

IUCN, International Union for
Conservation of Nature and
Natural Resources
Gland

Report of the statutory auditor
to the Council

on the consolidated financial statements 2019

Report of the statutory auditor

to the Council of IUCN, International Union for Conservation of Nature and Natural Resources

Gland

Report of the statutory auditor on the consolidated financial statements

As statutory auditor, we have audited the accompanying consolidated financial statements of IUCN, International Union for Conservation of Nature and Natural Resources, which comprise the consolidated balance sheet, consolidated income and expenditure statement, consolidated funds and reserve statement, consolidated cash flow statement and notes, for the year ended 31 December 2019.

Management's responsibility

Management is responsible for the preparation of the consolidated financial statements in accordance with the requirements of Swiss law and the consolidation and valuation principles described in the notes. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. Management is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2019 comply with Swiss law, IUCN Statutes, as well as with the consolidation and valuation principles described in the notes.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 69b paragraph 3 CC in connection with article 728 CO) and that there are no circumstances incompatible with our independence.

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In accordance with article 69b paragraph 3 CC in connection with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Association Management.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers SA

Yves Cerutti
Audit expert
Auditor in charge

Marcello Stimato
Audit expert

Geneva, 25 May 2020

Enclosure:

- Consolidated financial statements (consolidated balance sheet, consolidated income and expenditure statement, consolidated funds and reserve statement, consolidated cash flow statement and notes)
- Annex A –Core Funds under Framework Agreements

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IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2019

Report Currency: CHF ('000)

	Notes	31.12.2019	31.12.2018
ASSETS			
Current assets			
Cash and short term bank deposits	III	58,229	47,656
Financial assets	IV	16,020	16,148
Membership dues receivables (net)	VI	1,011	1,972
Staff receivables	VII	276	393
Receivables from partner organisations	VIII	367	338
Advances to implementing partners and grantees	IX	9,825	14,465
Prepayments		1,406	1,160
Donor funds receivable		4,497	4,307
Project agreement receivables	X	18,108	14,686
Framework agreements receivables	XI	1,417	712
Advances to hosted organisations	XVI	307	-
Other account receivables		1,669	1,607
Total Current assets		113,132	103,444
Non-current assets			
Fixed assets (net)	XII	27,302	28,817
Intangible assets (net)	XIII	246	127
Total Non-current assets		27,548	28,944
TOTAL ASSETS		140,680	132,388
LIABILITIES AND FUND BALANCES			
Current liabilities			
Membership dues paid in advance		2,683	1,534
Accounts payable and accrued liabilities	XIV	10,782	13,841
Social charges payable		395	69
Project agreement advances	X	73,313	62,369
Deferred unrestricted income	XVIII	1,454	709
Deferred income buildings	XVIII	467	467
New building loan	XIX	243	177
Advances from hosted organisations	XVI	-	496
Miscellaneous current liabilities		328	598
Total Current liabilities		89,665	80,260
Provisions			
Projects in deficit	XVII	2,375	1,928
Staff leave and repatriation		1,930	1,975
Staff termination	XVII	1,577	1,726
Other provisions		30	-
Total Provisions		5,912	5,629
Non-current liabilities			
Long term deferred income	XVIII	13,402	15,685
New building loan	XIX	12,294	10,947
Total Non-current liabilities		25,696	26,632
Funds and Unrestricted Reserves			
Designated reserves	XX	1,812	2,648
Unrestricted reserves	XX	17,595	17,219
Total Funds and Unrestricted Reserves		19,407	19,867
TOTAL LIABILITIES AND FUND BALANCES		140,680	132,388

IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

Report Currency: CHF ('000)

	Notes	2019			2018		
		Secretariat Unrestricted	Project Agreements	Total	Secretariat Unrestricted	Project Agreements	Total
EXTERNAL OPERATING INCOME							
Membership dues		12,765	-	12,765	12,768	-	12,768
Retention of staff income tax	XXI	1,426	-	1,426	1,487	-	1,487
Agreements income		88	88,849	88,937	33	93,129	93,162
Framework income	XXII	11,632	-	11,632	11,229	-	11,229
Other operating income	XXIII	5,880	280	6,160	6,041	324	6,365
TOTAL EXTERNAL OPERATING INCOME		31,791	89,129	120,920	31,558	93,453	125,011
INTERNAL ALLOCATIONS							
Cross charges from projects		35,035	(35,035)	-	36,078	(36,078)	-
Other internal allocations		561	(561)	-	78	(78)	-
TOTAL INTERNAL ALLOCATIONS		35,596	(35,596)	-	36,156	(36,156)	-
OPERATING EXPENDITURE							
Staff costs		53,955	4,898	58,853	53,187	6,736	59,923
Consultants		1,193	17,523	18,716	1,687	16,586	18,273
Grants to partners		466	3,234	3,700	484	3,271	3,755
Travel		3,099	12,124	15,223	2,860	12,201	15,061
Workshops and conferences		417	1,367	1,784	269	2,099	2,368
Publications and printing costs		344	1,363	1,707	249	2,791	3,040
Office and general administrative costs		3,866	1,576	5,442	3,923	3,850	7,773
Vehicles & equipment – costs & maintenance		830	9,523	10,353	909	9,170	10,079
Professional fees or costs		567	646	1,213	593	955	1,548
Depreciation and amortization		2,160	15	2,175	2,459	6	2,465
TOTAL OPERATING EXPENDITURE		66,897	52,269	119,166	66,620	57,665	124,285
NET OPERATING SURPLUS/(DEFICIT)		489	1,264	1,753	1,094	(368)	726
OTHER INCOME – EXPENDITURE							
Interest income	XIX	457	16	473	515	8	523
Financial charges	XIX	(397)	(99)	(495)	(542)	(157)	(699)
Capital gains (losses)	IV	441	-	441	(408)	-	(408)
Net gains/(losses) on foreign exchange		(628)	(803)	(1,431)	(504)	(552)	(1,056)
Exchange differences on revaluation of project balances	XXIV	-	(351)	(351)	-	(106)	(106)
Net movements in provision and write-offs		(538)	(28)	(566)	(1,186)	1,175	(11)
TOTAL OTHER INCOME – EXPENDITURE		(665)	(1,264)	(1,929)	(2,125)	368	(1,757)
NET SURPLUS/(DEFICIT) FOR THE YEAR		(176)	-	(176)	(1,031)	-	(1,031)

IUCN – International Union for Conservation of Nature and Natural Resources

Consolidated Funds and Reserve Statement for the Year ended 31 December 2019

Report Currency: CHF ('000)

	Designated Reserves				Unrestricted Reserves			Total	
	Reserve for Statutory Meetings	Other Designated Reserves	Renovation Fund	Total Designated Reserves	Currency Translation Reserve	IUCN Fund	Retained Surpluses		Total Unrestricted Reserves
Balance as at 1 January 2018	489	671	865	2,025	1,359	8,621	9,468	19,448	21,473
Net surplus/(deficit) for the year	-	-	-	-	-	-	(1,031)	(1,031)	(1,031)
Foreign exchange adjustment	-	-	-	-	(575)	-	-	(575)	(575)
Allocation to renovation fund	-	-	11	11	-	-	(11)	(11)	-
Allocation to other designated reserves	-	269	-	269	-	-	(269)	(269)	-
Allocation to reserve for statutory meetings	343	-	-	343	-	-	(343)	(343)	-
Balance as at 31 December 2018	832	940	876	2,648	784	8,621	7,814	17,219	19,867
Balance as at 1 January 2019	832	940	876	2,648	784	8,621	7,814	17,219	19,867
Net surplus/(deficit) for the year	-	-	-	-	-	-	(176)	(176)	(176)
Foreign exchange adjustment	-	-	-	-	(284)	-	-	(284)	(284)
Allocation to renovation fund	-	-	10	10	-	-	(10)	(10)	-
Release from other designated reserves	-	(14)	-	(14)	-	-	14	14	-
Release to reserve for statutory meetings	(832)	-	-	(832)	-	-	832	832	-
Balance as at 31 December 2019	-	926	886	1,812	500	8,621	8,474	17,595	19,407

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

Report Currency: CHF ('000)

	Notes	2019	2018
Cash flow from operations			
Surplus/(deficit) from operations		(176)	(1,031)
Effect of exchange rate	XX	(284)	(575)
Net balance from operations		(460)	(1,606)
Depreciation of fixed assets	XII	2,102	2,139
Amortisation and write-down of intangible assets	XIII	72	354
Increase / (decrease) in provisions for projects in deficit	XVII	447	(243)
Increase / (decrease) in staff leave and repatriation liabilities		(45)	(160)
Increase / (decrease) in the provision for staff termination	XVII	(149)	150
Increase / (decrease) in other provisions		30	-
(Increase) / decrease in membership dues receivables (net)	VI	961	(326)
(Increase) / decrease in staff receivables	VII	117	59
(Increase) / decrease in receivables from partner organisations	VIII	(29)	137
(Increase) / decrease in advances to implementing partners	IX	4,640	(1,953)
(Increase) / decrease in prepayments		(246)	(140)
(Increase) / decrease in donor funds receivable		(190)	(989)
(Increase) / decrease in project agreement receivables	X	(3,422)	(613)
(Increase) / decrease in framework agreements receivable	XI	(705)	(202)
(Increase) / decrease in other accounts receivable		(60)	(383)
Increase / (decrease) in membership dues paid in advance		1,149	125
Increase / (decrease) in accounts payable and accrued liabilities	XIV	(3,059)	(66)
Increase / (decrease) in social charges payable		326	(285)
Increase / (decrease) in project agreement advances	X	10,944	4,484
Increase / (decrease) in miscellaneous current liabilities		(271)	(34)
Increase / (decrease) in hosted organisations advances	XVI	(803)	(15)
(Gain) / loss on disposal of fixed assets	XII	19	33
Total cash flow from operations		11,368	466
Cash flow from investing activities			
Purchase of fixed assets	XII	(608)	(634)
Net movement in financial assets	IV	128	334
Purchase of intangible assets	XIII	(191)	(112)
Total cash flow from investing activities		(671)	(412)
Cash flow from financing activities			
Increase / (decrease) in loan	XIX	(177)	(174)
Increase / (decrease) in current deferred income	XVIII	745	(483)
Increase / (decrease) in long-term deferred income	XVIII	(692)	(676)
Total cash flow from financing activities		(124)	(1,333)
Net cash inflow for the year		10,573	(1,279)
Cash and short term deposits at the beginning of the year	III	47,656	48,935
Cash and short term deposits at the end of the year	III	58,229	47,656

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2019

All amounts in CHF ('000) unless otherwise stated

I. ORGANISATION AND ACTIVITY

IUCN, International Union for Conservation of Nature and Natural Resources is a membership organisation constituted by statutes adopted in 1948 at a conference convened by the Republic of France. The membership is comprised of states, governmental agencies, international and national non-governmental organisations, and indigenous peoples organisations. IUCN is registered in Gland, Switzerland as an association under article 60 of the Swiss Civil Code and is solely responsible, to the exclusion of its Members, for all its transactions and commitments.

The highest governing body of IUCN is the World Conservation Congress, which is composed of the membership of IUCN. The World Conservation Congress elects the Council, which has authority to govern IUCN between meetings.

In 1986, IUCN concluded a fiscal agreement with the Swiss government, which granted IUCN exemption from all Swiss taxes. IUCN has been granted observer status at the United Nations.

The mission of IUCN is to influence, encourage and assist societies throughout the world to conserve the integrity and diversity of nature and to ensure that any use of natural resources is equitable and ecologically sustainable.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DEFINITIONS

All amounts are expressed in thousands of Swiss francs (CHF) unless otherwise indicated.

1. Accounting convention

The financial statements are prepared under the historical cost convention except for certain financial assets and loans that are measured at revalued amount or at fair value. The financial statements are prepared in accordance with the provisions of the Swiss Code of Obligations.

2. Basis of consolidation

The consolidated financial statements include all offices of IUCN and those entities over which IUCN has the power to govern the financial and operating policies so as to obtain benefits from their activities.

Branches:

- Asia Region
 - Asia Regional Office (Thailand)
 - Bangladesh Country Office
 - Cambodia Country Office
 - China Country Office
 - India Country Office
 - Lao PDR Country Office
 - Maldives Project Office
 - Myanmar Project Office
 - Nepal Country Office
 - Pakistan Country Office
 - Sri Lanka Country Office
 - Thailand Country Office
 - Vietnam Country Office
- Eastern and Southern Africa Region
 - Eastern and Southern Africa Regional Office (Kenya)
 - Mozambique Country Office
 - Rwanda Project Office
 - South Africa Country Office

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2019

All amounts in CHF ('000) unless otherwise stated

- Tanzania Country Office
- Uganda Country Office
- Zimbabwe Country Office

- Eastern Europe and Central Asia Regional Office (Serbia)

- Environmental Law Centre (Germany)

- Mediterranean Office (Spain)

- Oceania Regional Office (Fiji)

- Mexico, Central America and the Caribbean Region
 - Mexico, Central America and the Caribbean Regional Office (Costa Rica)
 - El Salvador Project Office
 - Guatemala Project Office
 - Honduras Project Office
 - Mexico Project Office

- South America Region
 - South America Regional Office (Ecuador)
 - Brazil Country Office

- UK Species Programme (United Kingdom)

- Western and Central Africa Region
 - Western and Central Africa Regional Office (Senegal)
 - Burkina Faso Country Office
 - Cameroon Country Office
 - Democratic Republic of Congo Project Office
 - Ghana Project Office
 - Guinea Bissau Country Office
 - Mali Country Office
 - Mauritania Country Office
 - Niger Project Office
 - Senegal Country Office

- West Asia Regional Office (Jordan)

- Washington, DC Office

Other entities:

- The International Union for the Conservation of Nature and Natural Resources, Registered Trustees (WASAA Trust Fund, Nairobi)
- UICN, Bureau de Représentation auprès de l'Union Européenne aisbl
- Associação UICN
- IUCN UK (A Company Limited by Guarantee)
- IUCN Maldives
- IUCN PNG Mangrove Rehabilitation and Management Project Association

3. Currency of accounts

a) Reporting currency

In accordance with IUCN's Regulations, the reporting currency for the consolidated financial statements is Swiss francs (CHF).

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2019

All amounts in CHF ('000) unless otherwise stated

b) Functional currency

A separate set of accounts is maintained for each country where IUCN has a presence. The functional currency for each country is the national currency of the country with the exception of Fiji (USD), Costa Rica (USD) and Serbia (EUR) where the currency chosen better reflects the economic environment in which the office operates.

4. Foreign exchange

The following accounting policies are applied when converting transactions and balances to the reporting currency:

- Transactions denominated in currencies other than the office ledger currency are converted to the ledger currency and recorded on the basis of the exchange rate prevailing at the date of the transaction. At the end of the year all balances maintained in transaction currencies are translated to the currency of the office ledger at the year-end rate. The gains and losses incurred are recognised in the income statement of each office ledger.
- Except for fixed assets which are stated at historical values, non-Swiss franc balances in the consolidated balance sheet are translated to CHF at the year-end exchange rate and the resulting net unrealised gain or loss included in the balance sheet as a currency translation adjustment reserve.
- Project balances are expressed in the currency of the underlying donor contract. At the end of the year, project balances are translated to the currency of the office ledger in which they reside at the year-end rate. The gains and losses incurred are recognised in the income statement of each office ledger. Project balances are further revalued from the ledger currency to CHF at the year-end exchange rate. The resulting net unrealised gain or loss is recognised in the currency translation adjustment reserve.
- If, as a result of the application of the above translation policies, a net deficit would occur on the currency translation adjustment reserve the deficit would be recognised in the income and expenditure statement.

5. Income

Income comprises membership dues from Members, contributions from donors, investment income, Swiss government tax rebates, rental of office space, and sundry income from the sale of other goods and services.

a) Membership dues

Membership dues are fixed by the World Conservation Congress, the supreme governing body of IUCN, and are recognised as unrestricted income in the year they fall due.

b) Voluntary donations

Voluntary donations comprise framework agreements with donors for the core activities of IUCN and project agreements for project activities.

Framework agreements income

Framework agreements are normally for periods of more than one year and may be subject to general restrictions in their use in terms of geography or thematic area.

Framework agreements income is recognised in the income statement as unrestricted income once the agreement has been signed and in accordance with the amounts specified in the agreement for each calendar year. Framework agreements income received in advance of the period to which it relates is recorded as deferred unrestricted income.

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2019

All amounts in CHF ('000) unless otherwise stated

Staff in-kind contributions

In-kind contributions of staff are recognised at fair value over the period of the employment contract as both income and expenditure in the Consolidated Income and Expenditure Statement. The fair value of in-kind staff is taken as the average cost that would be incurred by IUCN, if it were to directly employ a person in a similar position.

Project agreements income

Project agreements income is restricted for specific project activities detailed in project agreements and subject to specific conditions imposed by the donor. Income is recognised as expenditure is incurred. At the year end, the balance of projects are recorded as "Project agreement receivables" (current assets) where expenditure incurred on projects exceeded amounts advanced by donors, and under "Project agreement advances" (current liabilities) where advances from donors exceeded expenditure incurred.

c) Retention of staff income tax

Non-Swiss staff resident in Switzerland are exempt from paying taxes on their IUCN earnings on the basis of a fiscal agreement between IUCN and the Swiss Government, which entered into effect on 1st January 1987. In order to ensure equitable treatment of both Swiss and non-Swiss staff at Headquarters, an internal tax is levied on non-Swiss staff resident in Switzerland. This is shown as Retention of staff income tax in the Consolidated Income and Expenditure Statement and is classified as unrestricted income.

6. Expenditure

All unrestricted expenditure and project expenditure is accounted for on an accruals basis.

7. Cross charges from projects

Cross charges from projects represent transfers between Project agreements and Secretariat unrestricted funds and comprise staff time charged to projects and indirect costs funded from projects.

Staff time charges

IUCN staff costs are recorded as unrestricted costs. Staff working on projects charge their time spent on projects through a time recording system. Project agreements are charged the cost of staff time and the Secretariat unrestricted fund receives the income.

Indirect cost recoveries

Indirect costs are recorded as unrestricted costs. Indirect costs funded from project agreements are cross charged to projects and the Secretariat unrestricted fund receives the income.

8. Financial assets

Financial assets are recorded at fair value. Gains or losses arising from changes in fair values of financial assets are recognised in the income statement in the year that they occur as are foreign exchange gains or losses resulting from the revaluation of financial assets denominated in currencies other than the CHF.

9. Fixed assets

a) Purchased assets

Purchased fixed assets are capitalised when the purchase price is one thousand CHF or above, or the equivalent in other currencies, and when ownership resides with IUCN.

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2019

All amounts in CHF ('000) unless otherwise stated

b) In-kind assets

In-kind contributions of fixed assets are capitalised at fair value and the donations recorded as deferred income which is then recognised in the income statement over the estimated useful life of the assets in line with the depreciation charges.

c) Depreciation

Fixed assets are depreciated over their estimated useful lives on the following basis:

Computer hardware	3–5 years
Vehicles	4–7 years
Office furniture and equipment	4–7 years
Building renovations	10–20 years
Building installations	20 years
Building infrastructures	50 years

d) Donations for the purchase of fixed assets

Cash donations received for the purchase of fixed assets are recorded as deferred income and recognised in the income statement over the estimated useful life of the corresponding asset in line with the depreciation charge.

10. Intangible assets

Purchased computer software is capitalized on the basis of the costs incurred to acquire the software and bring it to its point of use.

Software is depreciated over its estimated useful life on a straight line basis over 5 to 7 years.

The cost of developing in-house software is expensed in the year that the costs are incurred.

11. Provisions

a) Provision for membership dues receivable

A general provision for outstanding membership dues is made to recognise the probability that not all dues will be received. The increase or decrease in the total provision is recognised in the income and expenditure statement. Provision for membership dues in arrears is calculated on the following basis, based on the outstanding balance at the close of the year.

Membership dues outstanding for:

Three years or more	100%
Two years	67%
One year	33%

The provision against the arrears of some state members and state agencies is calculated on an individual basis after a review of their own special situations.

Full provision is made against the dues owed by Members whose rights have been rescinded by the IUCN World Conservation Congress or vote of the membership.

b) Provision for projects in deficit

A provision for projects in deficit is made in respect of those projects where expenditure has exceeded income and where the receipt of future additional funds to cover the excess expenditure is uncertain.

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2019

All amounts in CHF ('000) unless otherwise stated

c) Staff terminations

Provision is made for the estimated cost of known redundancies. A redundancy is considered to be known when a management decision has been taken and communicated to the staff concerned.

Additional provision is made when there is a local legal obligation.

d) Staff leave and repatriation

Provision is made for holiday entitlement which has not been used by staff at the year-end. The balance at the year-end also includes the estimated cost of repatriation of international staff.

12. Loans at below market rate of interest

Loans are initially measured at fair value. The benefit of the below-market rate of interest is measured as the difference between the initial carrying value of the loan and the proceeds received. The benefit is recorded as deferred income and recognised over the period of the loan. The market rate of interest is reviewed annually and the carrying value adjusted for significant movements in the market rate.

An amount equivalent to the interest that would have been incurred had the loan been acquired at a market rate is recognised as both an income and an expense in the income and expenditure statement on an annual basis.

13. Hosted organisations

IUCN hosts certain organisations. A hosted organisation has no legal status in the country of operation and therefore operates under the legal umbrella of IUCN. A hosted organisation is operationally autonomous and is accountable to its own management and governance structures and not to IUCN.

Income received and expenditure incurred on behalf of a hosted organisation is accounted for in separate project accounts and excluded from consolidation. Funds held by, or advanced by, IUCN on behalf of hosted organisations are recorded on the balance sheet as advances from/to hosted organisations.

14. Reserves

IUCN maintains the following reserves:

a) Unrestricted reserves

IUCN Fund

The IUCN Fund is maintained in order to preserve IUCN's capital base. The use of the fund is governed by the IUCN Council and is maintained as a reserve of last resort.

Currency translation reserves

The Currency translation reserve represents changes in the value of the net assets of IUCN at the consolidation level as a result of movements of functional currencies against the Swiss franc.

Retained surpluses

The Retained surpluses represent other unrestricted reserves.

b) Designated reserves

Designated reserves represent funds set aside from unrestricted reserves to cover the cost of future events or activities. The designation may be reversed at any time by the IUCN Council.

Reserve for statutory meetings

The Reserve for statutory meetings represents amounts allocated from unrestricted funds to cover costs of future meetings of the World Conservation Congress and related preparatory meetings.

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Renovation fund

The Renovation fund represents funds allocated from unrestricted funds for future renovations of the Headquarters building.

Other Designated reserves

Other Designated reserves represent amounts allocated from unrestricted funds to cover the cost of other future costs or activities.

III. CASH AND SHORT TERM BANK DEPOSITS

Cash and short-term bank deposits include all bank accounts and short-term deposit accounts operated by IUCN worldwide. The analysis by region or office is shown below.

REGION OR OFFICE	2019	2018
Asia	2,670	2,022
Eastern and Southern Africa	2,653	1,677
Eastern Europe and Central Asia	35	226
Europe	2,539	1,804
Environmental Law Centre, Bonn	856	470
Headquarters	41,858	34,864
Mediterranean	243	760
Mexico, Central America and the Caribbean	1,430	1,396
Oceania	766	(17)
South America	341	147
United Kingdom	542	440
United States	705	1,203
Western and Central Africa	2,822	1,911
West Asia	769	753
Balance at 31 December	58,229	47,656

IV. FINANCIAL ASSETS

	2019	2018
Bonds	12,023	11,192
Microfinance	1,616	1,599
Equities	914	1,824
Convertibles	753	790
Other Investments	714	743
Balance at 31 December	16,020	16,148

At 31 December 2019, an unrealized foreign exchange loss of CHF 68 (2018 – CHF 29 loss) was recognised on the investment portfolio.

During the year, the investment portfolio recorded a capital gain of CHF 411 (2018 – CHF 408 loss).

At 31 December 2019, the investment portfolio included bank balances of CHF 605 (2018 – CHF 67). These are included under cash and short-term bank deposits.

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V. DERIVATIVE FINANCIAL INSTRUMENTS

The following forward currency contract commitments existed at 31 December 2019:

	Other currency	CHF	Maturity date
Conversion of SEK to CHF	20,000	2,033	18.05.2020
Conversion of SEK to CHF	19,375	2,014	31.08.2020
Conversion of NOK to CHF	10,500	1,128	29.04.2020

The contracts for the conversions of SEK and NOK to CHF are all forward currency contracts.

At 31 December 2019, the market value of forward currency contracts was a loss of CHF 30 (2018 – nil). A provision for the full value of the loss is included under net movement in provision and write-offs in the Consolidated Income and Expenditure statement.

VI. MEMBERSHIP DUES RECEIVABLE AND PROVISION

	2019	2018
Gross membership dues receivable	2,260	3,861
Provision for dues in arrears	(1,249)	(1,889)
Net membership dues receivable at 31 December	1,011	1,972

The provision for membership dues in arrears has been calculated in accordance with the policy described in Note II.11 (a).

2018

	2016 and prior	2017	2018	Total
Total membership dues receivable	598	989	2,274	3,861
Provision for membership dues	(419)	(573)	(897)	(1,889)
Net membership dues receivable	179	416	1,377	1,972

2019

	2017 and prior	2018	2019	Total
State member	174	367	1,045	1,586
Government agencies	74	111	294	479
Indigenous peoples	0	0	1	1
International NGOs	3	6	12	21
National NGOs	15	40	87	142
Affiliates	14	6	11	31
Total membership dues receivable	280	530	1,450	2,260
Provision for membership dues	(280)	(429)	(540)	1,249
Net membership dues receivable	-	101	910	1,011

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Movement in provision for membership dues

	2019	2018
Balance at 1 January	1,889	2,239
Addition to /(release from) provision	-	129
Write off of deficits against provision	(640)	(479)
Balance at 31 December	1,249	1,889

VII. STAFF RECEIVABLES

Staff receivables comprise travel advances, payroll advances and loans to staff outstanding as at 31 December.

	2019	2018
Travel advances	268	375
Payroll advances and staff loans	8	18
Balance at 31 December	276	393

VIII. RECEIVABLES FROM PARTNER ORGANISATIONS

Receivables from partner organisations represent balances due from organisations associated with IUCN that are outstanding as at 31 December.

	2019	2018
RAMSAR Convention Secretariat	367	338

IX. ADVANCES TO IMPLEMENTING PARTNERS

Advances to implementing partners represent amounts advanced to IUCN partners for the implementation of project agreements that were not spent as at 31 December.

	2019	2018
Asia	483	156
Eastern and Southern Africa	594	493
Europe	93	96
Headquarters	5,614	10,124
Mediterranean	17	31
Mexico, Central America and the Caribbean	190	244
Oceania	(14)	155
South America	583	683
United Kingdom	104	172
United States	345	165
West Asia	258	109
Western and Central Africa	1,558	2,037
Balance at 31 December	9,825	14,465

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X. PROJECT AGREEMENTS RECEIVABLES AND ADVANCES

Receivables and advances on project agreements represent respectively the total of projects with a negative cash balance and the total of projects with a positive cash balance at year end.

	2019	2018
Project agreement receivables	(18,108)	(14,686)
Project agreement advances	73,313	62,369
Balance at 31 December	55,205	47,683

XI. FRAMEWORK AGREEMENTS RECEIVABLES

Framework agreements receivables represent framework agreements income due but not received as at the end of the year. As at 31 December 2019 there was CHF 1,417 receivable compared to CHF 712 receivable at 31 December 2018.

XII. FIXED ASSETS

1. Movement in fixed assets

	Building Infrastructures	Building Installations	Other Land and Buildings	Vehicles, Equipment, Furniture & Fixtures	Total
Purchase value:					
Balance as at 31 December, 2017	27,178	13,775	5,281	9,714	55,948
Additions	-	-	53	581	634
Disposals	-	-	-	(701)	(701)
Balance as at 31 December, 2018	27,178	13,775	5,334	9,594	55,881
Additions	-	-	10	598	608
Disposals	-	-	(6)	(258)	(264)
Balance as at 31 December, 2019	27,178	13,775	5,338	9,934	56,225
Depreciation:					
Balance as at 31 December, 2017	(9,554)	(6,735)	(1,405)	(7,896)	(25,590)
Charge for the year	(544)	(575)	(302)	(718)	(2,139)
Disposals	-	-	-	665	665
Balance as at 31 December, 2018	(10,098)	(7,310)	(1,707)	(7,949)	(27,064)
Charge for the year	(544)	(575)	(284)	(699)	(2,102)
Disposals	-	-	3	240	243
Balance as at 31 December, 2019	(10,642)	(7,885)	(1,988)	(8,408)	(28,923)
Net book value:					
Balance as at 31 December 2018	17,080	6,465	3,627	1,645	28,817
Balance as at 31 December 2019	16,536	5,890	3,350	1,526	27,302

Fixed assets purchased using unrestricted funds are depreciated over their estimated useful lives as per Note II.9.

December 2017 opening Fixed Asset balances were changed to correctly reflect disposal of fully depreciated equipment of CHF 948.

2. Land

In 1990, the commune of Gland gave IUCN the right to use a plot of land for the purpose of building the IUCN Secretariat Headquarters. The right was granted at no cost for a period of 50 years, i.e. until August 2040. In

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2008, the commune of Gland gave IUCN the right of use of an adjacent piece of land to the original plot for a period of 50 years, with the permission to construct an extension to the existing IUCN Headquarters building.

3. IUCN Headquarters building

Included in Building Infrastructures and Building Installations is the Headquarters building of IUCN. This consists of an original building and an extension.

a) Original building

The original building was financed by donations received from the Swiss Confederation, the Canton of Vaud and the Commune of Gland. Although IUCN formally owns the Headquarters building, it enjoys a restricted use and cannot dispose of it or use it as collateral without the approval of the Swiss Government. If disposed of, the Swiss Government has the right to recuperate its initial outlay plus a percentage of the value added, if applicable. The cost of the building is included in fixed assets and the net book value is matched by a corresponding value of deferred income to recognise the restricted nature of the building. The deferred income is released over the estimated useful life of the building in line with the depreciation of the building.

In 2014, the Canton of Vaud provided a grant of CHF 600 towards the renovation of the original building. The grant will be released over the estimated useful life of the building renovation (20 years).

b) Building extension

The building extension was financed by an interest free loan from the Swiss Government of CHF 20,000 payable in 50 equal yearly instalments of CHF 400, the first of which was paid in December 2010. In addition to the loan from the Swiss Government, IUCN received cash donations of CHF 4,692 and in-kind donations of CHF 1,815.

XIII. INTANGIBLE ASSETS

The intangible assets consist of an ERP system and portal applications.

Movement in Intangible assets

	2019	2018
Purchase value:		
Balance at 1 January	4,550	4,438
Additions	191	112
Balance at 31 December	4,741	4,550
Amortisation:		
Balance as of 1 January	(4,423)	(4,069)
Charge for the year	(72)	(354)
Balance at 31 December	(4,495)	(4,423)
Net Book Value at 31 December	246	127

XIV. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities represent amounts owed to creditors and suppliers as at the end of the year. Of the total outstanding balance of CHF 10,782 as at 31 December 2019 (2018 – CHF 13,841), CHF 6,973 (2018 – CHF 9,472) is related to Headquarters and the balance to regional and country offices.

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	2019	2018
Accounts payable and supplier accruals	5,067	5,301
Accruals for implementing partners	5,715	8,540
Balance at 31 December	10,782	13,841

XV. PENSION FUND OBLIGATIONS

IUCN operates different pension plans in different countries, each conforming to the legal regulations in the respective country. On 31 December 2019, the liability to the pension schemes amounted to CHF nil (2018 – CHF nil).

XVI. HOSTED ORGANISATIONS ADVANCES

Hosted organisation advances represent funds held by IUCN on behalf of hosted organisations. At 31 December 2019, the balances are due from organisations associated with IUCN resulting from outstanding funds from donors on hosted organisation projects.

	2019	2018
Balance at 1 January	496	511
Income	1,798	4,168
Expenditure	(2,566)	(4,223)
	(272)	456
Movement on funds held	(35)	40
Balance at 31 December	(307)	496

XVII. PROVISIONS

1. Projects in deficit

The provision for projects in deficit is funded by unrestricted income and covers projects where negotiations are still ongoing but where IUCN considers that it may not be able to obtain additional funds from donors to cover expenditures already incurred.

Movement in project deficit provision

	2019	2018
Balance at 1 January	1,928	2,171
Additions to provision	610	1,337
Utilisation of provision	(163)	(1,580)
Balance at 31 December	2,375	1,928
Region	2019	2018
Asia	568	323
Eastern and Southern Africa Region	433	289
Europe	16	16
Headquarters	423	490
Mediterranean	47	49
Oceania	152	243
Western and Central Africa	272	152
West Asia	464	366
Balance at 31 December	2,375	1,928

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2. Staff termination

The provision for staff termination is calculated separately for each office to comply with local labour laws. Irrespective of local labour law, provision is made for the estimated cost of staff termination when a decision has been made to terminate a member of staff and the decision has been communicated to the individual concerned.

Movement in provision for staff termination

	2019	2018
Balance at 1 January	1,726	1,576
Additions to provision	777	962
Utilization of provision	(926)	(812)
Balance at 31 December	1,577	1,726

XVIII. DEFERRED INCOME

Deferred unrestricted income represents income received in advance of the period to which it relates.

	2019	2018
Deferred unrestricted income	1,454	709
Donations for construction of HQ building extension		
Donations in cash	2,652	2,753
Donations in kind	216	243
Donation in cash for renovation of original building	434	465
	3,302	3,461
Headquarters original building	7,123	7,431
Interest free government loan	3,444	5,260
Total	15,323	16,861
Current		
Deferred unrestricted income	1,454	709
Buildings:		
Original building	339	339
Building extension	128	128
Total buildings	467	467
Total current deferred income	1,921	1,176
Non-current		
Original building	6,784	7,092
Building extension	6,618	8,593
Total long term deferred income	13,402	15,685
Total deferred income	15,323	16,861

Donations received for the headquarters buildings (original and extension) are recorded as deferred income and recognised over the useful life of the corresponding purchased or donated assets (see Note XI 3).

The deferred income on the government loan represents the difference between the fair value of the loan CHF 12,537 (2018 – CHF 11,124) and the outstanding cash value of the loan CHF 15,981 (2018 – CHF 16,384) (see Note XIX). This difference represents the fair value of the interest saved on the interest free loan granted by the Swiss Government and is recognised over the period of the loan.

XIX. NEW BUILDING LOAN

Headquarters building extension loan

	2019	2018
Current	243	177
Non-current	12,294	10,947
Balance at 31 December	12,537	11,124

The Swiss Government provided an interest free loan of CHF 20,000 to finance the headquarters building extension.

The loan is repayable in 50 annual instalments of CHF 400. The first instalment was paid in December 2010.

The fair value of the loan is estimated at CHF 12,537 (2018 – CHF 11,124). The outstanding cash value of the loan has been discounted at a rate of 1.25% (2018 – 2%) which represents the market interest rate for a 10-year loan based on current market conditions. The difference of CHF 3,444 (2018 – CHF 5,260) between the outstanding cash value and the fair value of the loan is the benefit derived from the interest-free loan and is recorded as deferred income (see Note XVIII).

The impact of changing the discount rate from 2% to 1.25% was an increase in the fair value of the loan of CHF 1,591 and a corresponding decrease in deferred income. This adjustment has not been passed through the income and expenditure statement as it has no impact on the result for the year

The value of the interest that would have been paid on an equivalent commercial loan of 1.25% is estimated at CHF 200 (2018 – 2%, CHF 328). This has been recorded in the income and expenditure statement under Interest income to recognise the benefit of the interest free loan and under financial charges to recognise the interest that would have been paid.

XX. FUNDS AND UNRESTRICTED RESERVES

1. Unrestricted reserves

Currency translation adjustments & foreign exchange gains and losses

Exchange gains and losses at the individual ledger levels are dealt with in the income statement. The net unrestricted loss on exchange for the year amounted to CHF 628 loss (2018 – loss of CHF 504).

Exchange gains and losses on consolidation and translation of ledgers maintained in other currencies to CHF are taken to the currency translation adjustment reserve. The net movement during 2019 was a loss of CHF 284 (2018 – loss of CHF 575).

2. Designated reserves

a) Reserve for statutory meetings

In 2019, CHF 832 (2018 – CHF 343 allocation) was released from the Reserve for statutory meetings from Retained surpluses to cover costs for the 2020 Congress (CHF 425) and the Regional Conservation Fora (CHF 407).

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b) Other designated reserves

In 2019, CHF 14 (2018 – CHF 269 allocation) was released from Other designated reserves in respect of: the IUCN Commissions – CHF 117 allocation (2018 – CHF 224 allocation), External review – CHF 55 allocation (2018 – CHF 45 allocation) and systems investments – CHF 186 release (2018 – CHF nil).

c) Renovation fund

A net allocation of CHF 10 (2018 – CHF 11) was made from Retained surpluses to the Renovation fund to cover future renovation costs of the IUCN Headquarters building.

XXI. RETENTION OF STAFF INCOME TAX

Swiss Government tax rebates amounted to CHF 1,426 (2018 – CHF 1,487) and represents the value of taxes that would have been paid by non-Swiss staff in the absence of the Fiscal Agreement between IUCN and the Swiss Government which exempts non-Swiss staff from payroll taxes and which entered into effect on 1 January 1987.

XXII. FRAMEWORK INCOME

Annex A lists Framework Agreements income by donor and details income allocations to the IUCN Programme and operational units.

Framework income includes in-kind contributions of CHF 526 (2018 – CHF 430).

XXIII. OTHER OPERATING INCOME

Other operating income of CHF 5,880 (2018 – CHF 6,041) shown under Secretariat unrestricted funds includes overhead and management fees from Ramsar Convention Secretariat of CHF 561 (2018 – CHF 574), rental income of CHF 1,231 (2018 – CHF 1,174), recognition of deferred income of donations for the headquarters original building and building extension CHF 467 (2018 – CHF 468), and in-kind contributions of staff other than Framework staff in-kind of CHF 1,017 (2018 – CHF 979). The balance of other operating income is made up of miscellaneous external income received by IUCN at both Headquarters and other offices around the world.

XXIV. EXCHANGE DIFFERENCES ON REVALUATION OF PROJECT BALANCES

Project balances are expressed in the currency of the underlying donor contract. At the end of the year, project balances are translated to the currency of the office ledger in which they reside at the year-end rate. Project balances expressed in non-CHF ledgers are further revalued to CHF using the year-end exchange rates. The resulting unrealised gain or loss is recorded as an adjustment to project balances on the balance sheet and the Currency translation adjustment reserve. The net adjustment is passed through the income and expenditure statement for project agreements to reflect the net movement on the project portfolio.

XXV. AUDIT FEE

The following fees were paid to the auditors of IUCN's financial statements.

	2019	2018
Consolidated financial statement audit	194	171
Other audits	49	37

XXVI. RELATED PARTIES

1. Identity of related parties

a) The Commissions

The Commissions of IUCN are networks of expert volunteers entrusted to develop and advance the institutional knowledge and experience and objectives of IUCN. The Commissions are established by Congress which determines their mandate.

b) The National and Regional Committees

National and Regional Committees are groupings of Members of IUCN from specific states or regions. Their role is to facilitate cooperation among Members and to coordinate the participation of Members in the programme and governance of IUCN.

c) The Convention on Wetlands of International Importance (Ramsar)

Ramsar is hosted by the IUCN Secretariat and operates under its legal personality. It is headed by a Secretary General with sole responsibility for the administration of the convention funds and for all administrative matters, with the exception of those requiring the exercise of legal personality. IUCN provides services to the Ramsar Secretariat in terms of financial and budgetary management, office facilities, human resources management and information technology.

d) TRAFFIC International

TRAFFIC International is a charity registered in the United Kingdom. IUCN is a founder member and sits on the Board. The IUCN Secretariat hosts TRAFFIC operations in its offices in Cameroon, Thailand and South Africa where they operate under the legal personality of IUCN.

e) International Union for Conservation of Nature and Natural Resources – US

The International Union for Conservation of Nature and Natural Resources – US is a US registered charity whose main purpose is to raise funds for conservation to be spent in partnership with IUCN and its Members.

2. Transactions with related parties

During the course of the year IUCN made contributions of CHF 1,300 to the Commissions (2018 – CHF 1,300). The amount is distributed across the expenditure headings that reflect the nature of the expenses incurred by the Commissions. Unspent allocations are included under Other Designated Reserves

During the year and as part of the services IUCN provides to Ramsar, IUCN received funds of CHF 4,932 (2018 – CHF 6,730) and incurred payments of CHF 4,559 (2018 – CHF 6,498) on behalf of Ramsar. At year-end the balance held in trust for Ramsar amounted to CHF 3,827 (2018 – CHF 5,196). These transactions are recorded in Ramsar accounts and financial statements and are therefore not presented in the financial statements of IUCN. During the year, IUCN received fees of CHF 561 (2018 – CHF 574) for the services provided to Ramsar and which are included in Other operating income.

During the year IUCN made contributions of CHF 418 to TRAFFIC International (2018 – CHF 449).

During the year, IUCN received funds from the International Union for the Conservation of Nature and Natural Resources – US of USD 531 (CHF 515) and in 2018, USD 437 (CHF 430) was received.

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Summary of legally controlled entities:

Company	Year-end closing	Currency	Capital	Share of capital	
				2019	2018
The International Union for the Conservation of Nature and Natural Resources, Registered Trustees, (WASAA Trust Fund, Nairobi)	31.12	KES	234,857	100%	100%
IUCN, Bureau de Représentation auprès de l'Union Européenne aisbl	31.12	EUR	104	100%	100%
Associação IUCN	31.12	BLR	292	20%	20%
IUCN UK (A Company Limited by Guarantee)	31.12	GBP	130	NA	NA
IUCN Maldives	31.12	USD	-	100%	100%
IUCN PNG "Mangrove Rehabilitation and Management Project Association	dormant				

XXVII. STAFF HEADCOUNT

IUCN's headcount including staff in-kind is as follows:

	2019	2018
Average employees during the year	833	891

XXVIII. OPERATING LEASES

At 31 December 2019, IUCN has future minimum office rental commitments amounting to CHF 4,757 (2018 – CHF 4,648) relating to expected rental fees until the end of the lease contract of which CHF 4,325 (2018 – CHF 3,900) expires in 1 to 5 years and CHF 432 (2018 – CHF 748) expires in 6 to 7 years.

IUCN has leasing contracts for office equipment and vehicles amounting to CHF 141 (2018 – CHF 160) expiring in 1 to 5 years.

XXIX. BANK GUARANTEES

At 31 December 2019, IUCN had bank guarantees in Mozambique Metical 151 (2018 – MZN 2,862) and Kuwaiti Dinar 19 (2018 – KWD 19), for a total value CHF 63 (2018 – CHF 108) in favour of IUCN donors. Cash for an equivalent amount is pledged at corresponding banks.

XXX. SUBSEQUENT EVENTS

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections across many geographies. Government restrictions on the free movement and association of staff and project participants are expected to have some impact on programme delivery during the course of 2020.

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IUCN has assessed the impact that COVID-19 will have on its operations in 2020 by reviewing both unrestricted and restricted income streams. The impact on unrestricted income is expected to be minimal. There is a risk that some Members may delay, or, in extreme cases, be unable to pay their membership dues, leading to the requirement for additional provisions for unpaid dues in 2020, but this is not expected to be material. Framework income is not expected to be impacted as 2020 budgeted income is supported by contracts with government agencies.

A review of all project plans has been performed. Although a decline in activity expenditure is forecasted, the decline is not expected to be material. Project plans are being revised where necessary, and in collaboration with IUCN donors, to minimise the impact by prioritising project activities that are not impacted by COVID-19. In addition, alternative project modalities are being used where appropriate, e.g. virtual technology to conduct workshops and other collaborative events. As a result, we expect the financial impact of COVID-19 on project implementation to be limited in 2020.

Due to the COVID-19 emergency, the IUCN World Conservation Congress, scheduled to be held in June 2020 in Marseille, France, has been postponed to January 2021. The postponement decision has no impact on the 2019 financial statements. Any additional costs related to the postponement of the Congress will be recognised in 2020.

Overall, IUCN considers that these subsequent events have no impact on the 2019 financial statements. Furthermore, Management concluded that there is no material uncertainty that may cast significant doubt upon the organisation's ability to continue as a going concern. We will continue to monitor the situation throughout 2020 and take steps to maintain operations to the extent possible without jeopardizing the health of our staff or our partners.

ANNEX A – CORE FUNDS UNDER FRAMEWORK AGREEMENTS

All amounts in CHF ('000)

	2019	2019	2018	2018
	Secretariat expenditure	Framework core allocation	Secretariat expenditure	Framework core allocation
Central and West Africa Region	2,903	754	3,314	775
Eastern and Southern Africa Region	4,800	625	4,575	736
Asia Region	6,905	886	7,417	1,029
Meso America and Caribbean	3,627	440	4,577	506
South America and Brazil	1,252	326	1,458	378
European Regional Office, Brussels	1,017	-	986	-
Eastern Europe and Central Asia Regional Office	454	-	378	-
West Asia Region	909	330	1,147	384
Mediterranean Cooperation Centre	1,492	-	1,430	-
Oceania	1,514	296	1,494	347
Washington DC Office	900	-	998	-
Sub Total Regional Components	25,773	3,657	27,774	4,155
Director's Office, Biodiversity Conservation Group	357	356	388	400
Species Programme	3,452	449	3,342	450
Protected Areas Programme	1,557	374	1,336	350
World Heritage Programme	1,032	333	1,159	350
Traffic International	418	218	449	249
Sub Total Biodiversity Conservation Group	6,816	1,730	6,674	1,799
Director's Office, Nature-based Solutions Group	456	356	466	350
Ecosystem Management Programme	1,824	408	1,542	348
Forest & Climate Change Programme	1,880	236	1,966	197
Marine & Polar Programme	1,658	233	1,876	247
Water & Food Security Programme	812	237	1,019	200
Business & Biodiversity Programme	1,194	238	1,260	331
Governance and Rights Programme	1,202	593	1,327	619
Sub Total Nature-based Solutions Group	9,026	2,301	9,456	2,292
Director's Office, Programme & Policy Group	404	356	401	400
Economic Knowledge	889	575	730	620
Science and Knowledge Unit	805	634	753	618
Global Policy Unit	725	541	716	567
Environmental Law Programme	1,164	333	1,230	348
GEF Coordination Unit	605	-	580	-
Sub Total PPG - Programme & Policy Group	4,592	2,439	4,410	2,553
Commission on Education and Communication	273	-	204	-
Commission on Ecosystem Management	210	-	145	-
World Commission on Environmental Law	141	-	118	-
World Commission on Protected Areas	227	-	182	-
Species Survival Commission	143	-	221	-
Commission on Environment, Economics and Social Policy	177	-	185	-
Sub Total Commissions	1,171	-	1,055	-
Director's office, Union Development Group	3,131	-	1,406	-
Governance	685	-	631	-
Sub Total Union Development	3,816	-	2,037	-
Directorate	1,099	-	1,284	217
Office of the Legal Adviser	589	-	626	-
Oversight Unit	219	-	214	-
Planning, Monitoring & Evaluation Unit	595	417	525	284
Global Communications Unit	1,091	-	958	-
Finance Group	1,682	-	1,659	-
Global Programme Operations Unit	1,797	245	1,866	235
Human Resources Management Group	1,205	-	1,094	-
Strategic Partnerships Unit	753	544	622	134
General Services Unit	3,060	-	2,947	-
Information Systems Group	3,634	-	3,736	-
Sub Total Corporate Support Units	15,724	1,206	15,531	870
OVERALL TOTAL	66,918	11,333	66,937	11,669
Non-operating expenditure	(21)	-	(317)	-
Operating expenses as per the Income & Expenditure Statement	66,897	11,333	66,620	11,669
Reconciliation of Framework Income to the Financial Statements		2019		2018
Overall Total allocations as above		11,333		11,669
Realised foreign exchange losses on cash contributions		132		-
Framework funding allocated to projects		233		-
Surplus/(Deficit) at year-end transferred to unrestricted reserve		(66)		(440)
Total Funding Framework Agreements		11,632		11,229

ANNEX A – CORE FUNDS UNDER FRAMEWORK AGREEMENTS

All amounts in CHF ('000)

	2019	2018
Framework Agreement Partners	TOTAL	TOTAL
Agence Française de Développement (AFD), Ministry for Europe and Foreign Affairs (MEAE), Ministry of Ecological and Inclusive Transition (MTES), Ministry of Agriculture and Food (MAA); Ministry of Overseas Territories (MOM) – France	1,214	1,178
Ministry of Environment, Republic of Korea (MOE) – Korea	789	634
Ministry of Foreign Affairs – Finland	397	419
Norwegian Agency for Development Cooperation (NORAD) – Norway	2,415	2,432
Swedish International Development Agency (Sida) – Sweden	4,589	4,319
Swiss Agency for Development and Cooperation (SDC) – Switzerland	1,500	1,500
U.S. Department of State	728	747
Total Funding Framework Agreements	11,632	11,229

Framework income allocations are made on the basis of budgeted income at the start of the year. The difference between allocations made and actual income received is taken to unrestricted reserves. This is compensated by balances on other funding sources to arrive at the overall result for the year.