the "Secretariat" deems necessary for making it possible to prepare financial statements free from any material misstatement arising from fraud or error.

***Basis for the opinion***

We have made our audit in compliance with the Mexican Financial Information Standards and the internal control considered by the "Secretariat" necessary to enable the preparation of the financial statements. Our responsibilities, under these standards, are described below in the section ***Responsibilities of the Auditor concerning the audited financial statements***, of this report. We are independent from the Institute, in compliance with the ethical requirements, contained in the Professional Ethics Code of the Mexican Institute of Public Accountants (Professional Ethics Code) and applicable in our audit of financial statements in Mexico. Moreover, we have complied with the other ethical responsibilities in accordance with the Professional Ethics Code. We consider that the evidence of the audit that we have obtained provides a sufficient and appropriate basis for our opinion.

***Responsibilities of the "Secretariat" and of those Responsible for the Administration of the Institute concerning the financial statements***

The "Secretariat" is responsible for a reasonable preparation and presentation of the financial statements, in accordance with the accounting rules for financial information established in the "Financial Regulations" and, secondarily, in the Mexican Financial Information Standards, and also the internal control that the "Secretariat" deems necessary for enabling the preparation of financial statements free from any material deviations arising from fraud or error.

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In the preparation of the financial statements, the "Secretariat" is responsible for assessing the capacity of the Institute to maintain its assets, to continue as an International Organization and to achieve the purposes for which it was created, disclosing, as applicable, matters relating to its being an active organization and using the accounting principle of a going concern, except in the case of the "Secretariat" intending to dissolve the Institute or to cease operations, or when there is no other more realistic alternative.

The head of the "Secretariat" is responsible for the supervision of the financial information process of the Institute.

### ***Responsibilities of the Auditor concerning the audit of the financial statements***

Our objectives are to obtain reasonable certainty that the financial statements as a whole are free from material mistakes arising from fraud or error, and to issue an audit report containing our opinion. Reasonable certainty is a high degree of certainty, but this does not guarantee that material mistakes, if any exist, are always detected, even in an audit prepared under the International Auditing Standards. Mistakes can be due to fraud or error and are considered material if, individually or in aggregate form, it could, to a reasonable degree, have been foreseen that they would influence the economic decisions that the users take, on the basis of the financial statements.

As part of an audit in conformity with the accounting rules for financial information established in the "Financial Regulations" and, secondarily, with the Mexican Financial Information Standards, and also the internal control that the "Secretariat" deems necessary for enabling the preparation of financial statements, we apply our professional judgment and maintain a professional skepticism during the whole audit process. We also:

- Identified and appraised in the financial statements the risks of material deviation arising from fraud or error, designing and applying audit procedures to deal with such risks and obtain sufficient and appropriate auditing evidence for providing a basis for our opinion. The risk of failing to detect a material deviation due to fraud is higher than in the case of a material inaccuracy due to error, since the fraud may imply collusion, falsification, deliberate omissions, intentionally wrong statements or the evasion of internal controls.
- Gained knowledge about internal controls relevant to the audit in order to design audit procedures that are appropriate in terms of the circumstances and not intended for giving an opinion about the effectiveness of internal control within the Institute.
- Evaluated the appropriateness of the accounting policies applied and the rationality of the accounting estimates and of the corresponding information disclosed by the "Secretariat".
- Reached conclusions about the appropriateness of the use, by the "Secretariat", of the going concern principle in accounting and, with the evidence obtained from the audit, we concluded whether there is or is not any material deviation related to the facts or to conditions that may cause significant doubts about the capacity of the Institute to continue as an active Organization. If we find that there is a material uncertainty, it is necessary for



us to draw attention in our audit report to the relevant information disclosed in the financial statement or, if such disclosures are not appropriate, that we express a revised opinion. Our findings are based on the evidence obtained in the audit up to the date of our audit report. However, future occurrences or conditions may be cause for the Institute to cease being a going concern.

- Assessed comprehensively, the presentation, structure and content of the financial statements, including the information disclosed, and checked if the financial statements portray the transactions and underlying facts in a way that achieves a reasonable presentation.
- Informed the head of the "Secretariat" of the Institute, about the scope and timing of performing the audit and its significant findings, also about any significant deficiency in the internal control identified in the audit process, among other issues.

Yours  
Vieyra Mota y Asociados, S.C.

*/Signed/*  
Ricardo Vieyra Gómez  
Professional ID. 3338022

Mexico City, May 19<sup>th</sup>, 2021

**PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY - note 1**  
**STATEMENT OF FINANCIAL POSITION**  
**as of December 31st, 2020 and 2019**  
( US Dollars - note 2 )

ASSETS	2020	2019	LIABILITIES	2020	2019
<b>CURRENT ASSETS</b>			<b>SHORT TERM LIABILITIES</b>		
Cash and banks ( note 2 d )	\$ 210,390	\$ 304,968	Sundry creditors ( note 8 )	\$ 15,395	\$ 15,192
Fixed term deposits ( note 2 e )	764,316	613,485	Payments for future charges ( note 9 )	4,482	10,776
Various debtors ( note 6 )	6,494	9,814	Retirement fund (note 8a )	30,120	29,721
	<u>          </u>	<u>          </u>		<u>          </u>	<u>          </u>
<b>TOTAL CURRENT ASSETS</b>	<u><b>981,200</b></u>	<u><b>928,267</b></u>	<b>TOTAL LIABILITIES</b>	<u><b>49,997</b></u>	<u><b>55,689</b></u>
 <b>NON-CURRENT ASSETS</b>			 <b>EQUITY</b>		
Expenses paid in advance ( note 7 )	125	128	Equity fund ( note 2 b )	931,328	872,706
	<u>          </u>	<u>          </u>		<u>          </u>	<u>          </u>
<b>TOTAL NON-CURRENT ASSETS</b>	<u><b>125</b></u>	<u><b>128</b></u>	<b>TOTAL EQUITY</b>	<u><b>931,328</b></u>	<u><b>872,706</b></u>
 <b>TOTAL ASSETS</b>	 <b>\$ <u>981,325</u></b>	 <b>\$ <u>928,395</u></b>	 <b>TOTAL LIABILITIES AND EQUITY</b>	 <b>\$ <u>981,325</u></b>	 <b>\$ <u>928,395</u></b>

The accompanying notes are part of this financial statement.

We declare under oath, that the financial statements and their accompanying notes are reasonably correct and are the responsibility of the issuer.

\_\_\_\_\_  
**César Fernando Rodríguez Tomeo**  
Secretary General

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**Julieta García Castelo**  
Head of Accounting and Finance

**PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY - note 1**  
**STATEMENT OF ACTIVITIES**  
**from January 1st to December 31st, 2020 and 2019**  
( US Dollars - note 2 )

	2020	2019
Revenue from quotas ( attachment 6 )		
From the financial year	\$ 452,311	\$ 421,249
From previous financial years ( note 2 a )	63,777	46,317
	<u>516,088</u>	<u>467,566</u>
Other income ( attachment 7 )		
Interest earned	1,769	1,667
Publications	50,867	6,077
Services to third parties	6,261	17,364
Cooperating partners	10,689	18,183
Sundry	24,777	18,674
	<u>94,363</u>	<u>61,965</u>
<b>TOTAL INCOME OF THE YEAR</b>	<b>\$ 610,451</b>	<b>\$ 529,531</b>
Regular Fund Disbursements ( attachment 6 )		
Personnel	155,490	186,534
Technical assistance, information, outreach and statutory meetings	231,203	244,322
Operating expenses	16,319	13,647
	<u>403,012</u>	<u>444,503</u>
Disbursements of the year being accounted for	68,353	39,222
Expenditures from administrative fund ( attachment 7 )	32,694	43,340
	<u>101,047</u>	<u>82,562</u>
<b>TOTAL EXPENDITURES OF THE FINANCIAL YEAR</b>	<b>504,059</b>	<b>527,065</b>
<b>REMAINING INCOME AFTER DISBURSEMENTS FROM THE GENERAL FUND</b>	<b>\$ 106,392</b>	<b>\$ 2,466</b>
Minus: Reserved funds of the annual budget	-	(55,513)
<b>Net remainder from the financial year</b>	<b>\$ 106,392</b>	<b>\$ (53,047)</b>

The accompanying notes are part of this financial statement.

We declare under oath, that the financial statements and their accompanying notes are reasonably correct and are the responsibility of the issuer.

\_\_\_\_\_  
César Fernando Rodríguez Tomeo  
Secretary General

\_\_\_\_\_  
Julieta García Castelo  
Head of Accounting and Finance

**PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY - note 1**  
**STATEMENT OF VARIATIONS IN THE ASSETS ( note 2 b )**  
**Years ended on December 31st of 2020 and 2019**  
( US Dollars - note 2 )

	Reserve Fund ( note 2 c )	Operating Fund	Special Fund	Budgeted Reserve Fund	Total
<b>Assets as of December 31st, 2018</b>	<b>\$ 18,401</b>	<b>196,848</b>	<b>668,961</b>	<b>38,036</b>	<b>\$ 922,246</b>
<u>2019</u>					
Minus:					
Expenses due to changing transport vehicle	-	-	(12,000)	-	(12,000)
Expenses of the 91st Meeting of the Authorities	-	-	(7,100)	-	(7,100)
Expenses for purchase of computer equipment	-	-	(4,674)	-	(4,674)
Expenses financed by the funds	-	-	(3,065)	(25,167)	(28,232)
Balance from 2018 reserve fund transferred to equity	-	-	-	(10,869)	(10,869)
Plus:					
Surplus 2018	-	-	10,869	-	10,869
Distribution of the surplus of the financial year	-	-	2,466	-	2,466
Funds not used during the period	-	-	-	-	-
<b>Assets as of December 31st, 2019</b>	<b>\$ 18,401</b>	<b>\$ 196,848</b>	<b>\$ 655,457</b>	<b>\$ 2,000</b>	<b>\$ 872,706</b>
<u>2020</u>					
Minus:					
Expenses financed by the funds	-	-	-	(2,000)	(2,000)
Remainder of the 2019 reserved fund	-	-	9,518	-	9,518
Funds used during the period	-	-	(55,513)	-	(55,513)
Excess, left over from projects	-	-	225	-	225
Distribution of the surplus of the financial year	-	-	106,392	-	106,392
<b>Assets as of December 31st, 2020</b>	<b>\$ 18,401</b>	<b>\$ 196,848</b>	<b>\$ 716,079</b>	<b>-</b>	<b>\$ 931,328</b>

We declare under oath, that the financial statements and their accompanying notes are reasonably correct and are the responsibility of the issuer.

\_\_\_\_\_  
César Fernando Rodríguez Tomeo  
Secretary General

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Julieta García Castelo  
Head of Accounting and Finance



**PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY (PAIGH)**  
**Notes for the Financial Statements**  
**December 31st, 2020**  
**(US Dollars)**

## 1. BACKGROUND AND PURPOSES

The PAIGH was created on February 7th, 1928 during the VI American Conference organized by the Ministers of the American States in Havana, Cuba; and at the request of the Mexican Government, Mexico City was made the headquarters of the PAIGH.

The President of the Mexican Republic, Pascual Ortiz Rubio, by means of a decree dated May 3rd, 1930, made available to the American Nations the building that is being used as of today.

The use of the building as the offices of the Institute was confirmed by the Agreement about the Headquarters between the Government of the United Mexican States and PAIGH, dated May 15, 1980, signed by President José López Portillo.

In 1949, PAIGH signed an agreement with the council of the Organization of American States (OAS), by which it became the first specialized organism of the latter. This agreement was amended and signed in the City of Washington, DC, on May 6th, 1974 and is still in force.

At the 21st General Assembly of the PAIGH held on October 25<sup>th</sup> – 27<sup>th</sup>, 2017, in the City of Panama, Panama, it was agreed to select the authorities who will hold their positions until the 22nd General Assembly, as follows:

President	Mr. Israel Sánchez	Panama
Vice President	Mrs. Alejandra Coll	Chile
Secretary General	Mr. César Rodríguez T.	Uruguay
President of the Cartography Commission	Mr. Max Lobo	Costa Rica
Vice President of the Cartography Commission	Mr. Álvaro Álvarez	Costa Rica
President of the Geography Commission	Dr. Patricia Solís	U.S.A.
Vice President of the Geography Commission	Mrs. Jean W. Parcher	U.S.A.
President of the History Commission	Dr. Patricia Galeana	Mexico
Vice President of the History Commission	Mr. Rubén Ruiz	Mexico
President of the Geophysics Commission	Dr. Mario Ruiz	Ecuador
Vice President of the Geophysics Commission	Dr. Alexandra Patricia Alvarado	Ecuador

The goals of the PAIGH are:

To encourage, coordinate and make widely known the mapping, geographic, geophysical and history studies, also those involving related sciences, that are of interest for America.

To promote and carry out studies and training in these disciplines.

To promote cooperation between the institutes for these disciplines in America, also with the relevant international organizations.

## **2. MAIN ACCOUNTING POLICIES**

The financial statements were drafted on the basis of charges and payments actually made, in order to record the income and expenditures that the operations determine.

The accounting information, also the records and financial statements issued, are prepared by using as currency the United States dollar (as of December 31st, 2020, with \$20.07 Mexican pesos to the dollar).

### **a) Income from membership quotas**

The item of income from membership quotas is the primary source from which the PAIGH obtains funds. In 2020, the recovery of quota payments corresponding to previous financial years amounted to US\$ 63,777 dollars. There is a delay in the payment of these quotas; as of the end of the financial year this amounts to US\$ 927,861. This amount includes US\$ 195,623 from the year 2020 and US\$ 732,238 from previous years. In total, this has gone up by 16.56% compared with the previous financial year.

As is indicated by Articles 27, 28 and 29 of the Financial Rules of the Organization:

Article 27. "The Secretary General is authorized to take the necessary steps towards obtaining the payment of quotas in arrears, from the Member States, and to propose to the Directing Council the draft agreement that has been studied in mutual agreement with the Officials of the Member State in debt."

Article 28. "Member State that on the date of submission of nominations are current in the payment of their quotas or pending payment of up to one quota shall be entitled to have their nationals elected for a position an Officer of the PAIGH."

Article 29. "The Member States which have not covered their contributions for more than five periods, shall not have the right to vote at the meetings of the Institute. Likewise, they shall loose the right for their projects to be approved as well as other benefits".

## **b) Equity**

In total, an increase of 6.72% (US\$ 58,622) in relation to the amount previously present in the year 2019 has been evident; this is mainly because the result of the financial year was positive, due to the fact that there no funds were put into reserve, the statutory meetings were held via virtual media and the operational expenses were reduced. Changes reflected in the situation of the equity of the PAIGH during the financial year under review are shown in Attachment 3.

### **“José Toribio Medina” Bibliographic Resource of the PAIGH**

Based on the written statement issued by the Secretariat for Foreign Relations of the United Mexican States on March 20th, 1997, point number 1 states that: "The Mexican Government, through the National Anthropology and History School (in Spanish, ENAH), will undertake the management of the "José Toribio Medina “ Bibliographic Resource of the PAIGH, consisting of:

- a) Library collections and books.
- b) Library of Collections, journal series and library of magazines and newspapers

In accordance with the loan agreement signed on August 30th, 2002 by the authorities of the PAIGH, of the National Anthropology and History Institute (in Spanish, INAH), and of the National Anthropology and History School (ENAH), the Bibliographic Resource was delivered to the ENAH, for which it is preparing an inventory for the purpose of safeguarding the whole of it.

Under this loan agreement, the use and management of the “José Toribio Medina” Bibliographic Resource of the PAIGH was granted free of charge and for an undefined period.

The resource handed over initially consisted of 184,412 periodic publications, 34,089 books and 4,590 special materials, making 223,091 volumes in total.

Subsequently, further deliveries of material have been made, so that, as of December 31st, 2020, it makes up a total resource of 233,106 volumes, among which there are periodical publications, books, special materials and compact discs.

The delivery under the loan agreement, for the use and management of this resource, has as its only purpose that of managing it and making it available for consultation by the general public at the library of the ENAH. Consequently, the PAIGH has responsibility for checking compliance with this concept and for verifying that the Bibliographic Resource is preserved in good condition.

Within the program of auditing work, a visit to the premises of the ENAH is made regularly to directly check the control and use that is made of the bibliographic archive. In relation to the situation arising from the COVID-19 pandemic in Mexico City, it was not

possible to carry out this visit, which can be rescheduled when circumstances allow it. It should be pointed out that, as of the end of the 2020 financial year, the valuation of this bibliographic archive is not available because the cost of that appraisal is not considered feasible.

### **c) Reserve fund**

As stated in Article 42 of the Financial Regulations of the PAIGH, "The Reserve Fund is constituted to confront any severance payments that may have to be made to the staff of the General Secretariat who no longer work at the Institute. The total of this fund shall be determined by the approximate sum of these payments."

As of December 31st, 2020, the money in the reserve fund for covering payments under this concept amounted to US\$ 18,401.

### **Indemnities for terminations**

In accordance with the Federal Labor Law of the Mexican Republic, the PAIGH is liable to pay indemnities to those employees that are dismissed without justifiable cause.

### **Seniority bonus**

In accordance with the Federal Labor Law, PAIGH staff with 15 years or more of service are entitled, at the time of their termination, to a compensation equivalent to 12 days of wages for each year of service (this salary may not exceed an amount that is twice the general minimum wage of the geographic area, in force at the date of separation).

Employees dismissed without due cause or because of death are entitled to a seniority bonus determined by the number of years that they have worked for the PAIGH, even when these are less than the 15 years of service established by Law.

### **d) Temporary investments**

The cash and temporary investments shown in the financial statements at the end of the financial year were obtained by using the exchange rate of the last day of each month published by the Bank of Mexico and published in the Official Bulletin of the Federation.

Bank	Acct. No.	Type	Currency	Amount US\$ 2020	Amount US\$ 2019
OAS Federal Credit Union	7171-0	Savings account	Dollars	\$ 92,793	\$ 241,870
Inbursa, S.A.	15001970027	Company account	Dollars	8,521	11,671
Inbursa, S.A.	15001970019	Company account	Pesos	30,155	29,928
HSBC Mexico, SA	00199153132	Master account	Pesos	1,014	265
HSBC Mexico, SA	00199305252	Special account	Dollars	<u>77,534</u>	<u>18,680</u>
		<b>Subtotal - Banks</b>		<b>\$ 210,017</b>	<b>\$ 302,414</b>
Cash				<u>\$ 373</u>	<u>\$ 2,554</u>
		<b>Total Banks and Cash</b>		<b><u>\$ 210,390</u></b>	<b><u>\$ 304,968</u></b>

### e) Fixed term deposits

These are represented by the following instruments:

Bank	Acct. No.	Type	Currency	Amount US\$ 2020	Amount US\$ 2019
OAS Federal Credit Union	7171	Fixed term	Dollars	\$ 764,316	\$ 613,485

With OAS Federal Credit Union, the institute has 5 fixed-term certificates that expire and renew at three-month intervals. It should be pointed out that there has been an increase of 24.58% compared to the previous financial year:

Amount US\$	Expiry/renewal date
\$ 100,502	January 2021
102,276	January 2021
100,000	February 2021
261,336	March 2021
<u>200,202</u>	July 2021
Total \$ 764,316	

### 3. TAX SITUATION

The tax situation of PAIGH is based on the Convention on the Privileges and Immunities of the United Nations which, among other provisions, establishes the guidelines for the actions of Diplomatic Representations, as set forth by Article II concerning Property, Funds and Assets. Section seven of the above-mentioned article states that "the United Nations, its assets, income and other property shall be:

- a) Exempt from all direct taxes; it is understood, however, that the United Nations will not claim exemption from taxes which are, in fact, no more than charges for public utility services".

Concerning the tax regulations for the PAIGH office (Mexico), the Federal Tax Code, in section V of the 1998 Transitory Provisions, establishes the "Tax Benefits and Exemptions for Diplomatic and Consular Missions" which, concerning this issue, states: "Diplomatic and consular missions, as well as career diplomats and consular agents, duly accredited with the Mexican Government will be granted tax benefits and exemptions in conformance with the international treaties of which Mexico is a part, or to the extent that there is reciprocity. The Public Finance and Credit Secretariat will issue rules of a general nature to regulate the amounts, time intervals, and conditions for applying these benefits and exemptions, as well as the tax refunds that may be warranted".

Article 104 of the Charter of the United Nations establishes that "The Organization shall enjoy in the territory of each of its Members such legal capacity as is necessary for the exercise of its functions and the fulfillment of its purposes."

Article 105 of the above-mentioned charter establishes that "The Organization shall enjoy in the territory of each of its Members such privileges and immunities as are necessary for the fulfillment of its purposes", and that the members of the UN organization and their representatives shall similarly enjoy such privileges and immunities as are necessary for the independent exercise of their functions in relation to the Organization."

#### **4. PUBLICATIONS STORE**

The storage facility contains publications from multiple years - published by PAIGH - and used for purposes of publicity, distribution and sale.

The inventory as of December 31st, 2019, adds up to the amount of 4,762 items (including periodical and occasional publications) and has not been recorded within the accounting process. The foregoing is only for information purposes and is not part of the audited financial statements.

It should be pointed out that, during last year, the amount dropped from 12,266 items to 4,762, falling by 61.18% (7,504 items), mainly because the exchange is, mainly, through electronic media and the publications are on line.

#### **5. FIXED ASSETS**

The most recent valuation of the inventory of fixed assets was made on February 1st, 2018; the figures obtained from this valuation have been used to update the figures from that date up to the end of the financial year 2020, taking into consideration the corresponding purchases and discharges, as well as the appropriate depreciation.

The current procedure for recording fixed assets acquired from 1995 to the end of 2020, is to directly apply them to the expenses of the period.

#### **6. VARIOUS DEBTORS**

The balance as of the 31st of December, 2020 of USD 6,494 is made up mainly of the costs of airfares open to various destinations, amounting to US\$ 5,328, that were bought so that the President, Vice-President and the Commission Presidents could attend the 93<sup>rd</sup> Meeting of PAIGH Authorities (Mexico, 2020).

## 7. EXPENSES PAID IN ADVANCE

The balance of the account (US\$ 125) is made up of the guarantee deposit paid to "Estación de Servicio Observatorio, S.A." (fuel supplier).

## 8. VARIOUS CREDITORS

The balance of the account is comprised of the following:

Various creditors	2020	2019
6th CAF – PAIGH Agreement	\$ 0	\$ 1,500
7th CAF – PAIGH Agreement	0	4,443
National Geographic Information Center (CNIG)	7,633	5,493
Project funds	3,552	0
IMSS (Social Security) and "Infonavit" charges	3,497	3,549
Operational Expenses	52	0
Publications	625	0
Retirement fund interest	36	207
<b>Total</b>	<b><u>\$ 15,395</u></b>	<b><u>\$ 15,192</u></b>

The last CAF-PAIGH agreement was the 7th; from 2020 onwards this income will no longer be available.

There are two airline fares open to various destinations for the CNIG; initially these were purchased for the purpose of two of its members to attend the 49th Meeting of the Directing Council, which was finally run in virtual media due to the social movement that occurred in Chile, (2019), where the meeting was to be hosted.

Every month, funds are assigned to the quotas for paying the social and accomodation insurance (IMSS and Infonavit) of the employees of the General Secretariat.

### a) Retirement fund

Currently, only one employee has a retirement fund, in accordance with her employment contract, and this will be provided when she ceases to give service to this Institute. The figure, as of the 31st of December 2020, amounts to US\$ 30,120.

## 9. PAYMENTS ON ACCOUNT FOR FUTURE QUOTAS

This item includes the membership quotas paid in advance, as indicated below:

Member States	2020	2019
Costa Rica	\$ 488	\$ 0
Ecuador	12	0
Haiti	<u>3,982</u>	<u>10,776</u>
Total	\$ <u>4,482</u>	\$ <u>10,776</u>

## 10. EQUITY FUNDS

At the end of the financial year this item comprised the following:

Account	2020	2019
Reserve fund	\$ 18,401	\$ 18,401
Operating fund	196,848	196,848
Reserve budget fund	0	2,000
Special fund	609,687	652,991
Surplus from financial year	<u>106,392</u>	<u>2,466</u>
Total	\$ <u>931,328</u>	\$ <u>872,706</u>

Operating Fund.- Article 44 of the Financial Regulations states the following:

"The Operating Fund was set up with the intention of responding to budgetary contingencies of the Institute. The amount of this fund may not exceed 35% of the amount in the Regular Fund of that year."

Detail	Amount	Amount of the Operating Fund
Regular fund	\$ 647,934	\$ 196,848

Special Fund.- This is governed by Article 41 of the PAIGH Financial Rules of Procedure "The Special Fund is made up of any surplus income received from quota payments, which exceeds the Regular Fund and shall be utilized for the special projects approved by the Directing Council or General Assembly. The Secretary General is authorized to deduct up to 5% from each project within the special projects fund for administrative expenses". As of December 31<sup>st</sup>, 2020, this fund amounts to US\$ 609,687.

Taking into account the trends in the payment of the membership quotas and the effects upon the economy of the Member States derived from the sanitary emergency caused by the COVID-19 pandemic, it is recommended that the resources of the Special fund be managed carefully, as this fund supports the management and the operations of the



General Secretariat during the subsequent financial years in which there may be a low rate of income into the Regular fund.

## **11. RESPONSIBILITY FOR THE FINANCIAL INFORMATION**

The financial statements have been approved for issue on May 18<sup>th</sup>, 2021, by Mr. César Fernando Rodríguez Tomeo, Secretary General and Mrs. Julieta García Castelo, who is responsible for the financial information, and are subject to approval by the Directing Council of the Institute.

**We declare under oath, that the financial statements and their accompanying notes are reasonably correct and are the responsibility of those who issue them.**

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**César Fernando Rodríguez Tomeo**  
**General Secretary**

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**Julieta García Castelo**  
**Head of Accounting and Finance**

**PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY (note 1)**  
**LIST OF MEMBERSHIP QUOTAS RECEIVABLE FROM MEMBER STATES ( note 2 a )**  
**as of December 31st, 2020**

Member States	Quotas receivable Accrued to Dec 31st 2020	Quotas of 2020	From Previous Financial Years
Argentina	\$ 37,206	\$ 37,206	\$ -
Belize	12,303	6,794	5,509
Bolivia	17,812	6,794	11,018
Brazil	664,094	80,030	584,064
Chile	7,202	7,202	-
Honduras	10,378	6,794	3,584
Panama	12,303	6,794	5,509
Paraguay	1,695	1,695	-
Peru	5,509	5,509	-
Uruguay	6,794	6,794	-
Venezuela	152,565	30,011	122,554
<b>Total</b>	<b>\$ 927,861</b>	<b>\$ 195,623</b>	<b>\$ 732,238</b>

Payment on account of future quotas: Costa Rica of US\$ 487.50; Ecuador of US\$ 12.00 and Haiti of US\$ 3,982.45

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**César Fernando Rodríguez Tomeo**  
Secretary General

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**Julieta García Castelo**  
Head of Accounting and Finance

**PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY ( note 1 )**  
**COMPARISON OF INCOME AND EXPENDITURE STATES - REGULAR FUND**  
**As of December 31st, 2020**  
**( US Dollars - note 2 )**

<b>Regular Fund</b>		<b>As of December 31st, 2020</b>		
<b>Accounts</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Differences</b>	<b>+(-)</b>
<b>Income to regular fund</b>				
Quotas of the financial year	647,934	452,311	-195,623	
Delayed quota payments	0	63,777	63,777	
<b>Total income to regular fund</b>	<b>647,934</b>	<b>516,088</b>	<b>-131,846</b>	
<b>Expenditures of regular fund</b>				
<b>1. Scientific Area</b>				
Projects				
TAP expenses	196,500	66,132	130,368	
Awards	3,500	3,693	-193	
Grants	34,400	8,000	26,400	
Publications				
Publications	14,400	3,296	11,104	
Editorial Committee	9,000	11,100	-2,100	
Statutory Meetings				
Statutory Meetings	42,240	3,879	38,361	
Tech. Asst. Coord. Area				
Tech. Asst. Coord. Area	148,000	135,103	12,897	
<b>TOTAL FOR SCIENTIFIC AREA</b>	<b>448,040</b>	<b>231,203</b>	<b>216,837</b>	
<b>2. Administrative Area</b>				
Personnel				
Management Area	96,000	90,401	5,599	
Administrative Services Area	74,960	65,089	9,871	
	170,960	155,490	15,470	
Operational Expenses				
External Audit	3,500	1,826	1,674	
Administrative Expenses	25,434	14,493	10,941	
Electric power	3,500	1,926		
Fuel	2,500	735		
Telephone service	2,800	2,102		
Office Materials	2,300	910		
Water supply payments	500	500		
Insurance	1,050	995		
Postal service	1,000	1,000		
Refurbishment & maint. IT equip.	2,500	154		
Refurbish. & maint. transport equip.	1,800	242		
Courier services	800	193		
Sanitary and cleaning materials	900	630		
Kitchen equipment	600	412		
Gen. Secret. Website and e-mail	4,000	3,709		
Misc. Expenses of Gen.Secret.	1,184	985		
<b>TOTAL FOR ADMINISTRATIVE AREA</b>	<b>199,894</b>	<b>171,809</b>	<b>28,085</b>	
Totals	647,934	403,012	244,922	
Disbursements of the financial year being accounted for		68,353	-68,353	
<b>Total expenditures from the regular fund</b>	<b>647,934</b>	<b>471,365</b>	<b>176,569</b>	
Surplus of income over disbursements from regular fund		44,723		

**César Fernando Rodríguez Tomeo**  
**Secretary General**

**Julieta García Castelo**  
**Head of Accounting and Finance**

**PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY - note 1**  
**STATEMENT BY COMPARISON OF OTHER INCOME AND EXPENDITURE**  
**BUDGETED VERSUS ACTUAL**  
**as of December 31st, 2020**  
( US Dollars - note 2 )

Administrative Fund	as of December 31st, 2020		
Accounts	Budgeted	Actual	Differences + (-)
Income to Administrative Fund			
Interest accrued	\$ 1,000	\$ 1,769	\$ 769
Publications	9,000	50,867	41,867
Services to third parties	8,835	6,261	(2,574)
Cooperating Partners	5,000	10,689	5,689
Miscellaneous	1,165	24,777	23,612
	\$ 25,000	\$ 94,363	\$ 69,363
Expenditures from administrative fund			
Infrastructure	7,000	840	6,160
Training courses	2,000	175	1,825
Cultural activities	1,300	179	1,121
Unforeseen circumstances	4,100	1,213	2,887
Water use charges	200	218	(18)
Telephone	400	318	82
Miscellaneous	400	349	51
Financial services	1,100	5,301	(4,201)
Postal services	300	245	55
Losses in currency conversions	8,200	23,856	(15,656)
	\$ 25,000	\$ 32,694	\$ (7,694)
<b>Surplus of income over disbursements from administrative fund</b>		<b>\$ 61,669</b>	

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General Secretary

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Julieta García Castelo  
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