

Financial Report and Audited Financial Statements for the year ended 31 December 2020

Donna Grimwade, Deputy Director of Financial Management

10th Unqualified Audit Opinion for UN Women since inception

Unqualified Audit Opinion issued by the UN Board of Auditors:

“In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of UN-Women as at 31 December 2020, and its financial performance and cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (IPSAS)...” and “...in all significant respects, been in accordance with the financial regulations and rules of UN-Women and legislative authority.”

Financial performance by funding source

Total revenue for UN-Women was \$535.7 million and total expenses were \$439.5 million, the Entity recorded a surplus of \$96.2 million for the year ended 31 December 2020, compared with a surplus of \$41.6 million for 2019.

Surplus was mainly due to increased revenue from Other resources (non-core), which will be spent on programme expenditure in future years. Delivery rate for 2020 programme expenditure from Other resources was 83.1 per cent, against target of 85 per cent.

Financial performance by funding source

(Thousands of United States dollars)

	<i>Regular resources</i>	<i>Other resources</i>	<i>Assessed</i>	<i>Elimination</i>	<i>2020</i>	<i>2019 (restated)</i>
Total revenue	165 377	386 416	10 971	(27 067)	535 697	462 468
Total expenses	144 512	310 657	11 408	(27 067)	439 510	420 890
Surplus/(deficit) for the year	20 865	75 759	(437)	–	96 187	41 578

Change in Accounting Policy: The policy for recognizing revenues from voluntary contributions was revised during 2020. Under the previous policy, UN-Women recognized revenue based on payment plan due dates included in the donor agreements, which served as a proxy for identifying the period in which programmatic activities were being carried out and conditions met. Under the new policy, revenue is recognized in full, including for multi-year contributions, at the time the agreement is signed as agreements are taken to have stipulations and restrictions rather than conditions. Where contribution agreements have conditions, UN-Women recognizes a liability, and revenue recognition is deferred until such conditions are met. UN-Women recognizes assets when control over the resources is established as a result of past events. Enforceability of agreements occurs upon signature. The 2019 comparatives for revenue were restated for the change in accounting policy, see note 3 of the 2020 Financial Statements.

Revenue by funding source

The increase in voluntary contributions from donors in 2020 of \$75.3 million was represented by an increase in **other resources (non-core)** of \$40.2 million and an increase in **regular resources (core)** of \$35.1 million.

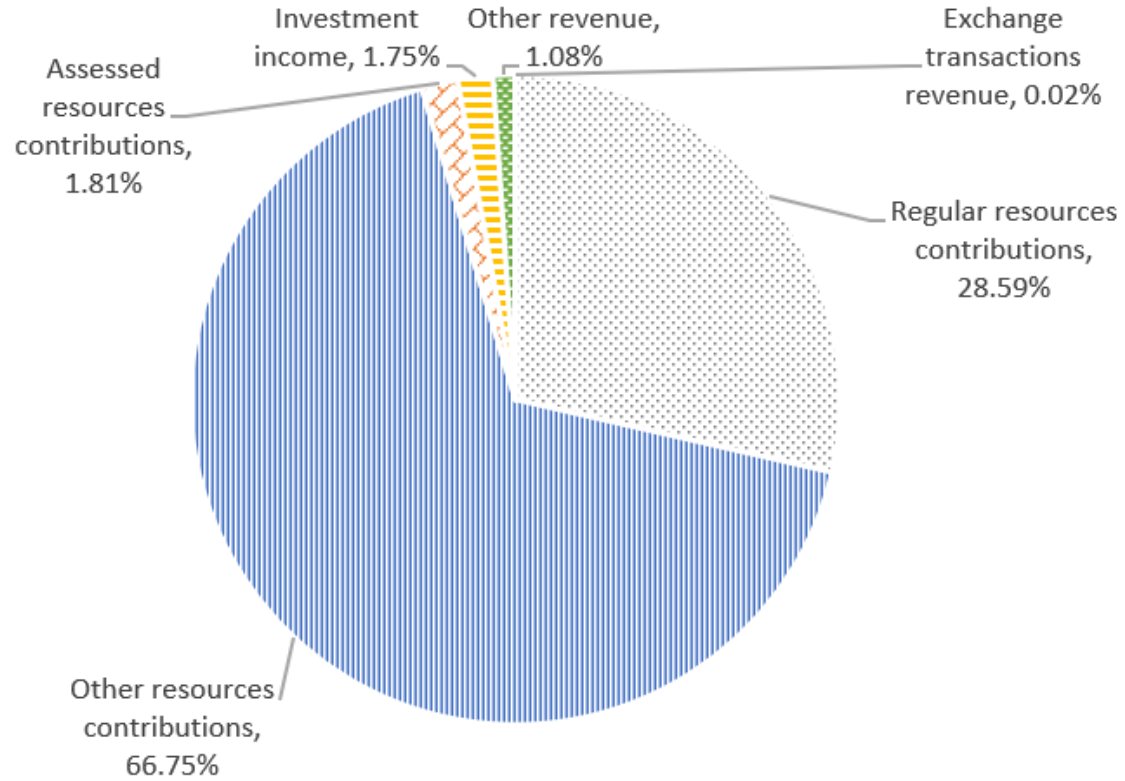
Revenue analysis

(Thousands of United States dollars)

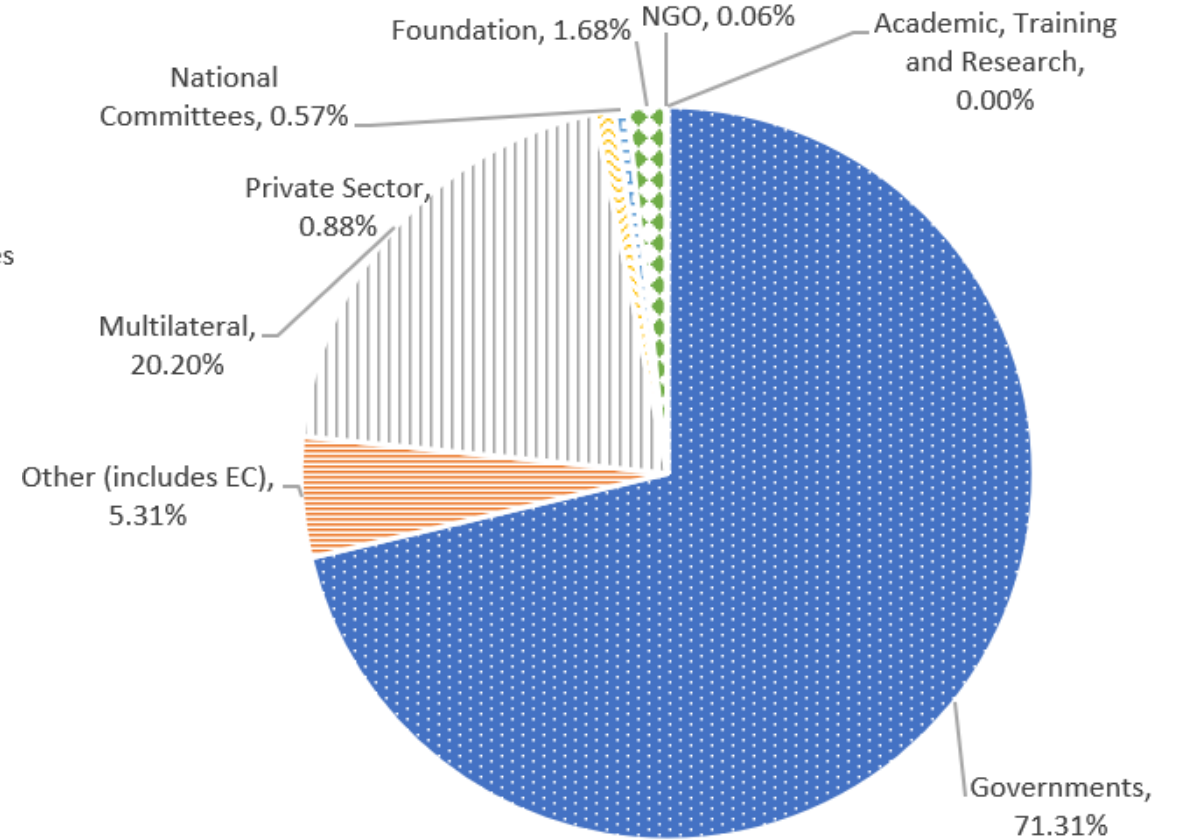
	<i>Regular resources</i>	<i>Other resources</i>	<i>Assessed</i>	<i>Elimination</i>	<i>2020</i>	<i>2019 (restated)</i>
Contributions	153 165	357 580	9 692	–	520 437	445 621
Investment revenue	8 431	939	–	–	9 370	12 829
Other revenue	3 781	27 791	1 279	(27 067)	5 784	3 857
Exchange transactions revenue	–	106	–	–	106	161
Total	165 377	386 416	10 971	(27 067)	535 697	462 468

Change in Accounting Policy: The impact on the 2019 financial results includes a \$64.9 million decrease in revenue from voluntary contributions, of which a \$40.1 million decrease is related to other resources, a \$24.8 million decrease related to regular resources, see note 3 of the 2020 Financial Statements.

Revenue by funding type



Revenue by donor



Expenditure by funding source

Expenditure analysis

(Thousands of United States dollars)

	<i>Regular resources</i>	<i>Other resources</i>	<i>Assessed</i>	<i>Elimination</i>	<i>2020</i>	<i>2019</i>
Employee benefits	88 265	58 536	9 937	–	156 738	141 833
Contractual services	20 700	113 441	263	–	134 404	114 665
Grants and other transfers	71	14 345	–	–	14 416	9 155
Supplies and maintenance	4 783	13 214	84	–	18 081	11 754
Operating costs	25 692	95 643	1 095	(27 067)	95 363	97 459
Travel	2 398	11 309	25	–	13 732	35 657
Depreciation and amortization	1 904	645	2	–	2 551	2 783
Finance costs	98	160	–	–	258	271
Other expenses	601	3 364	2	–	3 967	7 313
Total	144 512	310 657	11 408	(27 067)	439 510	420 890

Total expenses for 2020, \$439.5 million (2019: \$420.9 million) and represent expenses incurred, both paid and payable. Regular resources represent \$144.5 million (2019: \$155.7 million), other resources (after reduction of elimination items) represent \$310.6 million (2019: \$278.7 million), and assessed resources represent \$11.4 million (2019: \$11.1 million).

Financial position by funding source

Financial position by funding source

(Thousands of United States dollars)

	<i>Regular resources</i>	<i>Other resources</i>	<i>Assessed</i>	<i>2020</i>	<i>2019 (restated)</i>
Total assets	341 016	711 694	(3 248)	1 049 462	934 895
Total liabilities	158 539	15 084	–	173 623	148 698
Total net assets/equity	182 477	696 610	(3 248)	875 839	786 197

Total assets of \$1,049.5 million (2019: \$934.9 million) exceeded **total liabilities of \$173.6 million** (2019: \$148.7 million), resulting in **total net assets/equity of \$875.8 million** (2019: \$786.2 million).

Change of Accounting Policy: The 2019 comparative balances show a \$336.9 million increase in accumulated surplus recorded, which represents the cumulative voluntary contribution revenue adjustment through to the 2018 reporting period. In the statement of financial position, the accounts receivable current and non-current balances increased by \$201.1 million and \$76.3 million respectively, while other liabilities increased by \$5.3 million, with a corresponding net increase in net assets of \$272 million. For further details, see Note 3 of the 2020 Financial Statements.

Thank You

