

IPPF
First Draft Year End Projections First Draft
for the year ending 31st December 2020

INTERNATIONAL PLANNED PARENTHOOD FEDERATION

BoT/03.21/DOC 8.1

Board of Trustees
03-04 March 2021

Refers to
agenda item 8.1

Action Required

Board of Trustees will take note of the year end numbers for the year ending 31st December 2020.

As per recommendation of the C-FAR the Board of Trustees approve

- 1) designating as on 31st December 2020 the following amounts:
 - a) One third of cost for the General Assembly to be held in November 2022 - **US\$ 340,000.**
 - b) Systems improvement fund under solution # 7 – **US\$ 3,000,000**
- 2) moving the final balance held in the following designated funds to general reserves and close these on 31st December 2020:
 - a) Strategy Review fund
 - b) Designated Regional Funds

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1) Overview

- a) This document contains the first draft of year end numbers for the year ended 31st of December 2020 which includes a comparison of income and expenditure along with net surplus/ deficit between 2019 and 2020, reserve movement, cash position, the Group Income and Expenditures and the Group Balance sheet as on 31st December 2020.
- b) The teams across the secretariat have been working on book closures. This has taken longer than expected and the final few entries are now being posted. It is expected that the books will be closed by the end of this week. However, this will impact the overall numbers being presented in this report. Some key changes that will take place include:

- i) adjustment for pension movement.
- ii) intercompany transactions with WHR and other regions
- iii) Nexus Initiative recognition of income/ expenditure.
- iv) realignment of Bangkok accounts.
- v) designation of funds for the year ending 2020.
- vi) closures of old dormant restricted project.
- vii) any other yearend adjustments.

The final date for posting year end transaction has been new fixed as 19th of February 2021.

2) Income & expenditure

- a) A summary of income and expenditures for the year ended 31st of December 2020, as compared to the position for the year ended 31st December 2019 is provided in the table below. The consolidated group income and expenditure for the year ending 31st December 2020 is provided in Annex 1. All figures in this report are as per the books as updated on 10th February 2020.

Particulars	Amount \$'000			
	2020			
	Unrestricted	Restricted	Earmarked	Total
Total Income	62,660	102,009	(37)	164,632
Total Expenditures	56,212	102,339	6,931	165,482
Net income over expenditures	6,448	(330)	(6,968)	(850)
Foreign exchange Gain/(loss)	(2,505)	114	(1)	(2,392)
Net surplus/(deficit)	3,944	(215)	(6,969)	(3,242)

Particulars	Amount \$'000			
	2019			
	Unrestricted	Restricted	Earmarked	Total
Total Income	59,741	103,984	-	163,725
Total Expenditures	56,027	101,758	3,610	161,395
Net income over expenditures	3,714	2,226	(3,610)	2,330
Foreign exchange Gain/(loss)	280			280
Net surplus/(deficit)	3,994	2,226	(3,610)	2,610

- b) As can be seen in the table above, the net variance between 2019 and 2020 numbers is circa US \$5.7m. The contributors to this variance include:
- Reduced spending on travel and workshop amounting \$8.6 M
 - Additional Grant paid to MAs and Partners US\$ 7.2 M
 - Increased cost of redundancy US\$ 3.4 M
 - Decrease in Grants from governments and multilateral sources \$366k (see Annex 2).

The above contributors per the source of funding, are provided in tables 1 and 2 below:

Table #1 Grants paid to MAs and Partners (US\$)

Grant to MAs and Partners	2020	2019	Variance (2020 vs 2019)	Percentage
Unrestricted	35,192,440	32,647,040	2,545,401	8%
Restricted	78,694,613	71,357,813	7,336,800	10%
Earmarked	2,862,184	5,586,504	(2,724,321)	-49%
Total	116,749,237	109,591,357	7,157,880	7%

Table #2 Type of expenditure (by source of funding)

Source of Income Expenditure	2019			2020		
	Unrestricted	Restricted	Designated	Unrestricted	Restricted	Designated
Redundancy Cost	0	0	0	3,177	177	55
Salary cost	13,217	9,488	2,205	13,539	9,612	2,245
Travel & Workshops	4,732	5,460	352	924	885	155
Total	17,949	14,948	2,557	17,639	10,675	2,456

3) Movement of Reserves

- a) The overall movement and final balance of reserves/ fund balance as on 31st December 2020, as presented in the Group Balance Sheet provided at Annex 3, has been presented in the subsequent paragraphs, under the following broad headings:
- General reserves
 - Designated reserves
 - Restricted reserves
- b) **General Reserves:** Overall general reserves for the year ending 31st December 2020 is expected to end at US\$ 20,605k. This amount is after incorporating the projected gains from unrestricted core funding as at the year ending 31st Dec 2020 and allocation to designated funds during the year 2020 to the tune of US\$ 2,910k.
- c) **Designated funds:** The draft balance on Designated funds as at 31st Dec 2020 is \$27m. Details of these funds are provided in Annex 4. This balance includes the following projects that are coming to an end in 2020:
- \$89k Strategy Review Fund, to cover the 2020 midterm review
 - \$1,089k Global Gag rule
 - \$4,193k Regional designated funds

A decision on the above funds will be taken by the next C-FAR meeting.

Designated Funds	Clos. Bal. as on 31 Dec 20
Globally funded Projects	9,650
Africa Funded projects	4,333
Europe funded projects	923

Designated Funds	Clos. Bal. as on 31 Dec 20
Designated Regional Funds	4,193
Fix Asset reserves	8,082
Totals Designated Funds Group	27,181

- d) **Restricted fund:** The table below include restricted fund balances held in London and other offices (excluding ARO and EN). It does not include additional projects to be written off due to the region's old balances exercise and FHOK potential costs.

(Figures in US\$ '000)

Restricted Funds to 31st Dec 2020	Balance as on 1 st Jan 20	Income 2020	Expenditure 2020	Balance as on 31 st Dec 20
Government				
Australia				
<i>SPRINT III and SPRINT & Sulawesi Response</i>	735	4,358	(2,341)	2,752
<i>The Pacific Strategy</i>	537	1,495	(985)	1,047
<i>RENEW</i>	51		(1)	50
<i>SARO GBV and CSE (CO)</i>	107		(79)	28
<i>SGA Samoa and AusAid SARO</i>	76	139	(124)	91
<i>Australia - Governance Pilots</i>		184		184
Belgium - She Decides	1,610		(1,488)	122
Canada				
<i>She Decides</i>	558	1	(483)	76
<i>Enabling & Empowering Young People</i>	1,779	1,778	(1,498)	2,059
China - China 2018 and China 2020	57	736	(602)	190
Denmark Geneva Friendship Retreat, Support for RHU	637	160	(591)	206
Germany				
<i>BMZ West Africa EUR2mil (CO)</i>	120	1,029	(724)	425
<i>SRH Women & Youth Palestinian, Sudan</i>	24		(13)	10
Japan				
<i>Trust Fund HIV/AIDS - Phase X to XX</i>	2,432	8	(722)	1,718
Netherlands, GUSO, Civil Society and ICPD	551	1,070	(1,302)	320
New Zealand -SRHiE, Pacific Strategy, others	564	1,422	(616)	1,370
Norway - FGM II 3 Arab World Countries	114	291	(389)	16
Switzerland - Geneva Office and Solutions	19	210	(229)	()
United Kingdom				
<i>WISH Lot 1 - IPPF</i>	23	6,146	(3,830)	2,339
<i>WISH1 Commodities, Cash Advance to MAs</i>			(748)	(748)
<i>WISH2ACTION</i>	8,969	64,042	(54,022)	18,989
<i>WISH2Action Inc accrual Commodities, Advance MAs and ARO exp</i>			(3,463)	(3,463)
<i>UK Connect - ACCESS SRHR</i>	(681)	2,418	(1,366)	370
Total Government	18,282	85,487	(75,617)	28,153
Multilateral and other sources				
Bergstrom: Support ARO	(165)	228	(61)	3
Gates F: MSI/IPPF CCSPT, Countdown 2030, DMPA- injectable contraceptive	335	167	(332)	171

(Figures in US\$ '000)

Restricted Funds to 31st Dec 2020	Balance as on 1 st Jan 20	Income 2020	Expenditure 2020	Balance as on 31 st Dec 20
GIZ - Policy to Practice, Integration for Sustainability	251		8	260
The Global Fund to Fight AIDS	118	66	(71)	113
Hewlett: Gap Funding, Business Plan	105	450	(227)	328
Korea Foundation -ESEAOR SRH Transformation & Resilience		406	(187)	219
Packard Foundation: Stigma,AULO, Solutions	953	701	(566)	1,088
Various: Governance Reform1	(114)		114	
Various: Transition and Reform 2	184	1,207	(1,392)	()
Multidoor Emergency/Appeal C-19		2,748	(2,286)	461
Anonymous- Access Contraceptive Remote Areas	452			452
Anonymous- GCACI	1,288	4,265	(5,553)	
Anonymous- Policy Advocacy for Safe Abortion	643		(234)	409
Anonymous- Cote d'Ivoire Consortium, other	(21)	824	(660)	143
UN Population Fund: FP2020, Transformative Agenda	61	14	(49)	26
Helen Seymour Fund	81			81
Sir David Owen Memorial Fund	36			36
Levi Strauss	40	200	(40)	200
Other	657	731	(595)	799
Total Multilateral and other sources	4,903	12,006	(12,130)	4,787
Other Entities				
Nexus – various donors	3	635	(550)	88
SAAF Programme – various donors	1,174	4,538	(5,101)	611
She Decides Unit – various donors	1,519	674	(1,439)	754
Total Other Entities	2,696	5,847	(7,090)	1,453
Other Projects in the process to be closed	1,089	(168)	46	967
Restricted Funds movement	26,970	103,173	(94,790)	35,360

Action

A detailed deliberation took place at the DLT meeting held on 16th February 2021 on all the funds present. It was agreed to present to the C-FAR for their consideration the following decisions:

1. At the end of the year 31st December 2020, balance funds held in the following designated funds will be moved to general reserves and these funds be closed:
 - a. Strategy Review fund
 - b. Designated Regional Funds
 2. At the end of the year 31st December 2020, the following funds amounts will be designated for specific initiatives:
 - a. General Assembly Fund US\$ 340,000
 - b. Solution # 7 for systems strengthening US \$3 Million
- In order to draw down these funds, a proposal will be submitted to the DLT for its approval.

4) Cash Balance

- a) The December cash position for IPPF is at \$58.9m under the London office and a further \$12.3m held in regional office floats/ designated funds. The table below shows 83% of cash is held by London office and 17% is held by regions of which 58%, \$7m is held in Africa regional office. The 2020 cash level didn't show a significant change from 2019 level despite many program is affected by COVID Pandemic.

Bank account	Cash balance (US\$)
BARCLAYS NO 1 USD # 73952166	23,222,428
MORGAN STANLEY USD # 478049152	11,001,013
BARCLAYS GBP # 50036226	6,815,742
BARCLAYS AUD # 69011866	5,228,695
BARCLAYS EUR # 86717100	1,005,806
BARCLAYS DKK # 56337199	646,115
BARCLAYS NO 2 USD # 88592300	382,380
BARCLAYS CAD # 87723877	363,574
BARCLAYS CHF #56269366	153,821
BARCLAYS EC EUR # 72522200	144,419
BARCLAYS NOK # 84155344	41
BARCLAYS SEK # 74882633	17
Long term Deposits	10,010,769
Total Funds (under London Office)	58,974,821
Cash floats/ project funds in Regional office	12,303,571
	71,278,393

Annex 1 Group Income and Expenditures 2020

International Planned Parenthood Federation				
Group Income and Expenditure				
31-Dec-20				
	Unrestricted Amount (in \$)	Restricted Amount (in \$)	Designated Amount (in \$)	TOTAL Amount (in \$)
Income from				
Grant income	61,801,750	36,326,834		98,128,584
WISH Fees	-	33,986,521		33,986,521
WISH Re-imbursables	-	31,985,446		31,985,446
CASH DONATION	761,316	38,017		799,333
COMMODITY SALES	1,439,228	3,982,388		5,421,615
INTEREST INCOME	185,912	9,529		195,441
INVESTMENT INCOME	34,499	12,206		46,705
OTHER INCOME	44,615	-	9,698	54,313
Cost of Goods Sold	- 1,607,342	- 4,331,654	- 46,635	- 5,985,632
TOTAL INCOME	62,659,978	102,009,285	- 36,937	164,632,326
Expenditures on				
SALARIES, BENEFITS, SESSIONAL	16,715,099	9,789,663	2,300,933	28,805,695
PROFESSIONAL SERVICES	2,828,664	4,325,625	1,014,918	8,169,207
TRAVEL and TRANSPORT	525,851	640,103	122,366	1,288,321
CONFERENCE AND MEETING COSTS	237,175	238,226	58,106	533,508
FACILITIES	63,191	31,068	916	95,175
MEDIA, PUBLICATIONS AND ADVERTISING	191,931	307,371	59,033	558,335
OFFICE SUPPORT COSTS	218,397	152,758	1,800	372,955
INFORMATION TECHNOLOGY	665,954	199,847	56,756	922,557
OFFICE SUPPLIES	86,052	50,445	8,415	144,913
CLINIC SUPPLIES	1,667	115,735		117,402
OCCUPANCY COSTS	884,129	191,465	49,987	1,125,581
REPAIRS MAINTENANCE EQUIPMENT FURNISHINGS	3,980	66,359	194,976	265,316
CAPITAL EXPENDITURE	179,994	-		179,994
IT ASSETS DEP	69,919	118,024		187,943
OTHER EXPENSES	257,395	28,652	496	286,544
FORGN EXCHANGE GAINS LOSSES (EXPNSD)	- 9,562	837	- 363	- 9,087
MISCELLANEOUS	- 4,312,914	4,420,998	441	108,526
CASH GRANTS	33,724,595	76,060,721	2,993,076	112,778,391
COMMODITIES GRANTS	1,025,815	3,900,000		4,925,815
GRANTS TO OTHER SECRETARIAT OFFICES	2,585,774	279,988	69,317	2,935,079
MA SUPPORT	268,662	1,420,902		1,689,565
TOTAL EXPENDITURE	56,211,767	102,338,789	6,931,176	165,481,732
NET OPERATING INCOME	6,448,210	- 329,504	- 6,968,112	- 849,406
FOREIGN EXCHANGE GAINS/LOSSES	- 2,504,602	114,014	1,099	- 2,391,687
Net movements in funds	3,943,608	- 215,490	- 6,969,212	- 3,241,093
Total funds brought forward 1st of January	19,645,000	29,024,000	31,168,000	79,837,000
Transfer Betw een Funds	- 2,982,716		2982715.88	
Total funds as at 31st of December	20,605,892	28,808,510	27,181,504	76,595,907

- *Group Income and expenditure has been adjusted to include settlement of intercompany transfer of funds (which was earlier charged to Grants to Secretariat offices in the above statement).*
- Grant income for 2020 exceeds target by 6% and by \$0.9m compared to 2019 figure. The increase mainly attributed to the additional core income of Euro 6 million from Germany and increased funding due to COVID-19.

- Commodity grant and related cost of goods sold to the tune of \$4.9m have been included in this report.
- Grant paid to members has increased from \$109m in 2019 to \$116m in 2020. This is an increase of 7% due to COVID 19 related grant. Breakdown by source of funding is provided in table below.

MA and Partner Grant Core Allocation and Spent by region

MA	Allocation	Spent	Variance	Variance %
Africa	16,327,182	14,917,370	1,409,812	9%
Arab World	3,669,030	1,959,484	1,709,546	47%
ESEAOR	4,101,579	4,196,768	-95,189	-2%
Europe	1,467,613	1,345,174	122,439	8%
South Asia	5,870,448	6,208,824	-338,376	-6%
WHR	5,870,448	5,365,638	504,810	9%
Total	37,306,300	33,993,258	3,313,042	9%

- Based on the draft figures MA grant allocations from core fund registered a burn rate of 91% despite AWRO rate is at 52%. This is mainly due to fund held by the regions for the support provided to MA in the form of technical assistance, utilized at the regional office levels.

Annex 2 Income by Government and Multilateral/ Bilateral Donor

Donors Name	'2020	'2019	Variance	%
DON1 Bergstrom Foundation	228,480	313,923	(85,443)	-27%
DON2 Open Society Foundation	-	250,000	(250,000)	-100%
DON623 Bill & Melinda Gates Foundation	500,000	654,256	(154,256)	-24%
DON630 The William and Flora Hewlett Foundation	1,550,000	1,000,000	550,000	55%
DON665 David and Lucile Packard Foundation	700,000	500,000	200,000	40%
DON679 Large Anonymous Donor	7,040,764	11,082,596	(4,041,831)	-36%
DON68 RUTGERS	1,070,046	1,586,265	(516,219)	-33%
DON681 United Nations Population Fund	468,151	29,026	439,125	1513%
DON696 Government of Belgium	238,893	2,287,076	(2,048,183)	-90%
DON698 IPPF EN AISBL	166,442	-	166,442	100%
DON70 SEX SAMFUND	38,779	206,439	(167,660)	-81%
DON703 Pentera Trust	62,362	66,174	(3,812)	-6%
DON710 Government of Germany	17,840,086	13,486,845	4,353,241	32%
DON710 Government of Germany (GIZ GERMANY) (Formerly known as GTZ)	-	141,505	(141,505)	-100%
DON710 Government of Germany : BMZ GERMANY	-	1,309,885	(1,309,885)	-100%
DON711 Government of China	735,673	800,322	(64,649)	-8%
DON713 Government of Australia	7,198,233	5,944,681	1,253,552	21%
DON714 Government of United Kingdom	52,263,010	58,670,268	(6,407,257)	-11%
DON848 Foreign, Commonwealth & Development Office	667,214	-	667,214	100%
DON716 Government of Canada	351,426	6,424,617	(6,073,190)	-95%
DON717 Government of Japan	3,982,049	6,172,114	(2,190,065)	-35%
DON718 Government of New Zealand (MFAT)	3,001,650	2,018,968	982,682	49%
DON734 AT ESEAOR	549,252	1,630,551	(1,081,299)	-66%
DON720 Government of Denmark	9,916,694	9,380,071	536,623	6%
DON721 Government of Finland	1,580,030	1,483,657	96,373	6%
DON723 Government of Netherlands	5,303,688	5,220,428	83,261	2%
DON727 Government of South Korea	132,749	-	132,749	100%
DON728 Government of Norway	8,149,903	9,087,250	(937,347)	-10%
DON729 Government of Sweden	12,306,948	12,261,357	45,591	0%
DON735 Government of Switzerland	2,310,224	900,294	1,409,930	157%
DON735 Government of Switzerland	-	2,126,147	(2,126,147)	-100%
DON751 THE CHILDRENS INVESTMENT FUND FOUNDATION LONDON	-	250,000	(250,000)	-100%
DON756 MARIE STOPES INTERNATIONAL	5,354,635	2,011,573	3,343,062	166%
DON792 Levi Strauss Foundation	300,000	-	300,000	100%
DON799 Government of France	94,340	-	94,340	100%
DON816 IPPF WORLDWIDE INC.	30,291	105,718	(75,427)	-71%
Others	17,990,505	2,834,629	15,155,876	535%
Other Donors	1,235,226	3,487,349	(2,252,123)	-65%
Total	163,359,762.54	163,726,000.00	(366,238.46)	-0.22%

Total grant for the year is at par compared to 2019 despite 32% increase by Government of Germany, 49% by Government of New Zealand ,157% by Government of Switzerland, Marie Stopes International up by 166%.

INTERNATIONAL PLANNED PARENTHOOD FEDERATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
BALANCE SHEET-Group

	2020	2019
	USD	USD
	Total	Total
FIXED ASSETS		
Tangible Assets	20,163	20,204
Investments	2,669	2,847
Long term loans	303	207
	23,135	23,258
CURRENT ASSETS		
Stock of goods	181	195
Debtors	29,703	22,471
Cash at bank	71,278	70,853
CREDITORS : amounts falling due within one year	(36,236)	(25,474)
NET CURRENT ASSETS excluding Pension liability	64,926	68,045
Provisions for liabilities and charges	(842)	(842)
Defined benefit pensions liability scheme	(10,624)	(10,624)
TOTAL NET ASSETS including Pension liability	76,595	79,837
Represented by:		
Unrestricted		
General	17,834	16,873
Designated	27,182	31,168
Revaluation Reserve	12,122	12,122
Restricted	28,808	29,024
Endowment	1,274	1,274
Pension reserve (CO only)	(10,624)	(10,624)
TOTAL FUNDS AND RESERVES including Pension liability	76,595	79,837

Annex 4 Details of Designated Funds

Designated fund	Fund responsibility	Open bal. on 1 Jan 20	BOT/ GC Revision	Revised opening balance	Actual to Dec 2020	Clos. Bal. as on 31 Dec 20
Innovation Fund	Programmes	753		753	476	277
DB Pension Liability Fund	Operations	(62)	1,807	1,672	1,956	(163)
Social Enterprise Acceleration Programme	Programmes	678		678	202	476
Digital Efficiency and Effectiveness Fund	Cross-division	310		310	60	251
DG Contingency Fund	DGO	362		362	0	362
Legal cost *	DGO	0	150	150	31	119
Strategy Review Fund	DGO	409	(299)	110	21	89
Other funds (Newham's Row Repair Fund, GC Awards, Cost Share Fund)	Various	192	(0)	192		192
Americas & Caribbean creation	A&C Region		575	575	390	185
Solution funds						
Solution 1&2: Build the Movement and Opposition Fund	Ext Relations	2,565		2,565	344	2,221
Solution 3: Enable and empower young people/ Youth Manifesto/ Audit	Programmes	1,333		1,333	(2)	1,335
Solution 4: Build MA capacity - Global Gag Rule	Ext Relations	2,565		2,565	1,470	1,095
Solution 5: Lead access to SRHR in crisis and	Humanitarian	1,022		1,022	98	924
Solution 5: DG Emergency Fund (include C-19 TF commodities)	DGO	334	300	634	414	220
Solution 6: Develop leaders, boost culture	People, Organization and Culture	1,260		1,260	159	1,101
Solution 7: Systems improvement	Finance & Tech	558	500	1,058	93	965
Other closed funds		50	(50)	0	0	(0)
Subtotal Central Office Projects		12,329	2,910	15,239	5,713	9,648
Designated Regional Funds		5,492		5,492	1,384	4,108
Totals Designated Funds Charity		17,821	2,910	20,731	7,097	13,843
ARO projects		4,333		4,333		4,333

Designated fund	Fund responsibility	Open bal. on 1 Jan 20	BOT/ GC Revision	Revised opening balance	Actual to Dec 2020	Clos. Bal. as on 31 Dec 20
EN projects		932		932	10	923
Fix Asset reserves		8,082		8,082		8,082
Totals Designated Funds Group		31,168	2,910	34,078	7,107	27,181

DRAFT