

**Summary**

This paper summarises the assessment undertaken by the management of whether IPPF is a going concern, taking account of current events and conditions and the most current information available about the future ending 31<sup>st</sup> December 2025.

***Action Required:***

The C-FAR to review and accept the going concern note as prepared by the management and recommend it for approval by the Board of Trustees for the purpose of audit of financial statements for the year ended 31st December 2023.

**1) Executive summary**

This paper summarises the management's assessment on whether IPPF is a going concern, based on its current knowledge of the events and conditions and information available about the future.

After due consideration, the management believes that although there are some uncertainties on the unrestricted core income side, these are not material enough to cast significant doubt about IPPF's ability to continue as a going concern until at least 31<sup>st</sup> Dec2025. The key reasons for this are:

- IPPF has multi-year agreements with its key donors for both restricted and unrestricted funds.
- Most of IPPF's unrestricted core donors have had a long and strong relationship with IPPF. Through all the ongoing engagements there are no apparent signs of change in either their commitment to SRHR or their relationship status with IPPF. Even where there is a change in contribution, a reduction in one generally is compensated by an increase by the other. This most likely will be the case with the reduction in Swedish funding being partially compensated by the Netherlands providing additional core funding.
- Following the approval of IPPF's new strategy in 2023, a number of core funding contracts have been renewed and signed off, in line with the new Strategy. As of December 2023, contracts of circa 51% of 2024's budgeted unrestricted core funding had been signed with donors, and 85% of budgeted income if you include awarded, but not yet contracted.
- IPPF's projected cash flow position across all funding sources demonstrates a positive balance throughout the period under review.
- IPPF has multiple times demonstrated ability to reduce/ control costs when there is a risk of a reduction in core funding.
- IPPF has earmarked designated funds to cover costs relating to its strategic initiatives to support delivery in specific areas of its strategic framework, whilst maintaining the general reserves in line with the general reserves policy.
- IPPF has also designated funds in the form of a stabilisation fund which provides funding in case of any significant cut by any donors that are undergoing negotiations for renewal of grant agreements or disallowance of costs on account of any ongoing audits.
- IPPF successfully closed a large multi-year forensic audit in one of its most high risk regions / offices, containing the possible disallowance to circa US\$ 100k.

## 2) 2024 budgeting

The unified Secretariat budget for 2024 has been maintained as a balanced budget and developed using conservative assumptions. The Secretariat costs have been contained at 31.76% of total unrestricted core income, thus allowing more funding to be available for Member Associations.

All areas of this budget were compiled bottom up with very little discretionary spend available after committed costs (such as salaries, rent, insurance premiums, software licences, emergency travel, etc).

## 3) Unrestricted core income

### a) *Grant Income*

The 2024 budgeted core income from donors and foundations was set at US\$55,919k based on the confirmed agreements and/ or commitments in place by donors at the time of budgeting. This would have been 3% greater than the 2023 budget and 5% greater than actual amount (US\$55,919k vs US\$53,097k as per Dec management accounts). It must be noted the budget income doesn't include any additional or reduced core funding, subsequent to budget setting date in the scenarios below (see sub bullets presented below).

- i) Donor contracts with the governments of Australia, Denmark, Hewlett, Netherlands, Finland, Norway, Switzerland, Ireland and New Zealand have been signed off. These represent 51% of total unrestricted core funding.
- ii) As part of the ongoing negotiations, there is a likely reduction of unrestricted core income from
  - o Government of Sweden to the tune of US\$3.4k on account of reduction of 35m SEK.
  - o Japan has also been awarded though at a slightly lower rate, however the exact amount would be known on receipt of draft grant agreement from the Government of Japan. Confirmation letters from Japan and South Korea are currently anticipated to be a combined US\$643k less than budget.
- iii) On the other hand, there is a potential for an additional funding, which is likely to offset some of the likely reduction from Sweden from:
  - o the Government of Netherlands €4m, that was not included in the budget (This potential top up is currently unconfirmed).
  - o The Government of Germany agreed to allocate EUR 15.5 million core funding for 2024, against the originally budget unrestricted core funding of EUR 15 million. Germany has already awarded the additional funding, though contract the budget is awaiting Parliamentary approvals. Following which the grant agreement will be signed for 2024.
- iv) In order to respond to the likely cut , savings plan are underway as part of the reforecast to mitigate against this loss of income. Further to this
  - o there continues to be ongoing discussions with the government of Sweden to reassess the award, as we are still negotiating the new contract, which is yet to be finalised.
  - o engagement is ongoing with Government of Germany, Netherlands on possible early signing of the core grant agreement.

- v) Annual confirmation letters from China, Korea, and Malaysia are due by end of Quarter 3 of 2024.

Whilst calculating overall core grant income for 2024-25, three potential scenarios have been compared as follows, as well as the original budget (Assumptions can be seen in Appendix B). We have gone by the most likely scenario which better represents the reforecast position.

Scenario	2024	2025
Base Case (Budget) compared to 2023 Actuals	2.2% increase	9.6% YOY drop
Most likely (Forecast) compared to 2023 Actuals	3.2% drop	4.6% YOY drop
Worst case compared to 2023 Actuals	6.0% drop	2.7% YOY drop
Best case compared to 2023 Actuals	6.1% drop	8.1% YOY drop

b) *Other Income:*

The 2024 budgeted core income includes US\$9.5 million which comprises overhead recovery \$3.8Mn and donations, rental income and interest of \$5.7Mn.

As part of the above, IPPF has set up its individual giving programme to capitalise on fundraising opportunities. This programme has been performing reasonably well and a total unrestricted core income budgeted income for 2024 under this programme is \$3.6m. The budget for 2023 was \$3.7k, and actuals were \$928k greater than budget due to 1 x large bequest of \$1.4Mn. There is a chance that the programme will continue to perform well and thereby be able to generate funds greater than the amount budgeted.

c) *De-risking against exchange rate fluctuation*

It should be noted that 86% of IPPF's unrestricted funding (based on budget) is received in non-US\$ denomination from donors (in their local currencies). In order to derisk the budgeting exercise, the entire amount of income has been fully hedged with forward contracts against US\$.

Any additional contracts will also be hedged upon contract signing as soon as informed.

#### 4) Cashflow forecast

The cashflow forecast for the period January 2024 to December 2025 is shown in Appendix A. This is based on the 2024 budget approved by the Board of Trustees on 24<sup>th</sup> November 2023 and projected income and expenditure, using certain assumptions as provided below.

As can be seen from the forecast, the consolidated cash balance remains positive every month and the average cash balance during this period is US\$55,603k (including restricted balance). The core grant instalments payable to Member Associations are in line with the general trend to the months of January, May and September. Some grants are phased into Oct & Nov. Experience has shown that the requests for payments come in at different times, invariably delayed and that gives IPPF even a better cushion in the core funds, as most of our core grants are received in the second half of the year.

The cashflow incorporates additional US\$11.84Mn of designated expenditure in 2024 which does not include the \$4Mndesignations requested in Feb 2024 and not yet approved by the Board of Trustees. US\$ 2Mn relates to defined benefit pension contribution (including charges for trustee services, accounting, audit, investment management) and other spending under designated funds.

As far as the restricted income in the cashflow is concerned, it has been kept in line with approved budget for 2024 and for 2025 it is kept at similar levels as in 2024 with the exception of 2 big projects that end in 2024.

2024 expenditure is in line with approved budget across all funding streams. For expenditure in 2025, a 3% increase is assumed y-o-y for core and designated spends. For restricted spends in 2025, it has been kept in the same proportion of 2024.

## 5) Additional Designations

As we transition into the new strategy 2023-28, we also have been observing a lot of headwinds in terms of reprioritising allocation of funds by governments to wars, negative move during 2023 we had a number of MAs experiencing financial difficulty due to pandemic-related loss of income and cashflow pressures and a sum of US\$ 6 million out of general reserves was designated to the Stabilisation fund, to ensure the Secretariat and selected MAs can navigate uncertainty.

Over and above 2023 designations, IPPF has the following additional funds designated/ awaiting approval for designation in 2024. These include those

• Defined benefit pension scheme costs 2024	US\$ 2.109 Mn.
• Global Consortium Grant 2023	US\$ 1.6 Mn
• Funds and centres underspend	US\$ 0.05 Mn.
• Regional Forum allocation	US\$ 1.25Mn.
• Stream 2 Consortium Grant for the Sex Worker initiative (2024)	US\$1 m
• Strategy Stabilization Fund for KALAVAI + Population on the move	US\$900k
• Policy consultation as part of the regional forum meetings in 2024	US\$500k
<i>Current designation for the regional forum are US\$ 1.25 million.</i>	
• Identity (Charter & Rebrand)	US\$500k
• General Assembly (2025)	US\$ 400k
• General Assembly (2025) additional	US\$400k
• Stream 2 Consortium Grant for the HIV initiative (2023)	US\$300k

## 6) Bid pipeline 2024 and beyond

In addition to the above, IPPF is actively pursuing funding opportunities to mitigate any risk to the newly realigned structure and IPPF's operations. In this context, the following paragraphs present additional funding opportunities that have either already been signed up or are in the pipeline.

- a) Two new opportunities were contracted in December 23 and have now been handed over to the programme team:
  - Japan Supplementary Budget 2023 support for Afghanistan, Palestine, Sudan, Yemen, Ukraine (5 grants, \$1.9M in total).
  - Luxembourg Advocacy in West Africa 2024-2026 (\$1.7M).
- b) A restricted project proposal for **FCDO WISH Dividend Lot 2 (\$95M)** has submitted in December 23.
- c) At the end of **January 2024**, we have yet to contract new opportunities for 2024. There are **40 opportunities** actively in progress in the bid pipeline. We have also engaged this year in supporting MAs on a further **24 opportunities** across **5 regions**. There is currently **74.1 million** secured funding for **2024**. No new opportunities were **contracted** in **January**. Further projects at an advanced stage in the bid pipeline include:

- Two new restricted fund contracts were submitted in January 24. These include:
  - EU Equality and inclusion of LGBTIQ persons (\$3M)
  - Wyss concept note on Abortion Care in ACRO (\$2M)
  
- Ongoing and new restricted proposal developments for February and March 24 include:
  - DFAT RESPOND Phase II (\$8.6M over 4 years)
  - FCDO Equal, Safe and Free LGBT Fund in ACRO (\$6M over 3 years)
  - Gates West Africa Advocacy (\$4.5M over 3 years)
  - Gates Biomedical HIV Prevention (\$2.5M over 2 years)
  - UN Trust Fund to End VAWG ACRO 2024 (\$1M)
  - IDRC Improving Sexual, Reproductive, Maternal and Mental Health among Populations Experiencing Vulnerabilities In Tunisia (\$370k) and Morocco (\$370k)
  - AGFUND AWRO SGBV Programme (\$200k)
  - Gavi TA for HPV Vaccine Programme Framework Agreement – consortium partnership with Ginger International
  - USAID ACCESS preparation

## 7) General Reserves

IPPF's reserve policy was updated and approved by the Board of Trustees in December 2021. It recommended a minimum level of reserves of US\$19m - US\$26m to ensure uninterrupted operation and to provide time to adjust to a change in financial circumstances. After all the designations, IPPF is still projected to have total general reserves for the year ended 31<sup>st</sup> December 2023 of approximately US\$24.2m. This remains within the levels approved by the Board to cover any risk related eventualities should they arise during this period.

## 8) Additional Considerations

### a) *Set up a dashboard for oversight of grants to Member Associations/ Partners*

In our journey to become the MA-centric federation and enhancing greater accountability, this year, IPPF launched the IPPF Dashboard, a business intelligence platform that integrates all institutional business data sources into one place. This dashboard is now available online to all secretariat staff. This is the first time that we have collected and collated live data from multiple systems into a single point of access enabling us to view, query, and use the latest data to inform decision-making and how we engage with our member associations and partners. This has now significantly enhanced our ability to oversee grant funds allocated to MAs and engage engagement with all our partners/ MAs with the knowledge of triangulated data at the global, regional, country, and entity level.

### b) *Set up a robust unrestricted core funding agreement tracking mechanism*

In line with our ongoing efforts of building improved system we have now set up an upgraded unrestricted core funding agreement management system that enables us to review of MA grant amounts submitted via business plans, all the way through to raising purchase orders and managing amendments post-signing. This has significantly improved our controls and thus our ability to oversee our unrestricted core grants to MAs. The system ensures:

- improved oversight and controls for the MA Development and Support teams and
- bringing significant operational efficiencies in managing core grants and reports.

### c) *Timesheet management and Cost recovery system*

In line with our ongoing endeavour to bring systems that help us become more efficient and accountable and also enable us to correctly recover our core costs from restricted projects, we have launched the Timesheet Management System on Netsuite, that will enable IPPF to in a streamlined manner track time utilisation of its staff. This system will improve our ability to

- Accurately posting costs where they belong.
- Efficiently track direct and indirect costs.
- project management due to real-time visibility of time utilisation and resource optimization.
- significantly streamline month-end/ year end closing process and
- finally significantly improve compliance with donor regulations.

Along with the timesheet system, IPPF has recently set up a new cost category guideline that will facilitate its ability to better calculate its cost recovery rates and thereby ensure greater recovery under all restricted project proposals. This will also ensure that IPPF over the next few years would successfully be able to minimise subsidising projects from its unrestricted funding. This will be fully in line with IPPF cost recovery policy.

## **9) Inherent Risks**

### *a) Impact of country level polarisation*

The current polarisation might lead to temporary shut-down or curtailment of IPPF's activities in specific countries (Iran was the latest example in 2022, but this has no or very limited overall impact as we operate in nearly 140 of them), the very broad government support base which limits the effects of donor level political swings. We have not seen long-term changes in "customer behaviour" stemming from the covid-pandemic (if anything, donor attention to global health has intensified) or from the Dobbs decision (overturning Roe v Wade has, if anything, brought increased attention to the centrality of women's rights, and in particular sexual and reproductive rights, to the struggle for democracy and rule of law).

### *b) Inability to remit donor funds to sanctioned countries*

IPPF remains in good stead with its banker, Barclays Bank, with ongoing approvals granted under the extended due diligence process year on year. Additionally in 2023 we have successfully be able to open another route for remitting funds this year, by clearing the extended due diligence process with Crown agent bank in the UK. Crown Agent Bank, have boutique operations to enable facilitating payments to difficult to reach countries. We now use this bank for payments to Afghanistan and are also exploring remitting funds to other difficult to reach countries.

### *c) More European Governments seeking refunds*

Over the last year or so we have seen increased interest in a lot of European governments seeking refund of funds in cases where financial wrongdoing has been found, either at the country level or the secretariat level. This is very different from the approach followed by these governments, where they were appreciative of quick and decisive action taken by IPPF, but never used to ask for a refund, as they understood that the funds had already been lost and asking for a refund would only create higher pressure on IPPF.

In some cases we have observed that the governments go back into cases which have been closed more than a few years ago.

In the above context, our efforts on strengthening our global assurance programme, our whistle blowing programme (safereport), our due diligence programme and our training on financial

crime related matters, is likely to continue to help us build stronger systems of oversight, thereby minimizing likelihood of fraud and financial mismanagement and loss of further funds.

#### **10) Worst case scenario**

In the worst-case scenario, if donors were to default on their funding commitments, IPPF would reduce both its own core costs and core funding disbursements to Member Associations. This is a process we are currently going through to seek savings targets of \$2Mn for the reforecast to offset the reduction in Sweden Income previously mentioned to maintain and protect the existing level of funds to Member Associations.

In the case of significant financial difficulties, IPPF could sell or mortgage its investment in the following land and buildings which it owns:

- two properties (one in London and the other in Kuala Lumpur) and an investment property in London.
- land in Nairobi.
- one property in Brussels.

#### **2) Conclusion**

In considering all the factors above, the management is of the view that IPPF is a going concern until at least 31st December 2025.

## Appendix A

IPPF Cashflow	Based on Budget 2024												Based on Assumptions for 2025													
	Opening Balance	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	
<b>TOTAL UNRESTRICTED CASHFLOWS</b>																										
Opening Balance	36,172	36,172	22,506	24,390	22,743	21,890	8,664	7,611	17,803	45,175	44,123	36,784	39,981	37,551	23,451	25,282	23,562	22,652	9,006	7,884	17,978	45,291	44,150	36,568	39,536	
Projected Inflows		793	3,663	793	1,029	793	1,222	13,493	29,301	1,901	794	10,850	808	793	3,663	793	1,029	793	1,222	13,493	29,301	1,901	794	10,850	808	
<b>Total Inflow(Income)</b>	<b>36,965</b>	<b>26,169</b>	<b>25,183</b>	<b>23,772</b>	<b>22,683</b>	<b>9,887</b>	<b>21,104</b>	<b>47,104</b>	<b>47,076</b>	<b>44,917</b>	<b>47,633</b>	<b>40,790</b>	<b>38,344</b>	<b>27,114</b>	<b>26,075</b>	<b>24,591</b>	<b>23,445</b>	<b>10,228</b>	<b>21,377</b>	<b>47,278</b>	<b>47,193</b>	<b>44,945</b>	<b>47,417</b>	<b>40,344</b>		
Projected Outflow - MA Grants		12,124	18	635	133	12,124	309	548	148	1,174	6,331	5,931	1,447	12,488	19	654	137	12,488	318	564	152	1,209	6,521	6,109	1,490	
Projected Outflow -Other Secretariat Costs		696	467	600	526	578	731	544	525	532	569	492	483	717	481	618	542	595	753	561	540	548	586	507	497	
Projected Outflow - Salaries		1,639	1,295	1,205	1,224	1,316	1,236	2,208	1,256	1,247	1,233	1,229	1,309	1,688	1,334	1,241	1,261	1,355	1,273	2,275	1,294	1,285	1,270	1,266	1,348	
<b>Total Outflow</b>	<b>14,459</b>	<b>1,779</b>	<b>2,440</b>	<b>1,883</b>	<b>14,018</b>	<b>2,276</b>	<b>3,301</b>	<b>1,929</b>	<b>2,954</b>	<b>8,133</b>	<b>7,652</b>	<b>3,238</b>	<b>14,893</b>	<b>1,833</b>	<b>2,513</b>	<b>1,939</b>	<b>14,439</b>	<b>2,344</b>	<b>3,400</b>	<b>1,987</b>	<b>3,042</b>	<b>8,377</b>	<b>7,882</b>	<b>3,335</b>		
<b>Closing Balance</b>	<b>22,506</b>	<b>24,390</b>	<b>22,743</b>	<b>21,890</b>	<b>8,664</b>	<b>7,611</b>	<b>17,803</b>	<b>45,175</b>	<b>44,123</b>	<b>36,784</b>	<b>39,981</b>	<b>37,551</b>	<b>23,451</b>	<b>25,282</b>	<b>23,562</b>	<b>22,652</b>	<b>9,006</b>	<b>7,884</b>	<b>17,978</b>	<b>45,291</b>	<b>44,150</b>	<b>36,568</b>	<b>39,536</b>			
<b>TOTAL DESIGNATED CASHFLOWS</b>																										
Opening Balance	33,669	33,669	33,153	32,390	30,861	30,404	29,976	27,976	27,054	26,396	25,168	24,241	23,498	21,785	21,254	20,468	18,893	18,422	17,982	15,922	14,972	14,294	13,029	12,075	11,309	
Projected Inflows		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Inflow(Income)</b>	<b>33,669</b>	<b>33,153</b>	<b>32,390</b>	<b>30,861</b>	<b>30,404</b>	<b>29,976</b>	<b>27,976</b>	<b>27,054</b>	<b>26,396</b>	<b>25,168</b>	<b>24,241</b>	<b>23,498</b>	<b>21,785</b>	<b>21,254</b>	<b>20,468</b>	<b>18,893</b>	<b>18,422</b>	<b>17,982</b>	<b>15,922</b>	<b>14,972</b>	<b>14,294</b>	<b>13,029</b>	<b>12,075</b>	<b>11,309</b>		
Projected Outflow - MA Grants		-	20	844	6	-	800	218	-	400	218	-	1,024	-	20	869	6	-	824	224	-	412	224	-	1,055	
Projected Outflow -Other Secretariat Costs		439	667	608	374	351	1,114	310	264	433	315	359	304	452	687	626	385	361	1,147	320	272	446	325	369	313	
Projected Outflow - Salaries		77	77	77	77	77	86	394	394	394	394	385	385	79	79	79	79	79	89	406	406	406	406	396	396	
<b>Total Outflow</b>	<b>516</b>	<b>764</b>	<b>1,529</b>	<b>457</b>	<b>427</b>	<b>2,000</b>	<b>922</b>	<b>659</b>	<b>1,228</b>	<b>927</b>	<b>743</b>	<b>1,712</b>	<b>531</b>	<b>787</b>	<b>1,575</b>	<b>471</b>	<b>440</b>	<b>2,060</b>	<b>950</b>	<b>678</b>	<b>1,264</b>	<b>955</b>	<b>765</b>	<b>1,764</b>		
<b>Closing Balance</b>	<b>33,153</b>	<b>32,390</b>	<b>30,861</b>	<b>30,404</b>	<b>29,976</b>	<b>27,976</b>	<b>27,054</b>	<b>26,396</b>	<b>25,168</b>	<b>24,241</b>	<b>23,498</b>	<b>21,785</b>	<b>21,254</b>	<b>20,468</b>	<b>18,893</b>	<b>18,422</b>	<b>17,982</b>	<b>15,922</b>	<b>14,972</b>	<b>14,294</b>	<b>13,029</b>	<b>12,075</b>	<b>11,309</b>	<b>9,545</b>		
<b>TOTAL RESTRICTED CASHFLOWS</b>																										
Opening Balance	20,190	20,190	16,383	12,034	10,079	10,040	14,986	11,250	9,638	8,506	6,796	5,080	2,071	1,965	1,595	1,651	1,531	2,240	8,139	6,401	6,048	4,758	4,061	3,035	1,730	
Projected Inflows		-	757	2,696	1,380	7,030	901	1,768	1,709	805	-	7,361	2,038	-	757	587	1,026	7,030	901	1,768	300	805	-	7,361	2,038	
<b>Total Inflow(Income)</b>	<b>20,190</b>	<b>17,139</b>	<b>14,730</b>	<b>11,459</b>	<b>17,070</b>	<b>15,887</b>	<b>13,019</b>	<b>11,347</b>	<b>9,310</b>	<b>6,796</b>	<b>12,441</b>	<b>4,108</b>	<b>1,965</b>	<b>2,351</b>	<b>2,238</b>	<b>2,557</b>	<b>9,270</b>	<b>9,040</b>	<b>8,170</b>	<b>6,348</b>	<b>5,563</b>	<b>4,061</b>	<b>10,396</b>	<b>3,768</b>		
Projected Outflow - MA Grants		2,410	3,717	2,738	296	986	2,939	2,352	1,871	984	587	8,928	576	235	510	416	66	536	1,672	1,476	1,047	588	351	7,461	528	
Projected Outflow -Other Secretariat Costs		598	590	1,115	454	367	1,046	355	317	876	476	789	849	58	81	169	101	199	595	222	177	524	284	660	779	
Projected Outflow - Salaries		799	798	798	670	730	652	674	654	654	654	654	718	78	109	121	150	396	371	423	366	391	391	545	659	
<b>Total Outflow</b>	<b>3,808</b>	<b>5,105</b>	<b>4,651</b>	<b>1,420</b>	<b>2,084</b>	<b>4,637</b>	<b>3,381</b>	<b>2,842</b>	<b>2,514</b>	<b>1,717</b>	<b>10,370</b>	<b>2,143</b>	<b>371</b>	<b>700</b>	<b>707</b>	<b>317</b>	<b>1,132</b>	<b>2,638</b>	<b>2,122</b>	<b>1,590</b>	<b>1,502</b>	<b>1,026</b>	<b>8,666</b>	<b>1,965</b>		
<b>Closing Balance</b>	<b>16,383</b>	<b>12,034</b>	<b>10,079</b>	<b>10,040</b>	<b>14,986</b>	<b>11,250</b>	<b>9,638</b>	<b>8,506</b>	<b>6,796</b>	<b>5,080</b>	<b>2,071</b>	<b>1,965</b>	<b>1,595</b>	<b>1,651</b>	<b>1,531</b>	<b>2,240</b>	<b>8,139</b>	<b>6,401</b>	<b>6,048</b>	<b>4,758</b>	<b>4,061</b>	<b>3,035</b>	<b>1,730</b>	<b>1,803</b>		
<b>Summary of Closing Balances</b>																										
Unrestricted and Designated	55,659	56,779	53,604	52,293	38,641	35,587	44,857	71,570	69,290	61,025	63,479	59,337	44,705	45,749	42,455	41,074	26,988	23,806	32,950	59,585	57,180	48,642	50,845	46,554		
Restricted	16,383	12,034	10,079	10,040	14,986	11,250	9,638	8,506	6,796	5,080	2,071	1,965	1,595	1,651	1,531	2,240	8,139	6,401	6,048	4,758	4,061	3,035	1,730	1,803		
<b>Total</b>	<b>72,042</b>	<b>68,814</b>	<b>63,683</b>	<b>62,333</b>	<b>53,627</b>	<b>46,837</b>	<b>54,495</b>	<b>80,076</b>	<b>76,087</b>	<b>66,104</b>	<b>65,550</b>	<b>61,302</b>	<b>46,300</b>	<b>47,400</b>	<b>43,986</b>	<b>43,314</b>	<b>35,127</b>	<b>30,207</b>	<b>38,998</b>	<b>64,343</b>	<b>61,240</b>	<b>51,677</b>	<b>52,575</b>	<b>48,356</b>		



## KEY ASSUMPTIONS

2024 Opening cash balances	As per Dec management accounts (balances of general, designated and restricted reserves). General reserve opening balance of \$36.17Mn includes \$13Mn of revaluation reserve and endowment funds.
2024 Income and Expenditure	As per Budget approved by BoT
2025 Restricted Income	Same as 2024 except WISH and Sprint projects are ending in 2024 so their income is removed from 2025.
2025 Core Income	Same as 2024
Designated Expenditure and Balances	Does not include \$4Mn requested to CFAR after 2023 year close.
2025 Core and Designated Expenditure	3% increase from 2024 budget.
2025 Restricted Expenditure	Total Inflow per month spent in the proportion of 2024 expenditure.

## NOTES

Core income includes grant income, income from donations, investments and other income.  
WISH dividend that may be won later this year in 2024 is not included in the budget.  
All workings are including hosted projects.

**Appendix B**

						Base Case (Budget)					Most Likely (Forecast)					Best Case				Worst Case							
2024						2024					2024					2024				2024							
Country	Activity Code	Donor	From	To	Currency	Due	Hedge Type	LC	Rate	\$	Due	Hedge Type	LC	Rate	\$	Due	Hedge Type	Rate	\$	Due	Hedge Type	Rate	\$				
Australia	P0086.A9	DFAT	2022	2025	AUD	July	Forward	5,000,000	0.6538	3,269,205	July	Forward	5,000,000	0.6538	3,269,205	July	Forward	5,000,000	0.6538	3,269,205	July	Forward	5,000,000	0.6538	3,269,205		
Denmark	P0086.A9		2022	2025	DKK	Aug	Forward	50,000,000	0.1489	7,447,168	Aug	Forward	50,000,000	0.1489	7,447,168	Aug	Forward	50,000,000	0.1489	7,447,389	Aug	Forward	50,000,000	0.1489	7,447,389		
Finland	P0086.A9		2023	2025	EURO	Aug	Forward	1,500,000	1.1063	1,659,422	Aug	Forward	1,500,000	1.1063	1,659,422	Aug	Forward	1,500,000	1.1063	1,659,422	Aug	Forward	1,500,000	1.1063	1,659,422		
Germany	P0086.A9	BMZ	renewed annually		EURO	Aug	Forward	6,000,000	1.1063	6,637,686	Aug	Forward	6,000,000	1.1063	6,637,686	Aug	Forward	6,000,000	1.1063	6,637,686	Aug	Forward	6,000,000	1.1063	6,637,686		
Germany	P0086.A9	BMZ	renewed annually		EURO	Nov	Forward	6,000,000	1.1108	6,664,968	Nov	Forward	6,000,000	1.1108	6,664,968	Nov	Forward	6,000,000	1.1108	6,664,968	Nov	Forward	6,000,000	1.1108	6,664,968		
Germany	P0086.A9	BMZ	renewed annually		EURO	Aug	Forward	3,000,000	1.0800	3,240,000	Aug	Forward	3,000,000	1.1063	3,318,843	Aug	Forward	3,000,000	1.1063	3,318,843	Aug	Forward	3,000,000	1.1063	3,318,843		
Germany	P0086.A9	BMZ	renewed annually		EURO					-	Nov	Spot	500,000	1.1108	555,414	Nov	Spot	500,000	1.1108	555,414					-		
Ireland	P0086.A9		2023	2025	EURO	Sept	Forward	1,000,000	1.1082	1,108,229	Sept	Forward	1,000,000	1.1082	1,108,229	Sept	Forward	1,000,000	1.1082	1,108,229	Sept	Forward	1,000,000	1.1082	1,108,229		
Netherlands	P0086.A9		2021	2025	EURO	Aug	Part Forward	3,600,000	1.1063	3,982,612	Aug	Forward	3,600,000	1.0925	3,933,000	Aug	Forward	3,600,000	1.0925	3,933,000	Aug	Forward	3,600,000	1.0925	3,933,000		
Netherlands	P0086.A9		2021	2025	EURO					-					-	Nov	Spot	4,000,000	1.1108	4,443,312					-		
Norway	P0086.A9		2023	2027	NOK	July	Forward	75,000,000	0.0951	7,130,867	July	Forward	75,000,000	0.0951	7,130,867	July	Forward	75,000,000	0.0951	7,130,867	July	Forward	75,000,000	0.0951	7,130,867		
New Zealand	P0086.A9	MFAT	2022	2024	NZD	Feb	Forward	2,500,000	0.5972	1,493,080	Feb	Forward	2,500,000	0.5972	1,493,080	Feb	Forward	2,500,000	0.5972	1,493,080	Feb	Forward	2,500,000	0.5972	1,493,080		
Sweden	P0086.A9	SIDA	2023		SEK	Aug/Nov	Forward	45,000,000	0.0925	4,164,269	Aug/Nov	Forward	45,000,000	0.0925	4,164,269	Aug/Nov	Forward	45,000,000	0.0925	4,164,225	Aug/Nov	Forward	45,000,000	0.0925	4,164,225		
Sweden	P0086.A9	SIDA	2023		SEK			35,000,000	0.0969	3,391,670						Aug/Nov	Forward	15,000,000	0.0969	1,453,573					-		
China	P0086.A9		renewed annually		USD	Jun	N/A	428,000	1.0000	428,000	Jun	N/A	428,000	1.0000	428,000	Jun	N/A	428,000	1.0000	428,000	Jun	N/A	428,000	1.0000	428,000		
Hewlett Foundation	P0086.A9		2023	2023	USD	Already in	N/A	60,000	1.0000	60,000	Already in	N/A	60,000	1.0000	60,000	Already in	N/A	60,000	1.0000	60,000	Already in	N/A	60,000	1.0000	60,000		
Japan	P0086.A9	GOJ	renewed annually		USD	Feb/Aug	N/A	2,750,000	1.0000	2,750,000	Feb/Aug	N/A	2,160,000	1.0000	2,160,000	Feb/Aug	N/A	2,160,000	1.0000	2,160,000	Feb/Aug	N/A	2,160,000	1.0000	2,160,000		
Switzerland	P0086.A9		2023	2025	USD	July	N/A	2,300,000	1.0000	2,300,000	July	N/A	2,300,000	1.0000	2,300,000	July	N/A	2,300,000	1.0000	2,300,000	July	N/A	2,300,000	1.0000	2,300,000		
Malaysia	P0086.A9		renewed annually		USD	Dec	N/A	15,000	1.0000	15,000	Dec	N/A	15,000	1.0000	15,000	Dec	N/A	15,000	1.0000	15,000	Dec	N/A	15,000	1.0000	15,000		
South Korea	P0086.A9		renewed annually		USD	April	N/A	175,000	1.0000	175,000	April	N/A	122,000	1.0000	122,000	April	N/A	122,000	1.0000	122,000	April	N/A	122,000	1.0000	122,000		
Thailand	P0086.A9		renewed annually		USD	Feb	N/A	2,000	1.0000	2,000	Feb	N/A	2,000	1.0000	2,000	Feb	N/A	2,000	1.0000	2,000	Feb	N/A	2,000	1.0000	2,000		
										Total					Total				Total								
										55,919,176					52,469,151				58,366,213				51,913,914				
<b>Other Income</b>																											
<b>Donation Income</b>										3,600,000	1.0000	3,600,000			3,600,000	1.0000	3,600,000			3,600,000	1.0000	3,600,000			2,300,000	1.0000	2,300,000
Overhead Recovery										3,769,000	1.0000	3,769,000			3,769,000	1.0000	3,769,000			3,769,000	1.0000	3,769,000			3,769,000	1.0000	3,769,000
Interest Income										1,612,800	1.0000	1,612,800			1,612,800	1.0000	1,612,800			1,612,800	1.0000	1,612,800			1,612,800	1.0000	1,612,800
Flat Rental										35,844	1.0000	35,844			35,844	1.0000	35,844			35,844	1.0000	35,844			35,844	1.0000	35,844
Investment Income										500,000	1.0000	500,000			500,000	1.0000	500,000			500,000	1.0000	500,000			500,000	1.0000	500,000
										Total					Total				Total								
										9,517,644					9,517,644				9,517,644				8,217,644				
<b>Total Income</b>																											
										Total					Total				Total				Total				
										65,436,820					61,986,795				67,883,857				60,131,558				

						Base Case (Budget)					Most Likely (Forecast)					Best Case				Worst Case															
2025						2025					2025					2025				2025															
Country	Activity Code	Donor	From	To	Currency	Due	Hedge Type	LC	Rate	\$	Due	Hedge Type	LC	Rate	\$	Due	Hedge Type	Rate	\$	Due	Hedge Type	Rate	\$												
Australia	P0086.A9	DFAT	2022	2025	AUD	July		5,500,000	0.6500	3,575,000	July		5,500,000	0.6500	3,575,000	July		5,500,000	0.6500	3,575,000	July		5,500,000	0.6500	3,575,000										
Denmark	P0086.A9		2022	2025	DKK	Aug		50,000,000	0.1500	7,500,000	Aug		50,000,000	0.1500	7,500,000	Aug		50,000,000	0.1500	7,500,000	Aug		40,000,000	0.1500	6,000,000										
Finland	P0086.A9		2023	2025	EURO	Aug		1,000,000	1.1000	1,100,000	Aug		1,000,000	1.1000	1,100,000	Aug		1,500,000	1.1000	1,650,000	Aug		1,000,000	1.1000	1,100,000										
Germany	P0086.A9	GIZ	renewed annually		EURO	Aug		6,000,000	1.1000	6,600,000	Aug		6,000,000	1.1000	6,600,000	Aug		6,000,000	1.1000	6,600,000	Aug		6,000,000	1.1000	6,600,000										
Germany	P0086.A9	GIZ	renewed annually		EURO	Nov		6,000,000	1.1000	6,600,000	Nov		6,000,000	1.1000	6,600,000	Nov		6,000,000	1.1000	6,600,000	Nov		6,000,000	1.1000	6,600,000										
Ireland	P0086.A9		2023	2025	EURO	Sept		1,000,000	1.1000	1,100,000	Sept		1,000,000	1.1000	1,100,000	Sept		1,000,000	1.1000	1,100,000	Sept		1,000,000	1.1000	1,100,000										
Netherlands	P0086.A9		2021	2025	EURO	Aug		3,600,000	1.1000	3,960,000	Aug		3,600,000	1.1000	3,960,000	Aug		7,600,000	1.1000	8,360,000	Aug		3,600,000	1.1000	3,960,000										
Norway	P0086.A9		2023	2027	NOK	July		75,000,000	0.0950	7,125,000	July		75,000,000	0.0950	7,125,000	July		75,000,000	0.0950	7,125,000	July		75,000,000	0.0950	7,125,000										
New Zealand	P0086.A9	MFAT	2022	2024	NZD	Feb		2,500,000	0.6000	1,500,000	Feb		2,500,000	0.6000	1,500,000	Feb		2,500,000	0.6000	1,500,000	Feb		2,000,000	0.6000	1,200,000										
Sweden	P0086.A9	SIDA	2023		SEK	Aug/Nov		45,000,000	0.0900	4,050,000	Aug/Nov		45,000,000	0.0900	4,050,000	Aug/Nov		45,000,000	0.0900	4,050,000	Aug/Nov		45,000,000	0.0900	4,050,000										
China	P0086.A9		renewed annually		USD	Jun	N/A	500,000	1.0000	500,000	Jun	N/A	500,000	1.0000	500,000	Jun	N/A	600,000	1.0000	600,000	Jun	N/A	400,000	1.0000	400,000										
Hewlett Foundation	P0086.A9		2023	2023	USD	Already in	N/A	266,000	1.0000	266,000	Already in	N/A	266,000	1.0000	266,000	Already in	N/A	266,000	1.0000	266,000	Already in	N/A	266,000	1.0000	266,000										
Japan	P0086.A9	GOJ	renewed annually		USD	Feb/Aug	N/A	2,550,000	1.0000	2,550,000	Feb/Aug	N/A	2,550,000	1.0000	2,550,000	Feb/Aug	N/A	3,000,000	1.0000	3,000,000	Feb/Aug	N/A	2,000,000	1.0000	2,000,000										
Switzerland	P0086.A9		2023	2025	USD	July	N/A	2,300,000	1.0000	2,300,000	July	N/A	2,300,000	1.0000	2,300,000	July	N/A	3,000,000	1.0000	3,000,000	July	N/A	2,300,000	1.0000	2,300,000										
Malaysia	P0086.A9		renewed annually		USD	Dec	N/A	15,000	1.0000	15,000	Dec	N/A	15,000	1.0000	15,000	Dec	N/A	15,000	1.0000	15,000	Dec	N/A	15,000	1.0000	15,000										
South Korea	P0086.A9		renewed annually		USD	April	N/A	175,000	1.0000	175,000	April	N/A	175,000	1.0000	175,000	April	N/A	200,000	1.0000	200,000	April	N/A	80,000	1.0000	80,000										
Thailand	P0086.A9		renewed annually		USD	Feb	N/A	2,000	1.0000	2,000	Feb	N/A	2,000	1.0000	2,000	Feb	N/A	2,000	1.0000	2,000	Feb	N/A	2,000	1.0000	2,000										
									<b>Total</b>	<b>48,918,000</b>						<b>Total</b>	<b>48,918,000</b>					<b>Total</b>	<b>55,143,000</b>					<b>Total</b>	<b>46,373,000</b>						
<b>Other Income</b>																																			
Donation Income								4,300,000	1.0000	4,300,000									4,300,000	1.0000	4,300,000					5,000,000	1.0000	5,000,000					3,000,000	1.0000	3,000,000
Overhead Recovery								3,769,000	1.0000	3,769,000									3,769,000	1.0000	3,769,000					3,769,000	1.0000	3,769,000					3,769,000	1.0000	3,769,000
Interest Income								1,612,800	1.0000	1,612,800									1,612,800	1.0000	1,612,800					1,612,800	1.0000	1,612,800					1,612,800	1.0000	1,612,800
Flat Rental								35,844	1.0000	35,844									35,844	1.0000	35,844					35,844	1.0000	35,844					35,844	1.0000	35,844
Investment Income								500,000	1.0000	500,000									500,000	1.0000	500,000					500,000	1.0000	500,000					500,000	1.0000	500,000
									<b>Total</b>	<b>10,217,644</b>						<b>Total</b>	<b>10,217,644</b>					<b>Total</b>	<b>10,917,644</b>					<b>Total</b>	<b>8,917,644</b>						
<b>Total Income</b>																																			
									<b>Total</b>	<b>59,135,644</b>						<b>Total</b>	<b>59,135,644</b>					<b>Total</b>	<b>66,060,644</b>					<b>Total</b>	<b>55,290,644</b>						