



Financial Statements

2018

Who we are

The International Planned Parenthood Federation (IPPF) is a global service provider and a leading advocate of sexual and reproductive health and rights for all. We are a worldwide movement of national organizations working with and for communities and individuals.

IPPF works towards a world where women, men and young people everywhere have control over their own bodies, and therefore their destinies. A world where they are free to choose parenthood or not; free to decide how many children they will have and when; free to pursue healthy sexual lives without fear of unwanted pregnancies and sexually transmitted infections, including HIV. A world where gender or sexuality are no longer a source of inequality or stigma. We will not retreat from doing everything we can to safeguard these important choices and rights for current and future generations.

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Executive summary

This year, the political environment across the world moved further towards conservatism, protectionism and populism, which lent itself increasingly to stronger and more calibrated attacks from a confident opposition on all aspects of women's rights, particularly Sexual and Reproductive Health Rights (SRHR).

In order to counter this, IPPF adopted a new Member Association (MA) centric approach catalysing the power of a federation present across the world, mobilized civil society in regional reviews of the International Conference of Population and Development (ICPD) in a build up to the 25th anniversary of the ICPD in 2019, drove an ambitious and more integrated SRHR agenda at country level through the FP2020 Reference Groups and the Global HIV Prevention Coalition and successfully worked out hosting of a well-funded SheDecides Secretariat. In 2018, IPPF has also developed forward looking Business Plan 'Solutions' that will act as boosters to its ambitious strategic framework and address some of IPPF's greatest challenges which include building a movement and countering opposition, enabling and empowering young people, building Member Association's capacity, SRHR for crisis affected people, and developing leaders & boosting culture. All these will all help us in mobilizing a coordinated approach to creating greater synergies in support of SRHR agenda.

This report presents progress and results for the year ended 31 December 2018 against each of its four expected outcomes and delineates plans for 2019.

Championing Rights – OUTCOME 1

In 2018, we worked across the world with our other partners to successfully secure changes to laws, policies and budgets in favor of sexual and reproductive health and rights, gender equality and women's empowerment, through influencing decision-makers in national governments, regional and multi-lateral institutions and international fora.

In 2018 we influenced Member State Missions in the UN and the African Union among other international bodies, made official statements at international, regional and national levels. IPPF influenced negotiations particularly on the United Nations Commission of the Status of Women, the Commission on Population and Development, the World Health Organization Executive Board, World Health Assembly, the Human Rights Council and the UN General Assembly. We further strengthened partnerships and coalitions at international, regional and national levels, including with agencies like UNFPA, with champions such as the Organization of African First Ladies Against HIV/AIDS, league of Arab States, advocacy groups like the Reproductive Health Supplies Coalition and the FP2020 movement, as well as with influential governments. IPPF mobilized civil society in regional reviews of the ICPD in a build up to the 25th anniversary of the ICPD in 2019.

Empower Communities – OUTCOME 2

In 2018 some of the key tasks completed included continuing to push the agenda of having young people at the heart of delivering IPPF's strategic framework. This included launching a document on youth centered approaches in a youth lead event at the International Conference on Family Planning in November, scaling up the Comprehensive Sexuality Education (CSE) toolkit developed in 2017, by translating these into more languages, setting up a pilot CSE Institute in collaboration with 3 MAs (namely RFSU, Rutgers and Sex og Samfund) and work commenced with Behavioural Insights Team (BIT) to apply behavioural insights to increase access/ impact of CSE.

In 2018, we engaged with champions, opinion formers and the media to promote health, choice and rights, and produced and shared a compelling core narrative about IPPF that describes our members' ability to transform the lives of people through sexual and reproductive health and rights through the production of more than 15 major commissions.

Serve People – OUTCOME 3

In 2018 we continued with our efforts to build technical knowhow and capacity to become thought leaders in the area of SRHR, through the IMAP statements, developing technical brief and guidelines, strengthening partnerships with IBP (International Best Practices) and WHO and dissemination of these and other practices. We further strengthened implementation of Integrated Package of Essential Services (IPES), through training in the areas of cervical cancer and SGBV and strengthening country level data management systems enabling managers to oversee delivery of the package at the clinic level. We mobilized and executed multiple large and small restricted projects, delivering SRH services and building capacity in multiple areas including provision of abortion services, provision of long acting Family Planning (FP) methods, etc. IPPF's gender assessment toolkit was pilot tested in two countries, with sensitization on gender transformative programming with Executive Directors from East and South East Asia and South Asia. We moved towards setting the foundations to move towards greater self-sustainability through the social enterprise programmes across select Member Associations. The Technical Advisory network of the social enterprise is led by our MA in Sri Lanka.



IPPF/Argentina

Unite and Perform – OUTCOME 4

IPPF's accreditation system continued to provide the guarantees and capacity building impetus that Federation membership requires.

Key highlights on our performance dashboard for 2018 include 163 advocacy wins in support of SRHR; we reached 242.6 million people with positive messages about SRHR: this is a significant increase of 72 per cent from 2017; in 2018, 223.2 million SRH services were delivered, an increase of 14.4 million, or 7 per cent, from 2017; and in 2018, 12.1 million activists agreed to take action for political and social change in support of IPPF's work.

In 2018, IPPF developed a robust business plan which was backed with a 3-year financial plan that covered the implementation of the IPPF Strategic Framework including the business plan. This has now

laid down clear asks from the Resource mobilization and the new business development teams. 2018 was a very successful year for fundraising results for the Secretariat. Governments of Australia, China, Denmark, Germany, Japan and the Hewlett Foundation all renewed unrestricted funding with IPPF. IPPF is at the same time increasingly being recognized as a realistic, proven provider of restricted programming funds, we won two large FP programme contracts with DFID to the tune of £132 million (Lot 2) and £8 million (Lot 1) over three years in coalition with other partners including Marie Stopes International. The main programme began in September 2018 with US\$8.3 million being received in 2018. We have also signed another large contract in the area of provision of SRHR services for young people (supported by UK Aid Connect). IPPF also received funding support to counter the effects of the Global Gag rule for delivery of services in the most affected countries and received funding for hosting of SheDecides to counter the growing opposition.

Annual report of the Governing Council (Trustees' report)

Introduction

The International Planned Parenthood Federation (IPPF) is a global service provider and a leading advocate of sexual and reproductive health and rights for all. IPPF is a worldwide movement of national organizations working with and for communities and individuals, focusing support on those who are poor, marginalized, socially-excluded and under-served.

IPPF currently has 135 Member Associations (MAs). These Member Associations are working in 146 countries (the Caribbean Family Planning Affiliation operates in 12 countries). In addition, IPPF is active in a further 20 countries where there is not currently a Member Association. This brings the total number of countries in which IPPF is working to 166.

The Member Associations (MAs) of IPPF are all autonomous and report independently, and their financial statements are therefore not presented here.

The financial statements contained herein have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), as issued by the Charity Commission in 2015. The financial statements include the charity, comprising the central office and three regions, South Asia, East and South-east Asia and Arab World regions; and the group which additionally includes the Africa and Europe regions and IPPF Worldwide Inc. The separate autonomous business unit representing the sixth region of the Western Hemisphere is included within the aggregated data presented in appendix one.

In addition to the financial statements IPPF publishes an Annual Performance Report which outlines in detail the major activities of IPPF and their alignment to the strategic goals of the organization. Copies of this report are available on www.IPPF.org

Objectives and activities

Moving Forward Together: Our Strategic Framework 2016-2022

Focus

Our strategy focuses on achieving four key outcomes:

- **Championing Rights** – 100 Governments respect, protect and fulfill sexual and reproductive rights and gender equality
- **Empowering Communities** – 1 billion people to act freely on their sexual and reproductive health and rights
- **Serve People** – 2 billion quality integrated sexual and reproductive health services delivered
- **Unite and Perform** – A high performing, accountable and united Federation

Championing Rights

By 2022, 100 governments will respect, protect and fulfill sexual and reproductive rights and gender equality.

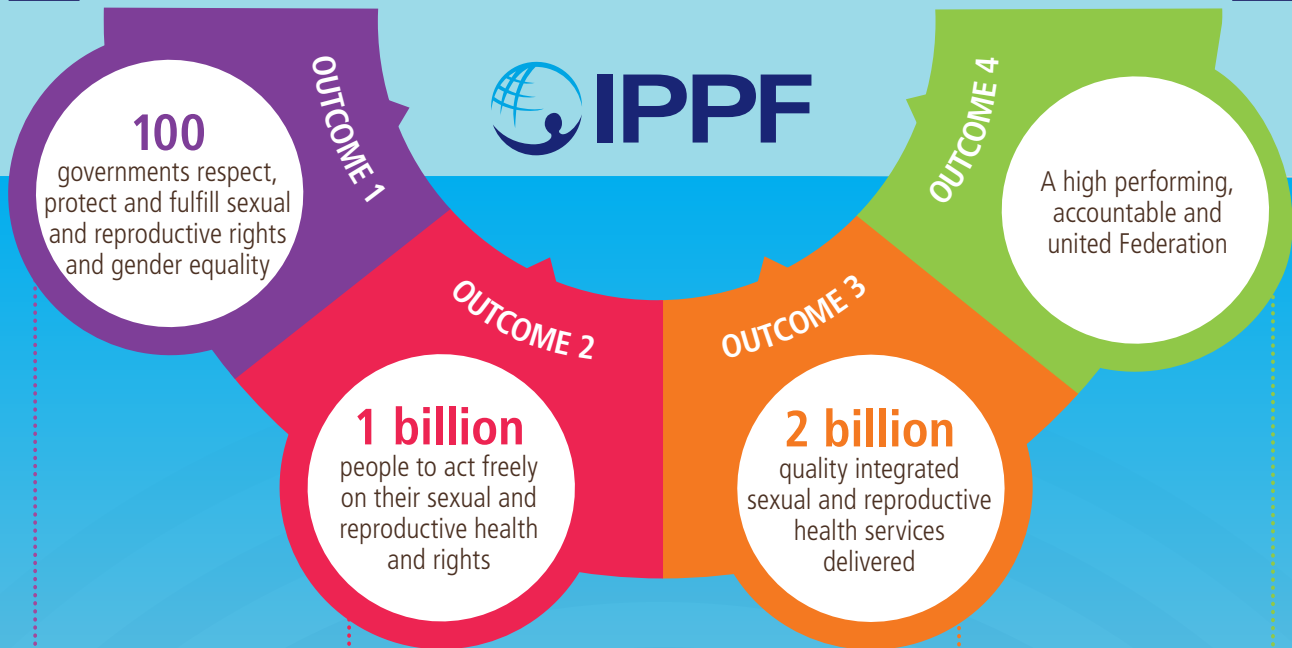
IPPF will champion sexual and reproductive rights and gender equality through direct advocacy with governments and regional institutions, and by partnering and supporting civil society advocates and leaders, particularly girls and women.

Priority objective one: Galvanize commitment and secure legislative, policy and practice improvements

Although many governments have made public statements in support of sexual and reproductive health and rights, and gender equality, many of them have failed to realize their commitments through supportive legislation, policy and funding. As a result, citizens continue to be denied their rights to life-saving services. Where governments have translated their commitments in tangible ways, national political leadership on sexual and reproductive health and rights has not only transformed people's lives and benefited wider society but has also influenced the actions of other governments. IPPF will further invest in political advocacy at all levels, including supporting Member Associations with capacity building, funding and monitoring. We will target key institutions, support and foster interested parliamentarians, engage with community and faith networks, and influence regional and international processes. Leading collaborations within civil society, IPPF will generate new political commitments and ensure that they are effectively implemented.

OUR VISION

ALL PEOPLE ARE FREE TO MAKE CHOICES ABOUT THEIR SEXUALITY AND WELL-BEING, IN A WORLD WITHOUT DISCRIMINATION



Galvanize commitment and secure legislative, policy and practice improvements	Enable young people to access comprehensive sexuality education and realize their sexual rights	Deliver rights-based services including for safe abortion & HIV	Enhance operational effectiveness and double national and global income
Engage women and youth leaders as advocates for change	Engage champions, opinion formers and the media to promote health, choice and rights	Enable services through public and private health providers	Grow our volunteer and activist supporter base

IPPF'S MISSION

TO LEAD A LOCALLY OWNED, GLOBALLY CONNECTED CIVIL SOCIETY MOVEMENT THAT PROVIDES AND ENABLES SERVICES AND CHAMPIONS SEXUAL AND REPRODUCTIVE HEALTH AND RIGHTS FOR ALL, ESPECIALLY THE UNDER-SERVED

OUR VALUES





IPPF/Alana Holmberg/Vanuatu

Priority objective two: Engage women and youth leaders as advocates for change

IPPF will strengthen its links with youth and women’s organizations and provide pathways for women and young leaders – particularly girls – within the Federation. These programmes will be designed in-country and will aim to engage socially excluded individuals, who may not typically be involved. Programmes will promote male involvement in SRHR, and address issues related to masculinity, gender and sexuality. We will further resource our youth networks to ensure greater co-ordination and collaboration. By 2022, a new generation of youth and women leaders will be championing and advocating for sexual and reproductive health and rights.

Empower Communities

By 2022, one billion people will act freely on their sexual and reproductive health and rights.

IPPF will focus on expanding access to and quality of comprehensive sexuality education around the world. At the same time, we will run popular campaigns to mobilize those who support sexual and reproductive health and rights.

Priority objective three: Enable young people to access comprehensive sexuality education and realize their sexual rights

IPPF will transition from a youth-friendly to a youth-centered organization by: prioritizing and scaling up comprehensive sexuality education – which seeks to equip young people with skills, knowledge and values to determine and enjoy their sexuality and protect their health; and focusing on interventions for the most marginalized youth, in and out of school.

Priority objective four: Engage champions, opinion formers and the media to promote health, choice and rights

IPPF will implement public campaigns to raise awareness of sexual and reproductive health and rights issues and generate support, with integrated communications strategies and the involvement of public-facing champions, opinion formers and media outlets. We will develop adaptable content, featuring personal testimonies, and deliver it through a variety of formats, including traditional and social media. This work will be embedded as a core part of what we do. By 2022, we will have reached one and half billion people with messages through the Federation and in partnership with our champions and partners, including the media.

Serve People

By 2022, IPPF and our partners will deliver two billion quality, integrated sexual and reproductive health services.

In its own service delivery outlets and through partnerships with private and public providers, IPPF will scale up the provision of an essential package of high quality sexual and reproductive health services that are rights-based, client-centered, gender sensitive and youth friendly.

Priority objective five: Deliver rights based services including for safe abortion and HIV

IPPF will ensure that all its service outlets provide high quality services: they must not only provide a minimum, integrated package, but must also be client-centered, rights-based, youth friendly and gender sensitive. Our services will not turn anyone away because of inability to pay, or lack of health personnel, and we will expand access through a diverse range of delivery channels. Through quality improvements we will reinforce our reputation as a health provider that is welcoming to all. IPPF will strengthen sexual and reproductive health services in humanitarian settings by improving access before, during and after conflict and crisis situations. We will also invest in technical expertise to support effective supply chain management, high quality equipment and infrastructure, and management capacity.

Priority objective six: Enable services through public and private health providers

With an increasing number of health providers offering sexual and reproductive health services, IPPF Member Associations have a distinct role in providing technical assistance. IPPF can ensure that services are responsive to the local community, are client-centered and provide rights-based, supportive care to all. IPPF will develop new formal partnerships with public and private providers. We will deliver pre- and in-service training for medical personnel, integrated sexual and reproductive health services in partner facilities, and we will strengthen supply chain management and quality of care. By bringing together a diverse range of service providers, IPPF will assemble a multi-faceted, global network of high quality, rights-based Sexual & Reproductive Health (SRH) service providers.

Unite and Perform

By 2022, IPPF will be a high-performing, accountable and united Federation.

IPPF is evolving its structures and systems to adapt to changing environments, and at the same time we return to our roots – to reinvest in the volunteer-led activist movements that created IPPF in the first place. This fusion of innovation and timeless, grassroots energy will ensure that IPPF is the best it can be.

Priority objective seven: Enhance operational effectiveness and double national and global income

IPPF is committed and has an ethical obligation to make the most of its resources and to be flexible and responsive to changing political and economic contexts. To maximize the number of people we can serve, we need to increase our operational effectiveness.

We must remain relevant, responsible and efficient in how we seek out funding, translate it into development outcomes and sustain services to meet demand. IPPF is evolving its operations and financial structures to incorporate diverse business models that are fit for purpose in each of the specific contexts we work in around the world. We will ensure ongoing funding for our services by: supporting Member Associations to develop social enterprises; recruiting and retaining staff and volunteers that bring business planning, market analysis, communications, and performance management skills to the Federation; and strengthening financial and performance management at all levels. By 2022, all parts of the Federation will be able to clearly articulate their model of sustainability and IPPF will be generating more income through diverse sources.

Priority objective eight: Grow our volunteer and activist supporter base

IPPF's work is demanded and delivered by communities: this groundswell of grassroots support gives legitimacy and is the foundation of our political advocacy. Opposition groups, a vocal minority in many places, threaten the gains that the sexual and reproductive health and rights movement has achieved, and there is now a need to grow and lead the volunteer and activist supporter base for sexual and reproductive health and rights at local levels to present a clear, alternative voice to groups that do not support sexual and reproductive rights. IPPF will invest in communications staff, systems and technologies. We will recruit and organize volunteers and activists who want to advance sexual and reproductive health and rights, focusing initially in countries where the Member Associations have the interest and potential to grow their supporter base quickly. A strong sexual and reproductive health and rights activist community will help individuals everywhere to claim their sexual and reproductive rights and hold their leaders to account.

Grant making to Member Association and partners

The main activity for achieving the strategic outcomes across the Federation is by making grants to member associations and partners to carry out their work and deliver services. Grants are either to support MAs core activities (unrestricted) or for specific projects or activities (restricted).

For unrestricted grants IPPF allocates resources using criteria relating to the level of need and performance in each of the four strategic priority areas, using both internationally recognized data and also internal performance data.

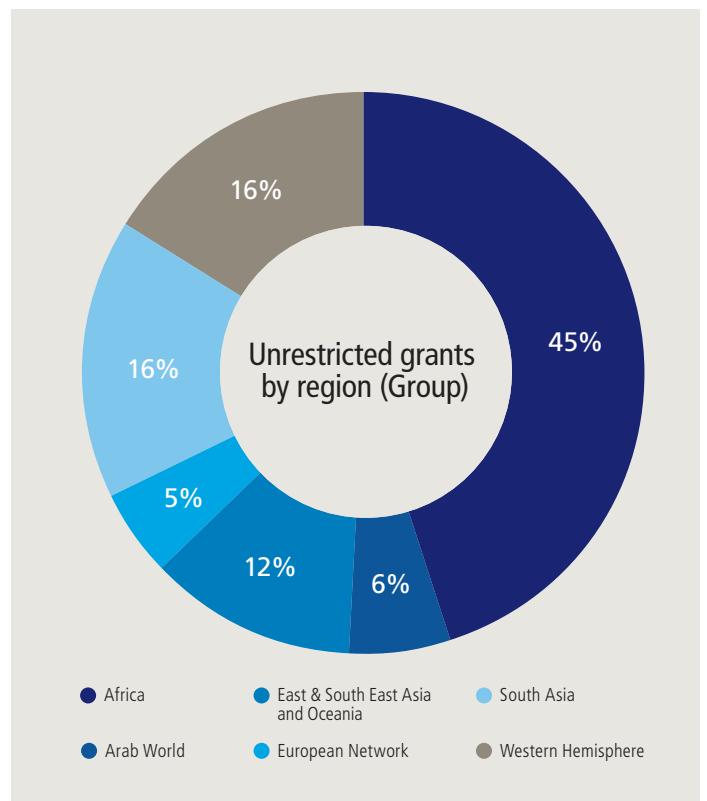
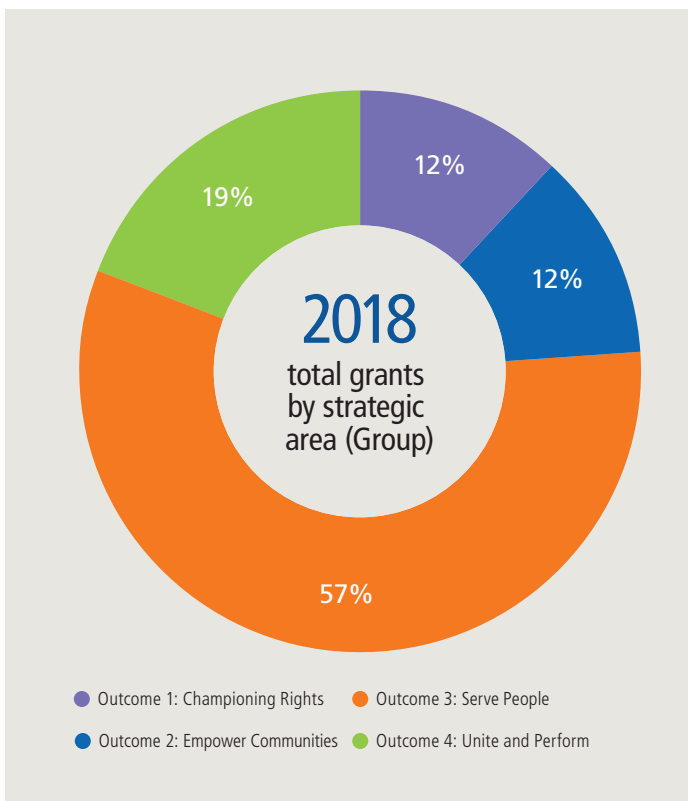
The Governing Council has established the level of unrestricted funding which should be allocated to each region. The regions then make decisions on the individual funding to their Member Associations, based on the resource allocation criteria. The highest priority is for the Africa and South Asia Regions which are allocated 44.5% and 16.0% respectively. Unrestricted grants are awarded on an annual basis with Member Associations submitting an Annual Programme Budget which outlines the activities and funding required in relation to the Strategic Framework. This process is undertaken by many Member Associations using IPPF’s Integrated Management System (PRISM). Once approved, Member Associations receive funding in three instalments during the year based on satisfactory submission of half yearly and annual reports, audited financial statements and management letters.

The linkage between grants and performance is further strengthened by the Federation-wide performance-based funding system, under which unrestricted grant levels are adjusted for each Member Association based on performance against a number of key indicators.

Restricted grants are made for a diverse range of donors and project activities and the Secretariat acts as the implementing partner and reporting mechanism for Member Associations receiving the funding. The specific procedures in relation to issuing grants are guided by the donor funding agreement.

Grants will only be made to associations for whom an audited set of financial statements have been received, and who have been assessed as meeting the IPPF accreditation criteria.

Restricted grants are made to MAs and Partners carry out specific projects to help further the aims and objectives of IPPF. This could be anything from an advocacy grant to champion rights in a specific country, a service delivery grant to serve the people or a grant to innovate new ways of working in the sector.



Areas of work

The following provides an overview of IPPF's key activities and achievements for the year ended 31 December 2018. Further information is also available in our Annual Performance Report which has more extensive information regarding each of the strategic areas, together with case studies highlighting achievements in a range of grant receiving Member Associations for the year ended 31 December 2018 and will be published in June 2019.

Additional information, reports and case studies are available from our website www.ippf.org

Championing Rights – OUTCOME 1

Review of 2018

In 2018, the IPPF Secretariat and Member Associations across the world won **163 changes to laws, policies and budgets** in favor of sexual and reproductive health and rights, gender equality and women's empowerment, through influencing decision-makers in national governments, regional and multi-lateral institutions and international fora. In 2018 the Federation continued its role as a leading civil society voice for change with a focus on ensuring these issues were implemented by governments under the new Sustainable Development Goals.

IPPF influenced Member State Missions in the UN and the African Union among other international bodies, made official statements at international, regional and national levels. IPPF influenced negotiations particularly on the United Nations Commission of the Status of Women, the Commission on Population and Development, the World Health Organization Executive Board, World Health Assembly, the Human Rights Council and the UN General Assembly.

2018 has been a year of regional reviews of the International Conference of Population and Development (ICPD) in all regions, IPPF has been leading civil society participation on pre-fora but also, member associations were part of the official delegations, playing a leading role in the regional reports and outcome documents that track the fulfilment of the ICPD Programme of Action.

In 2018 IPPF published the policy report 'Her in Charge: Medical abortion and women's lives', a call for action advocating to embed medical abortion in health systems and to ensure that governments protect, fulfill and respect women's rights to make decision over their bodies. The report brings together the latest debates on medical abortion and makes recommendations to governments on how to implement policies such as including misoprostol and mifepristone as part of the list of essential medicines, ensure health workers provide post abortion care. The report was launched in Oslo on the International Safe Abortion Day and is available in three languages and has been discussed in many fora. A global campaign on abortion was also implemented on 28th September.

IPPF also published a report, 'Leaving no one behind: universal health coverage and sexual and reproductive health and rights' to show the outcomes of a literature review that SRHR is an essential contributor to universal health coverage (UHC). The report also highlights the unique contribution of IPPF's member associations worldwide. The report's publication was made possible with the support of the Government of Japan. This report is IPPF's first publication to position IPPF as a major actor in UHC discussions leading up to the UN High level Meeting on UHC in 2019.

IPPF participates in the International Conference of Family Planning in Rwanda with a delegation of more than 100 attendants from across the Federation, having led sessions, presented posters and contributing to the advancement of access to modern contraception around the world. As part of IPPF efforts to ensure women have access to all contraceptive methods everywhere, IPPF contributed to the publication of the report of the Countdown 2030 Europe project Contraceptive Supplies Financing, the Role of Donors.

Member Associations from 12 countries were brought by IPPF to Geneva for the different sessions of the Universal Periodic Reviews throughout 2018. This included attending and speaking at Pre-Session and advocating for specific recommendations on SRHR in a wide range of topics from abortion to Comprehensive sexuality education and LGBTI rights. In 2018, we also developed two policy briefings on the Global Financing Facility hosted by the World Bank, which was endorsed by other civil society organizations to contribute to the accountability of global financial mechanisms on SRHR.

IPPF continued to work in partnerships and coalitions at international, regional and national levels, including with agencies like UNFPA, with champions such as the Organization of African First Ladies Against HIV/AIDS, advocacy groups like the Reproductive Health Supplies Coalition and the FP2020 movement, as well as with influential governments. IPPF continued supporting **SheDecides** and agreed to host the supporting Unit in the Central Office since November 2018. IPPF was also instrumental in the creation of NEXUS, a Governments platform aimed at influencing the UN on SRHR. The IPPF Western Hemisphere region is hosting the Nexus support unit since November 2018.

The **ACT!2030** youth project closed in July, strengthening youth SRHR leadership in 12 countries.

IPPF succeeded in developing the Advocacy Strategy in 2018 prioritizing to achieve national political change in favor of SRHR on abortion, Comprehensive sexuality education, sexual and gender-based violence and universal access to SRHR. As part of the research process for the development of the strategy, IPPF commissioned an independent review of its intergovernmental advocacy work.

Plans for 2019

In 2019, IPPF will implement the Advocacy Common Agenda (advocacy strategy) after submitting to the Directors Leadership Team for approval in March. Through its implementation, we will enhance mechanisms to increase our advocacy impact as a Federation at the national, regional and international levels. A management response to the recommendations of the Intergovernmental advocacy review will be developed to make sure our work enhances its impact.

IPPF will continue working on key intergovernmental spaces such as the Commission on the Status of Women, the Universal Periodic Reviews at the Human Rights Council, the humanitarian space and the World Health Organization.

Empower Communities – OUTCOME 2

Review of 2018

IPPF contribute to the strategic aim under Outcome 2 of engaging champions, opinion formers and the media to promote health, choice and rights. This included securing the public endorsement of well known campaigners on social platforms, helping to amplify messaging from IPPF in support of sexual and reproductive health and rights.

IPPF's communications teams met its strategic aim to "produce and share a compelling core narrative about IPPF that describes our members' ability to transform the lives of people through sexual and reproductive health and rights" through the production of more than 15 major commissions (against a planned 12). In line with strategy these were published and promoted on digital and social first platforms. IPPF's Global website had 1,201,180 page views in 2018, with 610,830 total visitors, 91% of them new. Main social engagement was via Twitter, where the IPPF Global account grew to have 32,818 followers with total organic impressions of 2,907,000.

Young People at the Centre – vision and plan for placing young people at the heart of implementing IPPF's

Strategic Framework: In 2018, IPPF continued to implement key initiatives that place young people at the center of our work, such as promoting the youth centered approach and further institutionalizing IPPF's commitment to children and young people. A request to review the Secretariat roll-out of the youth centered approach was supported by management and a new document created to support external promotion of IPPF's work in this area. This resource was launched at the International Conference on Family Planning in November at a youth-led side event, aimed at showcasing the excellent work of young people in the Federation.

Deliver and Enable Toolkit – Scaling up CSE: IPPF'S CSE

Toolkit which was published in 2017 provides guidance on: the principles of IPPF's approach to CSE; the key learning outcomes; methods of delivery; working with the community/parents and other stakeholders and linking CSE with services. In 2018, it was translated into French, Spanish and Arabic and further disseminated to all the ROs who shared with MAs and relevant partners. The third in a series of youth-led CSE advocacy resources was created with support from UNESCO and is now available in the four IPPF languages on the Act2030 website.

The CSE Institute pilot phase: The CSE Institute is one of the initial projects of the Technical Assistance Network (TAN) and aims to establish a platform to deliver rights-based, inclusive technical assistance to MAs and eventually other organizations, to enable them to improve and scale up CSE activities. The institute envisages four key elements – an online learning platform for CSE; MA to MA technical assistance; innovation and resource mobilization. The initial partnership for the Institute consists of the IPPF Secretariat, the MAs of the Netherlands, Sweden and Denmark, and the Open University.

The pilot phase of the Institute was initiated in 2018, with a workshop, bringing together staff and young volunteers from MAs in each region of the Federation. Three MAs (RFSU, Rutgers and Sex og Samfund) are working with the MAs of Trinidad and Tobago, Nigeria and Morocco to support specific activities on improving CSE advocacy, delivery and promotion. Through joint programming with the Innovation Programme and with technical support from the Behavioral Insights Team (BIT), BIT will support the MAs of Bosnia, India and Nigeria to apply behavioral insights to increase access/impact of CSE. This work commenced in 2018 and is ongoing. IPPF also partnered with the Open University to develop an online learning CSE module for educators to support the inclusion of 'pleasure' – an essential component in CSE that MAs identified as challenging.

Plans for 2019

In 2019, IPPF will implement the Advocacy Common Agenda (advocacy strategy) after submitting to the Directors Leadership Team for approval in March. Through its implementation, we will enhance mechanisms to increase our advocacy impact as a Federation at the national, regional and international levels. A management response to the recommendations of the Intergovernmental advocacy review will be developed to make sure our work enhances its impact.

The Open University online CSE course will be piloted in India by FPAI in 2019 and will serve to support peer educators, volunteers and staff.



IPPF/Decide 2018/Kenya

2019 is the year of the 25th anniversary of the International Conference on Population and Development held in Cairo in 1994. IPPF will play a lead role on ensuring that the regional reviews and the participation of women and youth are central to the discussion and will influence governments to endorse new commitments to advance the SRHR agenda. Three important moments will be part of this effort. Firstly, the Commission of Population and Development (CPD) which will be held in New York in April, the High-level political forum during the UN General Assembly in September and the 'Nairobi Summit' which will call governments to renew ICPD commitments that IPPF will co-organize with UNFPA.

Solution 3 of the Secretariat Business Plan and Three-Year Financial plan's focus on young people's access to services and sexuality education is an important step towards implementing improvements in this area and scaling up best practices within the Federation. Under this solution, we will complete the pilot phase of the CSE Institute; continue provision of MA to MA support; and carry out monitoring, evaluation and documentation of the outcomes of the institute, continue to apply behavioral insights for programming, and establish a CSE Focal Points network. We will further promote the youth centered approach, including the development of an updated IPPF Youth Manifesto to be launched at the Women Deliver conference. 2019 will also see the launch of several new projects with a focus on young people's SRHR – including WISH; Government of Canada funded project to build 'Centers of Excellence' in Bolivia, Kenya and Togo; and work to develop CSE in fragile settings in Lebanon and Palestine. We will further build on past experiences to continue mainstreaming and integration of young people in specific areas of service delivery.

Serve People – OUTCOME 3

Review of 2018

Guidelines, strategies and policies developed and disseminated: In 2018, IPPF developed and disseminated several technical guidelines and strategies to support rights-based service delivery, such as: IPPF Quarterly Technical Updates; Technical briefs on topical issues; FGM Guidelines – addressing the needs of women and girls affected by FGM; IMAP Statements on SRHR in Humanitarian Settings, on Medical Abortion and SRHR of the ageing population; Ageing Strategy; Gender Assessment Toolkit and Audit Tool. The Gender Assessment Toolkit was piloted with the MAs of India and Malawi, and sensitization workshops on gender transformative programming were conducted for ESEAOR EDs and gender leads from SARO MAs. We also continued work on the review of the IPPF Medical and Service Delivery Guidelines and relevant SRHR Policies.

Knowledge sharing and documenting best practices:

Meetings and conferences: Jointly with IPPF/EN and Rutgers, IPPF hosted the first-ever SRHR pre-conference ahead of the International AIDS Conference in Amsterdam titled 'Breaking Barriers, Building Bridges for the Right to Decide', to discuss and foster learning on the linkages between SRHR with HIV. The pre-conference was attended by over 100 participants.

IPPF was one of the main sponsors and was well represented at the International Conference on Family Planning (ICFP), with participants from MAs, as well as regional and central office colleagues. Together, they hosted several panels and side events, and presented over 50 oral and poster presentations, highlighting the work that IPPF does to increase access to SRH services globally.

Partnerships, technical forums and working groups:

In 2018, IPPF continued to chair the Implementing Best Practices (IBP) consortium. The IBP Consortium is a partnership supported by WHO, UNFPA and USAID through which policy makers, programme managers and implementing partner organizations – NGOs, CSOs, academic institutions and others share and apply evidence-based practices to improve family planning and reproductive health outcomes worldwide. In 2018, IPPF hosted two IBP meetings. The regional meeting in India was attended by over 140 participants representing governments, international NGOs, local and regional organizations, donors and multilateral organizations, and featured youth and a dedicated civil society session. The theme of the consortium's global meeting held in London was 'Exploring and Leveraging New Partnerships in Family Planning and Reproductive Health', where the Guttmacher Lancet Commission Report on SRHR was launched to consortium members and over 100 members of the UK SRHR network.

IPPF signed a partnership agreement with the International HIV/AIDS Alliance to foster collaboration, maximize learning and amplify impact in areas of common interest.

IPPF also actively engaged in key SRHR technical forums and meetings in 2018, where we promoted rights-based SRHR services including for youth and vulnerable people at the World Health Assembly and Executive Board; other WHO technical forums (PCC, eliminating cervical cancer, gender, SEARH forum); UNESCO, UNAIDS and UNFPA forums; CSW; FIGO contraception working group; Global Implant Removal task force; and the World Cancer Congress, where 7 MAs made presentations, among others.

IPES: With support from the Scale-up Fund, several MAs were supported to implement and document best practices in Cervical Cancer and SGBV prevention and care. These projects resulted in increased access and provision of cervical cancer and SGBV services.

Capacity Building: The aim of the Technical Assistance Network (TAN) is to build the capacity of MAs by MAs. In 2018, we continued with piloting in three key areas (CSE, Social Franchising and Social Marketing of Contraceptives). The workshop to share experiences from Peru on Social Franchising was held in April and co-led with FGAE (the Ethiopian MA). During the year, based on the learnings, MAs received small grants to conceptualize or initiate projects in social marketing of contraception (Morocco, Malaysia and Togo) and social franchising (Ghana, Philippines, Mauritania and Uganda), and document lessons learned. These initiatives will be finalized in 2019.

Other capacity building fora included training of healthcare providers and partners from Pakistan, Zambia and Uruguay on utilization of the WHO IPV Guidelines.

Through the Social Franchising Scale up fund, IPPF supported the MAs of Peru, Sudan, Pakistan, Ethiopia, Ghana, India, Jamaica, Laos, Philippines and Uganda to strengthen their social franchising initiatives. At the end of the project in 2018, the working group developed and launched the IPPF Social Franchising Toolkit in October. The toolkit is available at ippftoolkit.org and will be translated and further disseminated in 2019.

Restricted funding continues to allow IPPF to implement and strengthen its core strategic priorities. The Global Comprehensive Abortion Care Initiative (GCACI) supported fourteen Member Associations to expand abortion and contraception service delivery and strengthen quality of care in participating clinics by both remote and on-site technical assistance. The IPPF Medical Abortion Commodities Database (www.MedAb.org) was launched and made available to the public, providing information on quality products available in 96 countries. Results of a study on women's expectation and priorities in abortion care were shared and recommendations used to improve programme design and service delivery. A series of stories and photographs were published on the IPPF website illustrating the impact and success of GCACI in India, and best practice strategies from the programme were documented and shared among Member Associations.

Under the project **Stigma: The unseen barrier to young people's access to SRH services**, four Member Associations addressed abortion-related stigma at the individual, community and institutional levels in order to create a more enabling environment for young people to access SRH services and to ensure that clinics remain safe spaces for young people. The project collaborated with **The Get Up Speak Out (GUSO)** project to develop a free online youth-friendly course 'Abortion Matters: An Introduction' to support individuals and organizations interested in expanding their knowledge on abortion. Throughout 2018, the GUSO project supported five Member Associations to monitor and improve the quality of youth-friendly services by using a self-assessment tool (Provide) and initiate youth-led social accountability activities.

IPPF **Japan Trust Fund for HIV and Reproductive Health (JTF)** supported ten SRH service delivery orientated projects during 2018, some of which were implemented in emergency situations/ contexts. Specifically, Member Associations in Cameroon, DRC, India, Malawi, Morocco, Tanzania, Togo, Uganda, Venezuela and Yemen were supported. In Cameroon and Togo, the projects introduced cervical cancer screening by civil society for the time in the countries. In Uganda, a partnership between with a Japanese private sector company was initiated to improve the quality of care in SRH clinical settings. The project in Venezuela provided contraceptive methods and anti-mosquito measures in support of women in the Zika outbreak. A set of short films from the project

in Malawi showcasing the successful outcomes in the areas of SGBV/HTP and youth-friendly SRH services was developed.

In 2018, IPPF began the close-out of the USAID-funded SIFPO2 project. Eight Member Associations completed projects under SIFPO2 by May 2018 and the final project with the Family Planning Association of Nepal was closed in December 2018. Three Member Associations, in Kenya, Togo and Malawi, that had received funds under SIFPO2 and were most impacted by the reinstatement of the Global Gag rule were issued funding from the Hewlett Foundation to support continued service delivery.

The **Safe Abortion Action Fund** continued to provide grants to projects which promote safe abortion and prevent unsafe abortion through advocacy and awareness raising, service delivery and research activities.

Through its collaboration with UNFPA, IPPF Member Associations were able to receive donated contraceptives to complement their service delivery programs’.

As part of the new strategic framework, IPPF established a humanitarian programme which supported Member Associations in the delivery of essential SRH services in crisis countries including for instance Vanuatu, following the volcanic eruption, and Indonesia, after the earthquake and tsunami.

Plans for 2019

In 2019, IPPF will continue to support our MAs to provide rights-based, integrated, quality SRH services. We will leverage the opportunities in the Secretariat Business Plan and Three-Year Financial plan and new and on-going restricted projects. We will continue implementing on-going key initiatives, such as the TAN, IMAP, IBP, Enabling Services working group and engage in key technical forums. With designated funds, we will implement the roll out of gender transformative programming and the Innovation Program. We will also actively engage in and provide technical support in the project management cycle – design; inception and implementation of new and on-going restricted projects.

The humanitarian work under IPPF’s business plan will be expanded including strengthening the capacity of the Secretariat and Regional Offices to deliver sexual and reproductive health services in acute and protracted crisis around the world.

Pending approval, the fifth phase of GCACI will begin in 2019 and include project expansion to three new countries and 29 new clinics. The project will disseminate an updated clinical operation manual for comprehensive abortion care, adapt and pilot quality of care and client feedback mechanisms to improve measures of quality and client satisfaction, and undertake operational research to determine the effectiveness of demand generation strategies. GCACI will also support the expansion of IPPF’s Global Medical Abortion Database to include data from 20 additional countries.

In 2019, with support from the Packard Foundation, IPPF will implement the third phase of the Stigma project and support Member Associations to reduce abortion stigma and increase young women’s access to quality comprehensive abortion care and information. The GUSO project will roll-out IPPF’s tool ‘Inside & Out’ aimed to assess and improve CSE programme among Member Associations and partners and undertake operational research of peer education program. The newly developed online course on abortion will be expanded with case studies and new modules.

2019 will see the first full year of the WISH2ACTION programme as it moved from the mobilization to the implementation stage in late 2018 and the start of the WISH Lot 1 and SRHR Connect programmes.

Unite and Perform – OUTCOME 4

Review of 2018

Membership accreditation

IPPF launched a systematic and comprehensive accreditation system in 2003. This scheme reviews and measures the extent to which all Member Associations comply with IPPF’s 65 essential standards of membership. These standards cover issues of governance, management, constitutional requirements, programming and service delivery.

The accreditation system is organized around 10 principles covering 49 membership standards to ensure that Member Associations are: open and democratic; well governed; strategic and progressive; transparent and accountable; well managed; financially healthy, a good employer; committed to results; committed to quality; and a leader in the sexual and reproductive health and rights movement in their country. Following the review of the second accreditation phase and the subsequent development of the third accreditation system, IPPF launched the effective implementation of its third accreditation phase in January 2016. The 10 membership principles remain. 48 standards form the pillars of the system which are supported by 201 checks.

By June 2018, 47 reviews were carried out with 19 Member Associations re-accredited and one MA being newly accredited as full members of IPPF by IPPF Governing Council.

The remaining MAs are currently implementing their post accreditation action plan in order to be accredited by November 2019. In line with the accreditation reporting cycle, a further 16 MAs have undergone review between July and December 2018 and will be reported to the Governing Council in May 2019.



IPPF/Ashley Williams/Indonesia

Resource Mobilization & New Business Development

2018, IPPF developed a three-year Business Plan that seeks to radically improve performance in order to meet the challenges of a shifting funding landscape for SRHR. By integrating business planning throughout the organisation, we aim to become more agile, high-performing, and able to drive impact. In June, IPPF's new senior leadership presented this plan to donors at our largest ever donor consultative meeting, galvanising external support for implementing the plan.

The Governments of Australia, China, Denmark, Germany, Japan and the Hewlett Foundation all renewed unrestricted funding with IPPF in 2018, providing essential support for our core mission. At the same time, IPPF is increasingly recognized as a realistic, proven provider of restricted programming funds. In 2018, we intensified efforts to raise restricted income to meet our targets as defined in the strategic framework, which produced impressive results. We signed two multi-country commercial contracts with the UK Government (DFID: WISH Lots 1 & 2) and won a third multi-country restricted project from the UK (SRHR Connect), that together represent the three largest restricted grants IPPF has ever received. At the same time, the central office invested in supporting IPPF's Regional Offices and MAs in developing competitive bids for restricted funding. For example, we directly managed a regional tender for the Africa Region, resulting in a significant grant from the European Commission (EC) for 2019. Central office also developed a strategy for single-country restricted projects which has resulted a large multimillion Euro EC tender being shortlisted for funding, with a decision expected in early 2019.

With the Global Gag Rule still in effect, IPPF received critical funding in 2018 from the Governments of Canada and Belgium through the SheDecides initiative to counteract the negative consequences of the GGR. This support enabled eleven MAs to reinforce clinics with staffing and commodities, preventing the total shutdown of healthcare services. It also funded a multi-country project for several MAs in Africa to continue to reach the poorest and most marginalized populations. Both projects incorporated sustainability strategies to enhance MAs' capability in such areas as data platforms, governance, and accreditation.

2018 also signalled a major shift in the emphasis of IPPF's humanitarian programmes, with new humanitarian, fragile, and post-conflict programming that attracted support from the Australian, German, and Japanese Governments. IPPF is seeking support from other donors to provide the investments needed to reach populations in Africa, Middle East, and Latin America.

Building Resource Mobilization capacity across the Federation. In 2018 we continued to roll out resource mobilization training and capacity building to MAs, particularly those that had been most affected by the GGR (Lesotho and Malawi). The training included a renewed focus on increasing the technical, institutional, and financial capability of these MAs to generate income. To this end, we translated our in-house fundraising manual, 'The Funding Formula,' which was designed specifically to meet the needs of our MAs.

Workplace Service Delivery programmes. In 2018, IPPF continued to expand engagement with the private sector through initiatives such as Workplace Service Delivery, which increases access to SRHR information, education, and services for workers in large-scale employment settings, including factories and plantations. We see significant value and potential in establishing IPPF as a global leader in this field. In 2018 we started the process of developing workplace service delivery models that can be costed to develop the models' income-generating potential for MAs.

In order to further strengthen its own people engagement mechanisms, IPPF undertook a staff engagement survey, that was translated into actionable work plan, which is now being rolled out across the Secretariat.

Plans for 2019

2019 will be the first year where IPPF's restricted funding will be higher than unrestricted funding. IPPF will roll out the new Business Plan to mobilize both core unrestricted and restricted income in order to accelerate the implementation of the Strategic Framework. As such, we will focus on building processes to better capture opportunities across the Federation through a new live Bid Pipeline for the Secretariat. We will also prioritize strengthening the capacity of Regional Offices and MAs to mobilize resources, diversify their income, and ultimately become more sustainable.

Achievements and performance

Global baseline results

Perform IPPF have developed a new performance dashboard of results, to monitor progress on the Strategic Framework.

		2018 results	2017 results	Number of Member Associations reporting	Number of secretariat office reporting
OUTCOME 1 INDICATORS					
1	Number of successful policy initiatives and/or legislative changes in support of SRHR and gender equality to which IPPF advocacy contributed	163	146	58	3
2	Proportion of countries that are on track with their Sustainable Development Goal targets improving sexual and reproductive health*	n/a	n/a
3	Number of youth/women's groups that took a publically supportive action on SRHR to which IPPF engagement contributed	1,038	1,015	80	6
OUTCOME 2 INDICATORS					
4	Number of young people who completed a quality-assured comprehensive sexuality education programme (delivered or enabled by Member Association volunteers or staff)	30.8m	31.3m	142	n/a
5	Proportion of young people who completed a quality-assured comprehensive sexuality education programme who increased their SRHR knowledge and their ability to exercise their rights**	n/a	n/a
6	Number of people reached with positive SRHR messages	242.6m	140.7m	141	7
OUTCOME 3 INDICATORS					
7	Number of SRH services provided	168.1m	164.1m	134	n/a
8	Number of couple years of protection	23.5m	21.1m	129	n/a
9	Number of first time users of modern contraception	6.0m	6.1m	58	n/a
10	Proportion of IPPF's clients who would recommend our services	93%	92%	104	n/a
11	Number of SRH services enabled	55.1m	44.7m	53	n/a
OUTCOME 4 INDICATORS					
12	Total income generated by the Secretariat (US\$)	133.0m	125.1m	n/a	7
13	Total income generated locally by grant-receiving Member Associations (US\$)	264.2m	291.7m	123	n/a
14	Proportion of IPPF unrestricted funding used to reward Member Associations through a performance-based funding system	9%	5%	n/a	5
15	Number of IPPF volunteers	261,573	232,881	149	n/a
16	Number of IPPF activists	12.3m	11.2m	128	3

*Metric to be reviewed during the Midterm Review of IPPF's Performance Dashboard in 2019

**IPPF is currently developing and testing a methodology to measure this indicator.

Key

... data not available
n/a not applicable

Outcome 1: In 2018, IPPF contributed to 163 changes in policy or legislation in support or defence of SRHR. This includes 39 subnational and 103 national changes in 57 countries. Our advocacy efforts also contributed to 4 global and 17 regional changes. These legal and policy changes cover a range of themes. The most common were in education and services for young people, promoting gender equality, budget allocations for sexual and reproductive health, including contraception, access to safe and legal abortion, and preventing sexual and gender-based violence. IPPF resists opposition attempts to bring about policy and legislative changes that would be harmful to the health and well-being of people in both developed and developing countries, and in 2018, seven of IPPF's wins involved blocking the opposition's proposed changes.

In 2018, 116 Member Associations conducted advocacy to influence governments to set and deliver targets under the Sustainable Development Goals (SDGs); this is an increase from 92 Associations in 2017. These activities call for governments to allocate financial resources to achieve their SDG commitments, and to collect data and present results on progress at country level. IPPF also worked with 1,038 youth and women's groups to take public action in support of SRHR. Examples of actions include supporting an SRHR issue in a letter to or meeting with a public official, or adding the group's name to a campaign event.

Outcome 2: IPPF is expanding access to comprehensive sexuality education (CSE) around the world, both in- and out-of-schools, and with a focus on reaching the most marginalized young people. In 2018, Member Associations provided CSE to 30.8 million young people, a decrease of 0.5 million, or 2 per cent, from 2017. To enable people to act freely on their SRHR, and to bring about changes in public attitudes and opinions, IPPF reached 242.6 million people with positive messages about SRHR: this is a significant increase of 72 per cent from 2017 at 140.4 million people. The distribution of positive messages is conducted by Member Associations using both online and offline channels of distribution.

Outcome 3: IPPF is committed to the delivery of an essential package of SRH services that are rights-based, client-centred, gender-sensitive and youth friendly. IPPF provides information, education, and services to the most under-served people, including those in humanitarian settings, in crises due to conflict and natural disasters.

In 2018, 223.2 million SRH services were delivered, an increase of 14.4 million, or 7 per cent, from 2017. This included 168.1 million services provided by IPPF directly, and a further 55.1 million services that IPPF enabled through partnerships with public and private health facilities. Globally, the number of SRH services delivered to young people was 95.4 million, or 43 per cent of all services. There were also significant increases in the number of gynaecological, obstetric, and sexual and gender-based violence services provided, and these are all critical to women's and girl's health outcomes.

Eight in ten of IPPF clients, or 54.7 million people, are poor and vulnerable, and would not otherwise be adequately reached by SRH programmes due to a lack of political will, expertise or institutional capacity.

In 2018, IPPF provided 23.5 million couple years of protection, an increase of 2.4 million, or 11 per cent, from 2017. The largest increases were from implants (19 per cent), intrauterine devices (17 per cent), and injectable contraceptives (7 per cent). IPPF also provided contraception to 6.0 million first-time users of modern contraception in the 58 FP2020 focus countries. Of all service users surveyed in IPPF clinics, 93 per cent said they would recommend the services to family or friends, indicating a high quality of care provided by IPPF in supporting clients' choices and providing clinical services.

Outcome 4: IPPF is continually investing in structures and systems to adapt to changing environments and to increase organizational effectiveness. In 2017, overall income generated by the Secretariat increased by \$7.9m from 2017 to US\$133.0 million in 2018 (see appendix 1). This six per cent increase reflects a rise in restricted funded projects in 2018.

Unrestricted grant-receiving Member Associations raised a total of US\$264.2 million, a decrease of \$27.5m, or 9 per cent, from 2017. These funds are raised through the sale of commodities, in-kind donations, and funds from local and international sources, including governments. IPPF's performance-based funding system was used in five regions to make data-driven decisions about resource allocation to Member Associations. For each Association, grant levels were adjusted according to performance against a number of key indicators. The system rewards Member Associations that are most effective in delivering SRH services, CSE and advocacy programmes, and enables IPPF to invest further resources in those Associations that achieve the greatest results. In 2018, nine per cent of IPPF's unrestricted income was used to reward Member Associations, an increase from five per cent in 2017.

IPPF was supported by over 263,000 volunteers, including peer educators, medical personnel, members of IPPF's governing bodies, legal advisers, and fundraisers. All volunteers make a significant contribution to the work and performance of IPPF. The activities of opposition groups, a vocal minority in many places, pose a threat to the gains achieved by the SRHR movement. IPPF is responding by recruiting and organizing activists who support and defend SRHR. In 2018, 12.1 million activists agreed to take action for political and social change in support of IPPF's work. Actions included participating in campaigns and sharing campaign messages on social media, as well as educating and empowering others to exercise their rights.

Financial review

Statement of reserves

The members of the Governing Council have reviewed the level of reserves. Note 15 to the financial statements show the split of reserves between the general, designated, restricted, and endowment funds.

The Governing Council has an approved target level for general reserves of between US\$18 million and US\$24 million. This policy will ensure that IPPF has the resources in place to invest in strategies to achieve the goals set out in its current Strategy.

The general reserve level of the group as at 31 December 2018 was US\$14.4 million, a decrease of US\$9.3 million from the balance as at 31 December 2017. The unrestricted expenditure programme budget for 2019 is US\$60.0 million. The current general reserve balance of US\$14.4 million represents 23% of this budgeted amount and provides necessary cash flow as majority of unrestricted funding is received in the second half of the financial year.

Unrestricted funds are designated at the discretion of the Governing Council. Within designated funds is US\$7.7 million which represents fixed assets. Funds have been designated for various projects including the Innovation Programme (US\$1.9 million) which provides funding to develop innovative projects and try new approaches to our work; and funds set aside to implement the Secretariat Business Plan (US\$13 million) including those set aside as Global GAG Emergency funds. US\$1.0 million has also been designated to spend on the Social Enterprise Acceleration Programme and the remaining \$9.0 million is set aside for other programmes and regional offices.

Statement on investments

There are no restrictions under the 1977 Act in relation to the charity's powers to invest. IPPF currently holds investments in the form of shares and securities (US\$1.2 million) as well as property (US\$1.3 million).

Financial summary

Income for the year for the group increased by US\$9.5 million (9%) to US\$111.9 million due to a large increase in restricted income from US\$30.3 million to US\$54.1 million netted off against a decrease in unrestricted income of US\$14.3 million. Total group expenditure increased by US\$21.6 million to US\$114.6 million which led to a group net operating deficit (combined for unrestricted and restricted funds) for the year of US\$2.6 million.

Total unrestricted expenditure of US\$74.8 million includes grants to member associations and partners (US\$42.0 million), group secretariat expenditure (US\$28.9 million), and fundraising costs (US\$3.3 million). The net operating unrestricted deficit for the year was US\$17.0 million (2017 surplus: US\$8.8 million).

Total restricted expenditure of US\$39.8 million includes grants to member associations and partners (US\$25.2 million), group secretariat expenditure (US\$14.0 million), and fundraising costs (US\$0.5 million). There was a restricted surplus of US\$14.4 million. A full analysis of restricted projects balances and 2018 income and expenditure is available in note 15.

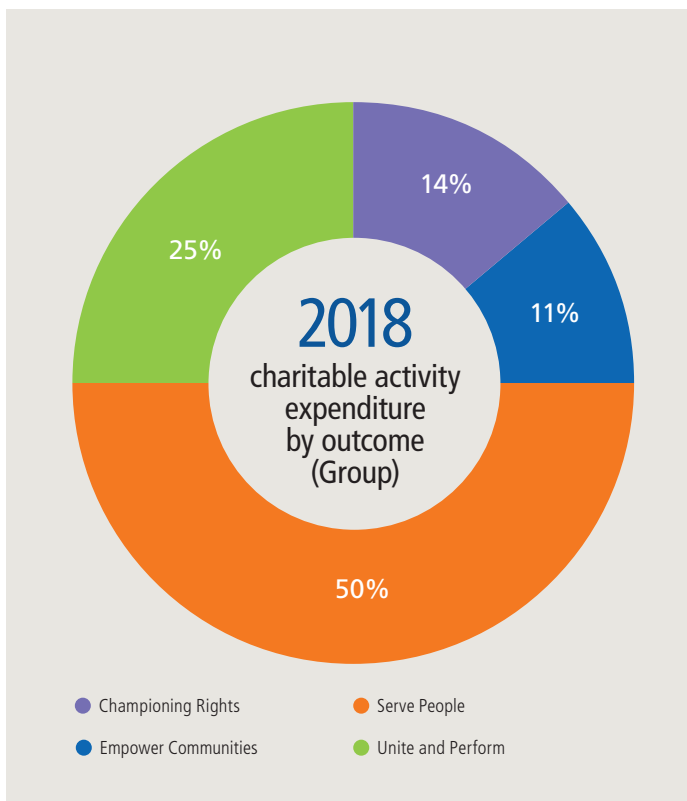


Income

The overall group income of IPPF has risen by US\$9.5 million (9%) to US\$111.9 million (2017: US\$102.4 million). Unrestricted total income fell by US\$14.3 million and restricted income rose by US\$23.8 million.

IPPF's main source of funding is government grants, which account for 81% (2017: 82%) of total income. In 2018 unrestricted government funding decreased by US\$12.3 million (18%) to US\$55.1 million. The main reason for the decrease was the one-off increase in funding from the Scandinavian countries in 2017 (Norway US\$9.1 million, Sweden US\$ 4.8 million and Denmark US\$ 4.0 million) to assist in bridging the funding gap caused by the impact of the Global Gag Rule.

Restricted government funding amounted to US\$35.2 million, up from US\$16.8 million in 2017. A full analysis of restricted projects income and expenditure for 2017 and 2018 and balances is provided in note 15. In 2018, the Government of Australia continued to provide support (US\$3.8 million) in relation to the global SPRINT Initiative to provide sexual and reproductive health services to crisis and post crisis areas in South East Asia, the Pacific, South Asia, and Africa and to support our Fiji office which supports our Pacific MAs. USA provided US\$7.3 million of funding for a number of family planning programmes. The Governments of Belgium and Canada funded US\$4.0 million and US\$3.3 million respectively for projects to assist MAs impacted by the Global Gag Rule. The Government of Japan also provided US\$2 million for work on HIV and AIDS.



The governments of the Netherlands, Norway and an anonymous donor also provided funding of US\$4.2 million to the Safe Abortion Action Fund.

Grants from multilateral donors and other sources increased by 31% from US\$15.8 million to US\$20.7 million. A significant factor in the increase was US\$3.2 million increase from Anonymous donors, and US\$0.9 million increase from the David and Lucile Packard Foundation.

Expenditure

IPPF spent US\$114.6 million in 2018 compared to US\$93.0 million in 2017, an increase of US\$21.2 million (23%).

Grants to Member Associations and partner organizations rose by US\$15.9 million (31%) in 2018 to US\$67.2 million.

Funds (including pension fund deficit)

Overall there was a deficit before investment gains of US\$2.6 million compared to a surplus of US\$9.4 million in 2017. This deficit was reduced by actuarial gains on the defined benefit pension scheme of US\$3.0 million and increased by foreign exchange gain on the pension liability of US\$0.8 million, investment losses of US\$0.3 million and by other foreign exchange losses of US\$1.6 million, leading to an overall decrease in IPPF's total funds and reserves from US\$76.6 million to US\$75.9 million.

The general fund has decreased by US\$9.3 million, from US\$23.7 million to US\$14.4 million. Designated reserves have decreased by US\$9.9 million, from US\$42.1 million to US\$32.2 million as funds have been spent as planned on resource mobilization, innovation programmes and global GAG emergency response. Restricted reserves have increased from US\$11.9 million to US\$26.2 million as a number of new projects have begun in late 2018. The largest balances are for the DfID Women Integrated Sexual Health Lot 2 (\$3.4 million) and the HIV/STI/AIDS Japan Trust Fund (\$3.1 million). The asset revaluation reserve stands at US\$12.1 million.

The 2018 balance sheet contains a net pension liability of US\$10.0 million. This represents a decrease in liability from the 2017 balance of US\$5.1 million. The majority of this movement is accounted for by actuarial gains of US\$3.1 million and employer contributions of US\$1.6 million. The main driver of the actuarial gains is a change in assumptions relating to the discount rate for future liabilities. The pension liability forms part of unrestricted funds and represents the total net future liability arising from the Central Office defined benefit pension scheme. A specific designated reserve has been established to meet this liability. The defined benefit scheme was closed in 2007; further details on the scheme are included in note 19 to the financial statements.

Plans for future periods

IPPF continues to build on the initial implementation of the new strategy to ensure that the four outcomes in the Strategic Plan are achieved by 2022. In 2019 the Secretariat will continue to invest in resource planning systems across the Central and Regional Offices to improve efficiencies and allow more joined up working.

Future funding

IPPF continues to work on diversifying its funding base for both IPPF itself and Member Associations, by increasing the number of fundraising opportunities among non-governmental organizations including trusts, foundations, the private sector and individuals. Using an earmarked Resource Mobilization fund established in 2010, IPPF is building the capacity of Member Associations to access funding from key donors at a local level. This need to prioritize national funding was emphasized by the decision in 2016 by UK DFID to no longer fund organizations such as IPPF with a core unrestricted grant. IPPF globally and through Associations at the national level will compete for available funding for SRHR through restricted funding mechanisms.

IPPF continues to respond to the changing donor funding landscape and now has a three-year rolling financial plan that outlines the challenges and opportunities ahead. This will continue to help ensure that we can continue to operate as a Federation with a Unified Secretariat but also be conscious that the move away from an unrestricted funding environment to one focused on restricted funding in donor specific programmes and/or countries will require us to adapt and change some of our structures and approaches.

Value for money

IPPF continues to invest in achieving and demonstrating Value for Money (VfM). This is particularly important as:

- ambitious targets in the Strategic Framework can only be achieved by IPPF making best use of limited resources;
- a robust VfM case that clearly articulates how IPPF delivers value and uses funds responsibly can assist IPPF to leverage scarce funding at all levels of the Federation;
- we will increasingly rely upon competitive awarding of contracts, where the majority of donors place considerable weight on the interventions, approaches and the overall programme design that will deliver the greatest VfM; and
- we undertake programmes with a humanitarian focus this also will require greater understanding and appreciation of how VfM in that area of development may require different approaches and considerations.

Structure, governance and management

Governing document

IPPF was formed in 1952 and incorporated in 1977 under a UK Act of Parliament: *The International Planned Parenthood Federation Act 1977*. The Governing Council confirms that the Strategic Framework (as described on pages 4 to 7) is in alignment with the purposes stated in the Act.

Public benefit

The Charity Commission guidance on public benefit has been considered and the recommended self-assessment for the public benefit principles undertaken. The Governing Council confirms that the aims of the organization as stated in *The International Planned Parenthood Federation Act 1977* meet the charitable purposes as outlined in the Charities Act 2011. Specifically, IPPF is engaged with purposes in relation to the “advancement of health or the saving of lives” and the “advancement of human rights”.

IPPF’s mission is to improve sexual and reproductive health and rights for millions of women, men and young people around the world in its Strategic Framework. The Strategic Framework demonstrates that IPPF is engaged in activities which have general public benefit in the 171 countries in which IPPF currently works with its Member Associations or collaborative partners. IPPF works through one Member Association in each of these countries but sometimes with collaborative partners as well. Member Associations do not currently pay any fee to become or maintain their membership of IPPF. Through monitoring global indicators IPPF assesses its ability to meet the needs of the poor, marginalized, socially-excluded and/or under-served groups, ensuring that those in poverty have the opportunity to access the services IPPF provides.



IPPF/Georgina Goodwin/Burundi

Governance

IPPF is governed by a Governing Council, composed of 18 volunteers from Member Associations, and appoints a Director-General as its Chief Executive Officer responsible for managing the affairs of the Federation as determined by the Governing Council.

Governing Council members are elected for a period of three years and the last elections took place in 2017. Each Regional Council elects three members to serve as Governing Council members. Each region also elects a "Regional Executive Committee" to govern the affairs of the region. Each Member Association has a volunteer governing body (elected by the membership of the Association) and sends one or more as a delegate to Regional Council depending on membership category.

The Governing Council meets twice per year, for three days. This Council has two sub-committees; the Membership Committee and the Finance & Audit Committee which meet in person twice per year for one day at a time. The Finance & Audit Committee also held two additional virtual meetings in 2018. Members of the Governing Council, Finance & Audit Committee and Membership Committee are listed on page 60.

Following the election of a new Governing Council, members receive a comprehensive induction pack outlining their responsibilities as UK charity trustees. In addition, an interactive induction session is held where members discuss strategy, policies and finances as well as practical elements concerning the role distinctions between volunteers and staff.

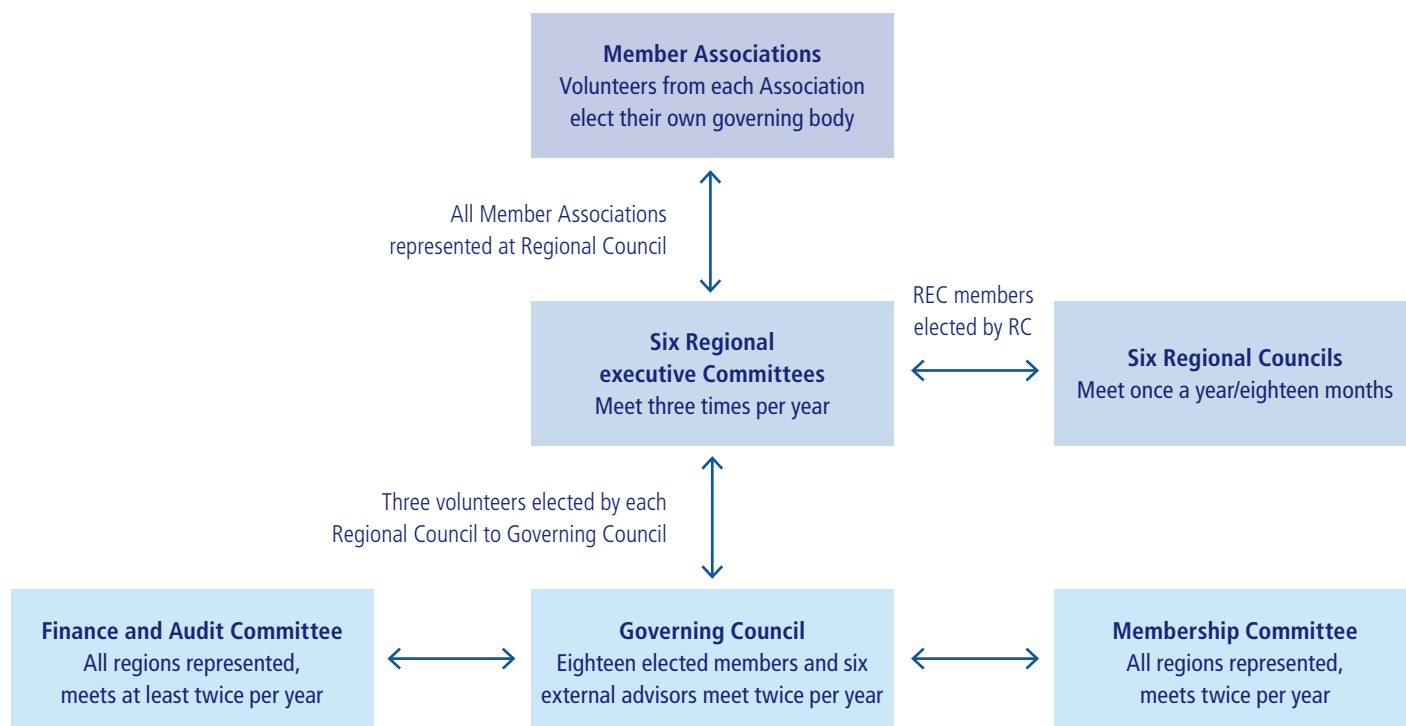
Reforms to the Governing Council took place in November 2017. The number of volunteers from Member Associations reduced from 24 to 18. Of the 18, one third will be a young person 25 years of age and below (previously one-quarter).

In addition, six external advisors will act as subject matter experts and advise the Governing Council on IPPF policy. A new staggered appointment process will see two-thirds continue for at least another year to ensure continuity of decision making. All Governing Council members will have their performance assessed in three stages: self-assessment; peer review; and, by the global and regional Presidents.

IPPF's governance structure

Skills based profiles for members and specifically for the President and Treasurer seek to ensure the required skills and experience needed to perform functions to the best possible level. Members

of the Governing Council, Audit Committee and Membership Committee are listed on page 60.



Statement of the members of the Governing Council's responsibilities in respect of the Governing Council's annual report and the Financial Statements

The Governing Council is responsible for preparing the Governing Council's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales requires the Governing Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Governing Council is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governing Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governing Council is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Organization

IPPF has a Secretariat that carries out the policies and functions as approved by the Governing Council. The Secretariat has its headquarters in London and is divided into central and regional operational units.

There are six Regional Offices: Africa (Nairobi, Kenya), Arab World (Tunis, Tunisia), East and South East Asia and Oceania (ESEAO) (Kuala Lumpur, Malaysia), Europe (Brussels, Belgium), South Asia (Bangkok, Thailand and New Delhi, India), and Western Hemisphere (New York, USA).

In addition to this Secretariat functions are also carried out in Ethiopia (Africa Union Liaison Office), Fiji (Sub-Regional Office for the Pacific), Australia (Resource Mobilization Office), and Bangkok, Thailand (Humanitarian Hub).

The senior management, known as the Directors' Leadership Team, comprises: the Director-General is based in the Central Office, London; six Regional Directors who report to the Director-General; and four Central Office Divisional Directors. Further details are on page 60.

Remuneration

IPPF remuneration is benchmarked against the UN median salaries for similar roles and benefits data for the not for profit sector from a leading benefits provider. Annual performance and salary reviews are conducted through IPPF's Annual Performance Development Review process.

Risk management

While no system of internal control can provide absolute assurance against material misstatement or loss, the IPPF risk management system has been developed to provide reasonable assurance to the Governing Council that there are proper control procedures in place and that they are operating effectively.

The key elements of the system of internal control are:

- Delegation: there is a clear organizational structure with lines of authority and responsibility for control, together with procedures for reporting decisions, actions and issues;
- Reporting: the Governing Council approves and reviews the annual programme budget and income predictions and monitors actual and forecast income and expenditure on a regular basis;
- Risk management: there are processes in place for identifying, evaluating and managing significant risks faced by IPPF. A consultative process across the senior staff in the Secretariat identified the key risks under each of the Strategic Framework Outcomes. These were reviewed by the Directors' Leadership Team (DLT) and the significant risks identified. The DLT then identified the mitigating strategies in place in order to arrive at the final overall risk assessment. The register once approved by the DLT is reviewed in detail by the Finance & Audit Committee annually and presented to the Governing Council for approval. Also identified are actions required to manage that risk and the person who will be responsible for undertaking this. The Finance & Audit Committee and the Governing Council believe that all the major risks to which IPPF is exposed have been identified and reviewed and systems have been established to mitigate those risks;
- Internal audit: the internal audit function, which has been outsourced to Crowe LLP, assesses risks and reviews controls within IPPF. Using a risk based approach the firm undertook a number of audits in 2018.
- Review: the Finance & Audit Committee is comprised of four members elected by the Governing Council who are volunteers of member organizations but who are not members of the Governing Council or are individuals willing to volunteer their services to IPPF, as well as the President and Treasurer. The Committee oversees the adequacy of the system of internal control, and ensures IPPF compliance with relevant statutory and other financial regulations.

Principal risks and mitigation strategies

Risk	Mitigation strategy
Reliance on a small number of funders	Having readily available information and evidence which is relevant to donors (technical and political), and of high quality and adequate quantity to respond to donor interests and policies. Clearly understanding our cost structures for greater efficiency and effectiveness. Development of a three-year financial plan with priorities for income generation through resource mobilization.
A highly organised opposition to sexual reproductive health and rights	Countering opposition through better outreach, stronger relationships with decision-makers and advisors, and use of legal processes. Ensuring strong links between our communications, campaigns and advocacy work.
Financial crime failures and significant fraud	Build stronger financial management systems across the Secretariat. Develop financial crime policy and procedures framework. Ensure stronger risk-based audit function across regions and improved whistleblowing mechanisms.
Restricted project not delivering expected results	Ensure strong project management structures in place to swiftly identify and undertake mitigating actions in case of signs of performance defaults emerging.
Higher risk of emergence of safeguarding issues across the Federation, leading to greater reputational risk	Developing and implementing a safeguarding framework which includes relevant policies and procedures, IPPF SafeReport (external reporting service), a safeguarding staffing structure, safeguarding manual. Working to develop organisational safeguarding culture by facilitating and empowering speaking up. Federation's safeguarding capacity building and supported across all levels.

IPPF and safeguarding

IPPF has a long-standing commitment to ensuring it provides a safe and trusted work environment for all. IPPF is currently reviewing its existing safeguarding systems to strengthen their effectiveness (where necessary) and ensure they are best-practice, practical and effective.

In this regard, IPPF formed a Safeguarding and Dignity at Work Taskforce ('Safeguarding Taskforce') in February 2018 to ensure its implementation of measures intended to strengthen safeguarding across the Secretariat is as coordinated and effective as possible. The Taskforce meets on a regular basis to review safeguarding-related matters and puts forward recommendations to Management for actions it considers necessary to protect IPPF's own people and its external stakeholders globally. The Taskforce Lead reports key actions and priorities to the Director-General and other relevant Management on behalf of the Taskforce on a regular basis.

Following its formation in February 2018, some of the Taskforce's key actions/priorities include:

- 1. Incident reporting service:** IPPF is implementing a confidential incident reporting service that will allow for reporting 24/7 in multiple languages via telephone, website and email. Reports will be handled by independent case managers that will liaise with appropriate IPPF personnel and/or external mechanisms to bring about an efficient and respectful investigation and resolution process.

- 2. Training, learning and development:** As part of IPPF's commitment to taking strong action regarding safeguarding, Secretariat employees will complete mandatory training. This will comprise a custom-made training solution tailored to the complexities and diversity of the IPPF's context as well as access to 'off-the-shelf' courses designed by professional training organisations.
- 3. Policy review:** IPPF will review how its existing policies promote safeguarding within IPPF and to external stakeholders, and where necessary, it will update and strengthen these policies.
- 4. Professional safeguarding support:** To support the policy review, an independent safeguarding professional will be engaged by IPPF to ensure that, going forward, its policies are industry-leading, up-to-date and effective.
- 5. Industry standards:** IPPF is in regular contact with key government bodies, regulatory authorities and external stakeholders regarding updates being made to safeguarding standards for the sector, and how IPPF can exceed expectations in keeping its own people and its external stakeholders safe at all times.

The Modern Slavery Act (UK)

IPPF adopted a policy in relation to Forced Labour and Human Trafficking in November 2016, which considered the requirements of the UK Modern Slavery Act along with other international laws and guidance on this subject area. IPPF remains committed to the eradication of modern slavery and will work to ensure that all people have the right to protection from abuse and exploitation.

Gender pay gap

Gender pay gap 5 April 2018 (with comparison against 5 April 2017)

Central Office London

What is the gender pay gap?

The gender pay gap is a measure that shows the difference in average earnings between women and men. It is different from Equal Pay which is about men and women carrying out comparable jobs and which has been illegal in the UK for 45 years.

Gender pay gap data

The gender pay gap report snapshot as at 5 April 2018 and 5 April 2017 is as follows:

	5 April 2018	5 April 2017
Difference in mean pay as a percentage	22.9%	22.8%
Difference in median pay as a percentage	8.1%	11.6%

The data above shows that the mean percentage pay gap has only a slight difference of 0.1%. There is however, a gender pay gap decrease to the median level of 3.47% in 2018. The mean pay is worked out by adding the hourly rate of pay of women and men separately and dividing the result by the actual number of women, and the actual number of men. The difference between the two provides the mean gender pay gap. This calculation gives an overall indication of the gender pay gap, but very large or small rates of pay can distort or dominate the answer.

The median pay is worked out by listing all the hourly pay rates in numerical order. The median will be the middle of these numbers. If even numbers are left, then the median will be the median of the two central numbers. The median indicates the typical situation i.e. the middle of the road, but the whole gender pay gap won't be picked up.

IPPF and generally most other Organisations tend to be more interested in the median pay gap analysis, rather than the average pay gap, as it is a more representative figure and less influenced by a small number of extremely high earners.

Why is there a gender pay gap?

The gender pay gap at IPPF is lower than the national average median gender pay gap at 18.4% (IPPF London CO is 8.13% in 2018). In IPPF London CO the gap stems from the larger representation of men in higher salaried roles, and over representation of women in the lower salaried roles.

What we will do

IPPF must do more to balance both female and male representation at all levels to build upon its values of Equality, Diversity and Inclusion.

- We will understand the gender pay gap data better to put in place measures to eradicate the gender pay gap.
- Through our people strategy we have committed to delivering Leadership and Management Development Pro-grammes in which we will train and develop our Managers to be the best Leaders and Managers they can. We will enable talent to flourish so that there is more opportunity for senior progression especially through our lower quartile.
- We will continue to attract more diverse applicants by highlighting our ethos on equality, diversity and inclusion in all our re-cruitment practices.
- We will develop an approach to Equality, Diversity and Inclusion across the Secretariat.
- We will look at rolling out training on diversity and unconscious bias i.e. when people favour others who look like them and/or share their values, to develop our Managers and Leaders.

Disclosure of information to auditor

The Governing Council members who held office at the date this report was approved, confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditor is unaware; and each Governing Council member has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Thanks

IPPF thanks all its donors for their continuing and generous support. It also wishes to acknowledge the immense ongoing contribution it receives from its volunteers, in terms of the time, hard work, and personal commitment. Volunteers provide a huge range of help to the organization from assisting in clinics, sitting as Board members, acting as peer educators, meeting donors etc. Without this volunteer commitment IPPF could not achieve its mission or be the strong voice it currently is within the field of sexual and reproductive health and rights.

Approved on behalf of the Governing Council on 17 May 2019.



Ms Rana Abu Ghazaleh
President



Ms Mahtab Akbar Rashdi
Treasurer



Independent auditor's report to the members of the Governing Council of International Planned Parenthood Federation (IPPF)

Report on the audit of the Financial Statements

Opinion

In our opinion the financial statements of International Planned Parenthood Federation (the 'charity') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2018 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements which comprise:

- the group and charity statement of financial activities;
- the group and charity balance sheets;
- the consolidated cash flow statement;
- the statement of accounting policies; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and of the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the trustees' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception


Under the Charities (Accounts and Reports) Regulations 2008 we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Deloitte LLP
Statutory Auditor
London, United Kingdom

17 May 2019

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Statement of financial activities for the year ended 31 December 2018

Charity

Notes	2018				2017			
	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	Total US\$'000	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	Total US\$'000
Income from:								
Donations and legacies								
Grants from governments	55,126	34,517	–	89,643	67,417	16,375	–	83,792
Grants from multilaterals	74	1,861	–	1,935	–	2,579	–	2,579
Grants from IPPF Worldwide Inc	3,346	10,847	–	14,193	2,269	5,788	–	8,057
Donations and legacies from others	387	–	–	387	423	87	–	510
Other trading activities	130	–	–	130	1,591	–	–	1,591
Income from investments	62	143	–	205	41	90	–	131
Other income	3	–	–	3	1	–	–	1
Total income and endowments	59,128	47,368	–	106,496	71,742	24,919	–	96,661
Expenditure on:								
Raising funds								
Central fundraising	7	3,346	569	3,915	3,598	163	–	3,761
Regional fundraising	–	–	–	–	6	–	–	6
Cost of sales	132	–	–	132	1,212	–	–	1,212
Investment management costs	–	5	–	5	–	–	5	5
Charitable Activities								
Grants to Member Associations & Partners	5	41,460	23,225	64,685	35,132	15,022	–	50,154
Central expenditure	7	12,744	6,963	19,707	7,983	7,470	–	15,453
Regional expenditure	–	6,257	2,064	8,321	5,526	1,957	–	7,483
Regional office grants	–	10,983	2,631	13,614	10,266	1,225	–	11,491
Pension finance charge	411	–	–	411	408	–	–	408
Total expenditure	75,333	35,457	–	110,790	64,131	25,837	5	89,973
Net operating income (expenditure) before investment (losses) / gains	(16,205)	11,911	–	(4,294)	7,611	(918)	(5)	6,688
(Losses) / gains on investment assets	(73)	37	(244)	(280)	(212)	–	133	(79)
(Decrease) / increase in subsidiary investment values	(835)	2,298	–	1,463	2,957	437	–	3,394
Net income / (expenditure)	(17,113)	14,246	(244)	(3,111)	10,356	(481)	128	10,003
Other recognised gains / (losses)								
Actuarial gain / (loss) on defined benefit pension scheme	3,087	–	–	3,087	(413)	–	–	(413)
Foreign exchange gain / (loss) on pension liability	756	–	–	756	(1,308)	–	–	(1,308)
Unrealized foreign exchange (loss) / gain taken to reserves	(1,421)	–	–	(1,421)	3,597	–	–	3,597
Net movement in funds	(14,691)	14,246	(244)	(689)	12,232	(481)	128	11,879
Reconciliation of funds								
Total funds brought forward at 1 January	63,279	11,944	1,342	76,565	51,047	12,425	1,214	64,686
Net movement in funds for the year	(14,691)	14,246	(244)	(689)	12,232	(481)	128	11,879
Total funds carried forward at 31 December	48,588	26,190	1,098	75,876	63,279	11,944	1,342	76,565

There are no recognized gains and losses other than those included above. All the above results arise from continuing operations. The notes on pages 33 to 56 form part of these financial statements.

Statement of financial activities for the year ended 31 December 2018

Group

	Notes	2018				2017			
		Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	Total US\$'000	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	Total US\$'000
Income from:									
Donations and legacies									
Grants from governments	2	55,126	35,172	–	90,298	67,417	16,804	–	84,221
Grants from multilaterals and other sources	3	1,859	18,806	–	20,665	2,425	13,402	–	15,827
Other trading activities		130	–	–	130	1,591	–	–	1,591
Income from investments	4	513	143	–	656	410	89	–	499
Other income		175	–	–	175	243	–	–	243
Total income and endowments		57,803	54,121	–	111,924	72,086	30,295	–	102,381
Expenditure on:									
Raising funds									
Central fundraising	7	3,346	569	–	3,915	3,546	163	–	3,709
Regional fundraising		–	–	–	–	6	–	–	6
Cost of sales		132	–	–	132	1,212	–	–	1,212
Investment management costs		–	5	–	5	–	–	5	5
Charitable activities									
Grants to Member Associations & Partners	5	41,994	25,213	–	67,207	35,133	16,144	–	51,277
Central expenditure	7	12,803	6,964	–	19,767	7,981	7,471	–	15,452
Regional expenditure	6	16,117	7,007	–	23,124	15,035	5,907	–	20,942
Pension finance charge		411	–	–	411	408	–	–	408
Total expenditure		74,803	39,758	–	114,561	63,321	29,685	5	93,011
Net operating (expenditure) / income before investment (losses) / gains		(17,000)	14,363	–	(2,637)	8,765	610	(5)	9,370
(Losses) / gains on investment assets		(73)	–	(207)	(280)	(212)	–	133	(79)
Net (expenditure) / income		(17,073)	14,363	(207)	(2,917)	8,553	610	128	9,291
Transfer between funds		34	3	(37)	–	1,309	(1,309)	–	–
Other recognized gains / (losses)									
Actuarial gain / (loss) on defined benefit pension scheme		3,087	–	–	3,087	(413)	–	–	(413)
Foreign exchange gain / (loss) on pension liability		756	–	–	756	(1,308)	–	–	(1,308)
Unrealized foreign exchange (loss) / gain taken to reserves		(1,495)	(120)	–	(1,615)	4,091	218	–	4,309
Net movement in funds		(14,691)	14,246	(244)	(689)	12,232	(481)	128	11,879
Reconciliation of funds									
Total funds brought forward at 1 January		63,279	11,944	1,342	76,565	51,047	12,425	1,214	64,686
Net movement in funds for the year		(14,691)	14,246	(244)	(689)	12,232	(481)	128	11,879
Total funds carried forward at 31 December		48,588	26,190	1,098	75,876	63,279	11,944	1,342	76,565

There are no recognized gains and losses other than those included above. All the above results arise from continuing operations. The notes on pages 33 to 56 form part of these financial statements.

Balance sheets

Balance sheets as at 31 December 2018

	Notes	2018 Total US\$'000	2017 Total US\$'000	2018 Total US\$'000	2017 Total US\$'000
		Charity	Charity	Group	Group
Fixed assets					
Tangible assets	9	17,298	18,502	19,792	21,074
Investments	10	31,311	30,120	2,505	2,778
Long term loans	11	20	60	20	60
Total fixed assets		48,629	48,682	22,317	23,912
Current assets					
Stock		296	560	296	560
Debtors	12	6,257	1,568	7,810	2,801
Cash at bank and in hand		47,320	52,185	70,124	72,019
Total current assets		53,873	54,313	78,230	75,380
Creditors: amounts falling due within one year	13	(16,653)	(11,336)	(13,992)	(6,962)
Total current liabilities		(16,653)	(11,336)	(13,992)	(6,962)
Net current assets		37,220	42,977	64,238	68,418
Total assets less current liabilities		85,849	91,659	86,555	92,330
Provisions for liabilities	14	–	–	(706)	(671)
Net assets excluding pension liability		85,849	91,659	85,849	91,659
Defined benefit pension scheme liability	19	(9,973)	(15,094)	(9,973)	(15,094)
Total net assets including pension liability		75,876	76,565	75,876	76,565
Represented by:					
Unrestricted:	15				
General		14,363	23,738	14,363	23,738
Designated		32,076	42,149	32,076	42,149
Revaluation reserve		12,122	12,486	12,122	12,486
Restricted		26,190	11,944	26,190	11,944
Endowment		1,098	1,342	1,098	1,342
Total funds and reserves excluding pension liability		85,849	91,659	85,849	91,659
Pension liability	19	(9,973)	(15,094)	(9,973)	(15,094)
Total funds and reserves including pension liability		75,876	76,565	75,876	76,565

Approved on behalf of the Governing Council on 17 May 2019. The notes on pages 33 to 56 form part of these financial statements.



Ms Rana Abu Ghazaleh
President



Ms Mahtab Akbar Rashdi
Treasurer

Consolidated cash flow statement

Statement of cash flows for the year ended 31 December 2018

	Note	2018 US\$'000	2017 US\$'000
Net cash (used in) / provided by operating activities	A	(2,014)	5,185
Cash flow from investing activities:			
Interest received and similar income		515	459
Purchase of tangible assets		(285)	(123)
Purchase of marketable securities		(48)	(1,358)
Sale of marketable securities		41	1,329
Net cash provided by investing activities		223	307
Cash flows from financing activities:			
Long term loan repayments		40	32
Net cash provided by financing activities		40	32
(Decrease) / increase in cash	B	(1,751)	5,524

Note A: Reconciliation of net (expenditure) / income to net cash (outflow) / inflow from operating activities

	Note	2018 US\$'000	2017 US\$'000
Net operating (expenditure) / income		(2,637)	9,370
Unrealised exchange losses		(454)	(1,691)
Interest receivable and similar income		(515)	(459)
Depreciation		524	467
Exchange movements on tangible assets		932	(1,358)
Loss on disposal of tangible fixed assets		113	2
Exchange movements on investments		(280)	(133)
FRS102 adjustments on pension scheme		(2,033)	(1,167)
Movements in working capital:			
Decrease in stock		264	26
Increase in debtors		(3,661)	(1,004)
Increase in creditors		5,698	1,076
Increase in provisions		35	56
Net cash (used in) / provided by operating activities		(2,014)	5,185

Note B: Reconciliation of net cash flow to movements in cash

	2018 US\$'000	2017 US\$'000
(Decrease) / increase in cash in the year	(1,751)	5,524
Movement on foreign exchange	(144)	6,000
Change in cash for the year	(1,895)	11,524
Net cash at 1 January	72,019	60,495
Net cash at 31 December	70,124	72,019

Note of explanation

Cash balances are historically higher at 31 December each year due to the timing of government receipts, many of which are received in the last quarter of the financial year. However, the timing of grant payments to Member Associations means that the cash funds are significantly reduced in the first quarter of each financial year. The cash balance also includes restricted funds for use in the following years.

Notes to the Financial Statements

1 Accounting policies

Basis of accounting

These financial statements have been prepared under the historical cost convention with items recognised at cost or transaction values unless otherwise stated in the relevant notes to these accounts. The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2016 and the Charities Act 2011. IPPF meets the definition of a public benefit entity under FRS 102. The Charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The members of Governing Council have reviewed IPPF's financial position including its recent annual deficits and its level of net assets, considering the impact of future activities, and believe it is appropriate to continue to produce the financial statements on a going concern basis.

Basis of preparation

IPPF exists as an entity incorporated in the UK under the provisions of the IPPF Act ("the charity"). Its registered address is at 4 Newhams Row, London, SE1 3UZ United Kingdom and its activities are undertaken through a Secretariat of which there is a Central Office.

IPPF Arab World Region, East and South East Asia and Oceania Region South Asia Region are not separate legal entities and their results are included in those of the charity. IPPF (Bangkok Hub) was established in 2016 and their results are also included with those of the charity.

Subsidiaries

IPPF Worldwide Inc. is a separately registered not-for-profit organization. This is established for the purpose of receiving funding from organizations based in the United States of America. The Directors of the company are Central Office Divisional Directors. Their results are included with those of the group.

IPPF Africa Region (Nairobi, Kenya) and IPPF Europe Network are separate legal entities in Nairobi, Kenya and Brussels, Belgium respectively. As subsidiaries they use the name of the charity to raise funds exclusively for the IPPF and/or its local activities. They represent themselves publicly as the charity's local representative. Their results are included with those of the group.

IPPF has a dormant trading subsidiary, International Contraceptive and SRH Marketing Limited (trading as ICON). Up until 31 August 2013 this engaged in commodity supply services and social marketing of contraceptives in conjunction with Member Associations.

Autonomous business unit

The IPPF Western Hemisphere Region Inc (New York, USA) is a separate company incorporated in the State of New York, USA, as a membership corporation with not-for-profit status. As an autonomous business unit within the group structure, their results are aggregated on the basis that its members are also members of IPPF and are in a regional office pursuing the same objectives and policies as the rest of IPPF. The IPPF WHR Fund is a separate entity used for investing significant bequests, and those results are aggregated.

Income

Income is recognised when the Group and Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount measured reliably. See also the separate deferred income policy.

Deferred income

Deferred income comprises amounts received in the period which the donor has given for use in future accounting periods and there is no entitlement to the funds at the year end.

Commercial trading activities

Income from commercial trading activities is included in the period in which they are earned.

Donations and grants

Grants from governments and other agencies have been included as donations as these relate to core funding or are provided for a general purpose rather than being service agreements. These are included in income when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which must be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until the conditions for use have been met.
- Assets given for distribution are recognized as income for the year only when received.

Legacies

Legacies are recognized when the following three conditions are met: a) the charity is entitled to control the legacy resource and determine its future application, b) receipt is probable and c) the resource can be measured monetarily with sufficient accuracy.

Investment income and interest

Investment income in the form of dividends together with interest and rental income from the investment property is included when receivable by the charity.

Donations in kind

Donations in kind are included in donations and similar income where the amounts are material at their market value. Commodities donated to IPPF for distribution to Member Associations are recognized at their market value as income to the extent that they have been received in the year.

IPPF wishes to acknowledge the immense on-going contribution it receives from its volunteers, in terms of the time, hard work, and personal commitment given to IPPF and its objectives. IPPF does not believe it is possible, or desirable, to place a monetary value on this contribution, and subsequently does not recognize volunteer time as income in the Financial Statements. IPPF does not believe there is a concise, workable, or accurate method of quantifying this contribution, or establishing how this contribution is expressed in financial terms.

Expenditure and basis of allocation of costs

Grants payable to Member Associations of cash and commodities (being contraceptives and related goods) represent direct aid to affiliated and non-affiliated organizations. These grants are given on an annual basis. Amounts not yet given at the year-end relating to commodities are accrued as liabilities, on the basis that a commitment exists to supply these remaining commodities or cash grants.

Expenditure other than Grants is classified between regional and central activities. Regional activities are those carried out by the regional offices serving local Member Associations. Central activities are exclusively, those of the Central Office, which serve IPPF as a whole.

Costs of generating voluntary income comprise the costs incurred in commercial trading activities and fundraising. Fundraising costs include all direct costs including personnel costs, publicity material and direct mailing material.

Programme activities represent expenses directly attributable to the issuing or monitoring of grants to Member Associations as well as providing technical assistance to allow the grant recipients to implement programmes effectively. At the regional offices most staff will be involved as focal points for a selected number of Member Associations as well as being an expert in a technical area e.g. HIV/AIDS, Advocacy, and Accreditation. Central Office staff generally provide technical support to Regional Office staff and indirectly to Member Associations.

Support costs represent expenses on activities that are not directly attributable to programme activities and include general management, finance, office facilities, human resources and information technology and governance. Support costs are allocated to programme activities based on staff costs.

Tangible fixed assets

All assets costing more than US\$5,000 are capitalized. Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. All assets are depreciated in line with their expected useful lives using the straight-line method at the following rates:

Freehold land	no depreciation
Freehold buildings	2–5%
Office furniture	10%
Office equipment	20%
Computer hardware	33%
Vehicles	33%
Freehold improvements	10%
Leasehold improvements	Period of lease

Any realized gains or losses on disposals of fixed assets are taken to the Statement of Financial Activities in the year in which they occur.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Investments

Investments are valued at fair value at the balance sheet date. All gains and losses are taken to the Statement of Financial Activities as they arise and allocated to funds in line with the amounts held.

Investment properties are included within fixed assets, valued at fair value, and not depreciated. Full valuations are made every five years by a qualified external valuer, and in each other year there is a management assessment of fair value. Fair value of the investment property is considered to be the open market value. Any material increase or decrease in value is reflected in the Statement of Financial Activities.

Stock of goods

Purchased stock is valued at the lower of cost and net realizable value and consists of contraceptives and related medical equipment.

Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Foreign currency

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction to translate into the base currency of each component. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date to translate into the base currency, and the gains and losses on translation are included in the statement of financial activities.

The results are translated, where required, into the presentational currency of US Dollars at the average rate of exchange during the year for the statement of financial activities, and the year end rate for the assets and liabilities. Gains and losses arising on these translations are taken to the General Reserve. US Dollars are used as the presentational currency as this is the currency operated in by IPPF.

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Provisions

Provision is made, where material, for the present value of future liabilities and losses which have occurred during the financial year and identified up to the date on which the financial statements are approved by Governing Council. The recognition of a provision is in accordance with FRS 102. The charge for a provision is made against the expenditure to which it relates.

Contingent liabilities

Contingent liabilities are disclosed in accordance with FRS 102. No recognition is made in the Statement of Financial Activities. Where it becomes probable that there will be a future outflow of resources the liability will cease to be contingent and is accrued in the financial statements. Full details on each contingent liability are disclosed in note 18.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The charity uses derivative financial investments to reduce its exposure to foreign exchange risk. In line with the charity's risk management policies; the charity does not enter in to speculative derivative contracts. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at the date a derivative contract entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in the Statement of Financial Activities.

Pension contributions

IPPF contributes to both a closed defined benefit scheme and a number of defined contribution pension schemes (see note 19).

Defined contribution scheme costs are charged to the Statement of Financial Activities as they are incurred.

IPPF makes contributions to the Central Office defined benefit pension scheme (closed to new members from 1 September 2003 and current members from 1 September 2007) based on the advice from triennial actuarial valuations. Any material deficiencies or surpluses that arise are dealt with by changes to the level of contributions. In accordance with FRS 102, the Statement of Financial Activities includes: the cost of benefits accruing during

the year in respect of current and past service (charged against net expenditure); the expected return on the scheme's assets and the increase in the present value of the scheme's liabilities arising from the passage of time (shown as pensions finance charge); actuarial gain recognized in the pension scheme (shown within net movement of funds). The balance sheet includes the deficit in the scheme taking assets at their year-end market value and liabilities at their actuarially calculated values.

Critical accounting judgements and key sources of estimation uncertainty

In the application of IPPF's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed.

Key estimates

Pensions: Estimates of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate of which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension funds' assets. A firm of consulting actuaries is engaged to provide IPPF with expert advice reporting the assumptions to be applied. During the year the liability moved from US\$15.1 million to US\$10 million as a result of assumptions being updated, differences in actual experiences against expectation, and exchange rate movements. Further details are in note 19.

There are no other critical estimates or judgements.

Funds

IPPF maintains five types of fund:

- Expendable Endowment – where the capital is held in perpetuity to generate income to further the charitable objects of IPPF;
- Restricted – where the purposes for which the funds can be used have been restricted by donors or the terms of an appeal;
- Pension Reserve – in accordance with FRS 102, the liability attributed to the Central Office Defined Benefit Scheme is shown as a separate fund. As the scheme is currently in deficit this is a negative reserve;
- Designated – where the funds are unrestricted, but where the Governing Council have designated them for a specific purpose; and
- Unrestricted – where the funds are not restricted as to use but may be applied for any purpose within the charity's objects.

Transfers between funds are made where the donor restrictions allow with appropriate disclosure in note 15. Other recognized gains and losses are allocated to funds in line with the restrictions on the funds which generated the gain/loss.

2 Grants from governments

Group	Local currency (LC)	2018 LC'000	2017 LC'000	2018 US\$'000	2017 US\$'000)
Unrestricted					
Australia	Australian \$	3,600	3,600	2,790	2,724
People's Republic of China	US\$	400	316	400	316
Denmark	Danish Krone	50,000	75,000	8,065	11,346
Finland	Euro	1,500	1,500	1,800	1,546
Germany	Euro	6,000	6,000	7,200	6,309
Japan	US\$	5,858	7,125	5,858	7,125
South Korea	US\$	79	79	79	79
Malaysia	US\$	15	15	15	15
Netherlands	Euro	3,600	3,600	4,319	3,847
New Zealand	New Zealand \$	2,500	2,500	1,793	1,794
Norway	Norwegian Krone	60,000	100,000	7,340	11,948
Sweden	Swedish Krona	110,000	160,000	13,427	18,369
Switzerland	Swiss Franc	2,000	2,000	2,023	1,999
Other	US\$	17	–	17	–
Unrestricted				55,126	67,417
Restricted					
Australia	Australian \$	5,163	4,877	3,842	3,607
Belgium	Euro	3,321	–	3,993	–
Canada	Canadian \$	4,212	185	3,315	171
China	US\$	400	–	400	–
Denmark	DKK	500	–	78	–
Germany	Euro	400	200	479	224
Japan	US\$	2,000	1,765	2,000	1,765
Sweden	Swedish Krona	933	–	105	–
The Netherlands	Euro	1,273	893	1,542	1,009
The Netherlands	US\$	1,815	1,516	1,815	1,516
New Zealand	US\$	12	–	12	–
Norway	Norwegian Krone	18,000	13,000	2,133	1,570
South Africa	£ Sterling	–	23	–	29
Switzerland	Swiss Franc	75	180	75	177
United Kingdom	£ Sterling	6,542	–	8,342	–
United States of America	US\$	7,253	6,736	7,041	6,736
Restricted				35,172	16,804
Total restricted and unrestricted grants from governments				90,298	84,221

3 Income from multilaterals and other sources

Group	2018			2017		
	Unrestricted US\$'000	Restricted US\$'000	Total US\$'000	Unrestricted US\$'000	Restricted US\$'000	Total US\$'000
Bergstorm Foundation	–	305	305	–	–	–
Bill & Melinda Gates Foundation	–	3,165	3,165	–	1,935	1,935
Children's Investment Fund Foundation	–	250	250	–	–	–
Cordaid	–	152	152	–	235	235
Danish Family Planning Association	–	212	212	–	108	108
David & Lucile Packard Foundation	–	1,191	1,191	–	313	313
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	–	801	801	–	255	255
European Commission (EC)	–	493	493	–	171	171
The Global Fund	–	178	178	–	–	–
Merck & Co	–	447	447	–	–	–
Reckitt Benckiser	–	–	–	–	123	123
United Nations Fund for Population Activities (UNFPA)	–	43	43	–	795	795
United Nations Programme on HIV/AIDS (UNAIDS)	–	(450)	(450)	–	351	351
United Nations Women	–	122	122	–	–	–
Waterloo Foundation	–	–	–	–	124	124
The William and Flora Hewlett Foundation	1,000	479	1,479	1,000	1,100	2,100
World Health Organization (WHO)	–	287	287	–	–	–
Anonymous (At donor's request)	–	10,528	10,528	–	7,370	7,370
Legacies	–	–	–	647	–	647
Other < \$100,000 or individuals not wishing to be disclosed	859	603	1,462	778	522	1,300
Total	1,859	18,806	20,665	2,425	13,402	15,827

4 Investment income and interest

Group	2018			2017		
	Unrestricted US\$'000	Restricted US\$'000	Total US\$'000	Unrestricted US\$'000	Restricted US\$'000	Total US\$'000
Interest receivable from cash deposits	475	94	569	369	56	425
Investment property income	38	–	38	41	–	41
Dividends and similar income from US listed securities	–	49	49	–	33	33
Total 2018	513	143	656	410	89	499

5 Grants to Member Associations and partner organizations

Charity	2018			2017		
	Unrestricted US\$'000	Restricted US\$'000	Total US\$'000	Unrestricted US\$'000	Restricted US\$'000	Total US\$'000
Africa	18,758	7,897	26,655	14,844	5,507	20,351
Arab World	2,484	3,023	5,507	2,052	1,463	3,515
E, SE Asia & Oceania	5,201	2,067	7,268	4,845	1,640	6,485
Europe	1,630	395	2,025	1,881	255	2,136
South Asia	6,550	4,824	11,374	5,390	3,969	9,359
Western Hemisphere	6,837	1,544	8,381	6,120	2,188	8,308
Total	41,460	19,750	61,210	35,132	15,022	50,154
Project delivery partners	–	3,475	3,475	–	–	–
Total	41,460	23,225	64,685	35,132	15,022	50,154

Group	2018			2017		
	Unrestricted US\$'000	Restricted US\$'000	Total US\$'000	Unrestricted US\$'000	Restricted US\$'000	Total US\$'000
Africa	19,019	8,502	27,521	14,845	5,515	20,360
Arab World	2,484	3,023	5,507	2,052	1,463	3,515
E, SE Asia & Oceania	5,201	2,067	7,268	4,845	1,640	6,485
Europe	1,903	1,778	3,681	1,881	1,369	3,250
South Asia	6,550	4,824	11,374	5,390	3,969	9,359
Western Hemisphere	6,837	1,544	8,381	6,120	2,188	8,308
Total	41,994	21,738	63,732	35,133	16,144	51,277
Project delivery partners	–	3,475	3,475	–	–	–
Total	41,994	25,213	67,207	35,133	16,144	51,277

Commodity grants consist of contraceptives and related goods and are included in the above at a value of US\$1.6 million (2017: US\$1.1 million). Grants to project delivery partners are payments to deliver consortia programmes.

Grants to Member Associations and partner organizations by strategic outcomes

Group	2018			2017		
	Unrestricted US\$'000	Restricted US\$'000	Total US\$'000	Unrestricted US\$'000	Restricted US\$'000	Total US\$'000
Strategic Outcomes						
Championing Rights	3,750	4,018	7,768	1,745	1,286	3,031
Empower Communities	7,216	1,180	8,396	5,463	455	5,918
Serve People	18,893	19,335	38,228	20,507	14,328	34,835
Unite and Perform	12,135	680	12,815	7,418	75	7,493
Total	41,994	25,213	67,207	35,133	16,144	51,277

Support costs for grants are included with in the central and regional charitable expenditure.

The following ten associations received the largest grants in 2018:

Organization

Charity and Group	Unrestricted US\$000	Restricted US\$000	2018 Total US\$000	Unrestricted US\$000	Restricted US\$000	2017 Total US\$000
Family Planning Association of Nepal	1,634	2,509	4,143	1,252	1,520	2,772
Family Planning Association of India	1,812	929	2,741	1,509	803	2,312
Rahnuma-Family Planning Association of Pakistan	1,594	1,066	2,660	1,651	983	2,634
Reproductive Health Uganda	1,108	1,298	2,406	896	875	1,771
Planned Parenthood Federation of Nigeria	1,692	3	1,695	1,128	26	1,154
Family Guidance Association of Ethiopia	1,054	584	1,638	903	327	1,230
Family Health Options Kenya	924	543	1,467	583	457	1,040
Uzazi na Malezi Bora Tanzania	909	545	1,454	841	250	1,091
Associação Moçambicana para Desenvolvimento da Família	736	372	1,108	517	–	517
Association Togolaise pour le Bien-Etre Familial	860	227	1,087	514	367	881

6 Regional activities

Regional activities by strategic outcomes

Group	Programme activities US\$'000	Grants to IPPF/WHR US\$'000	Support costs US\$'000	2018 Total US\$'000
Strategic Outcomes				
Championing Rights	2,837	187	1,286	4,310
Empower Communities	1,592	–	366	1,958
Serve People	4,811	953	1,989	7,753
Unite and Perform	5,238	2,125	1,740	9,103
Total 2018	14,478	3,265	5,381	23,124

Group	Programme activities US\$'000	Grants to IPPF/WHR US\$'000	Support costs US\$'000	2017 Total US\$'000
Strategic Outcomes				
Championing Rights	3,349	–	1,059	4,408
Empower Communities	1,431	–	303	1,734
Serve People	3,763	–	1,305	5,068
Unite and Perform	5,633	2,364	1,735	9,732
Total 2017	14,176	2,364	4,402	20,942

Regional activities by type of expenditure

Group	Programme activities US\$'000	Support costs US\$'000	2018 Total US\$'000	Programme activities US\$'000	Support costs US\$'000	2017 Total US\$'000
Personnel costs	7,336	2,474	9,810	6,660	2,042	8,702
Consultancies	1,290	546	1,836	1,267	291	1,558
Travel	4,510	806	5,316	4,466	659	5,125
Occupancy	156	635	791	155	587	742
Communications	164	134	298	193	132	325
Grants to IPPF/WHR	3,265	–	3,265	2,364	–	2,364
Other costs	1,022	786	1,808	1,435	691	2,126
Total	17,743	5,381	23,124	16,540	4,402	20,942

Support costs for regional activities are fully allocated to programme activities.

7 Central activities

Central activities by strategic outcomes – 2018

Group	Programme activities undertaken directly US\$'000	Allocated support costs US\$'000	Total programmatic US\$'000
Strategic outcomes			
Championing Rights	2,774	874	3,648
Empower Communities	1,092	413	1,505
Serve People	7,021	2,136	9,157
Unite and Perform	3,621	1,836	5,457
Total 2018	14,508	5,259	19,767

Central activities by strategic outcomes – 2017

Group	Programme activities undertaken directly US\$'000	Allocated support costs US\$'000	Total programmatic US\$'000
Strategic outcomes			
Championing Rights	1,334	458	1,792
Empower Communities	1,025	322	1,347
Serve People	7,016	1,784	8,800
Unite and Perform	2,750	763	3,513
Total 2017	12,125	3,327	15,452

Central activities by type of expenditure

Group	Fundraising costs US\$'000	Programme activities undertaken directly US\$'000	Support costs US\$'000	2018 Total US\$'000
Personnel costs	1,867	7,819	2,323	12,009
Consultancies	590	2,643	1,195	4,428
Travel	537	2,391	138	3,066
Occupancy	17	199	279	495
Communications	–	4	7	11
Other costs	79	1,452	2,142	3,673
Total 2018	3,090	14,508	6,084	23,682

Group	Fundraising costs US\$'000	Programme activities undertaken directly US\$'000	Support costs US\$'000	2017 Total US\$'000
Personnel costs	1,950	7,009	1,799	10,758
Consultancies	579	2,119	793	3,491
Travel	269	1,961	185	2,415
Occupancy	53	352	100	505
Communications	8	46	48	102
Other costs	104	638	1,148	1,890
Total 2017	2,963	12,125	4,073	19,161

Support costs allocation

Group	Fundraising costs US\$'000	Programme activities US\$'000	2018 Total US\$'000	Fundraising costs US\$'000	Programme activities US\$'000	2017 Total US\$'000
Personnel costs	448	1,875	2,323	329	1,470	1,799
Consultancies	218	977	1,195	145	649	794
Travel	25	112	137	34	151	185
Occupancy	22	257	279	18	82	100
Communications	–	7	7	9	39	48
Other costs	111	2,031	2,143	211	936	1,147
Total 2018	824	5,259	6,084	746	3,327	4,073

Support costs represent all other expenses incurred in the running of IPPF and are allocated based on a proportion of direct personnel costs attributable to the implementation of the activities.

Charity	Fundraising undertaken directly US\$'000	Programme activities undertaken directly US\$'000	Support costs US\$'000	2018 Total US\$'000	Fundraising undertaken directly US\$'000	Programme activities undertaken directly US\$'000	Support costs US\$'000	2017 Total US\$'000
Personnel costs	1,867	7,819	2,323	12,009	1,880	7,009	1,798	10,687
Consultancies	590	2,643	1,195	4,428	579	2,118	794	3,491
Travel	537	2,391	138	3,066	265	1,961	185	2,411
Occupancy	17	199	279	495	46	352	100	498
Communications	–	4	7	11	8	46	48	102
Other costs	79	1,452	2,082	3,613	90	640	1,295	2,025
Total 2018	3,090	14,508	6,024	23,622	2,868	12,126	4,220	19,214

- 1) Programme activities represent expenses directly attributable to the issuing or monitoring of grants to Member Associations and partners as well as providing technical assistance to allow the grant recipients to implement programmes effectively. Central Office staff are generally not involved in issuing grants to Member Associations but provide technical support to Regional Office staff and Member Associations.
- 2) Support costs represent all other expenses incurred in the running of IPPF and are allocated across the Strategic Outcomes based on a proportion of direct personnel costs attributable to the implementation of the activities. This methodology is applied to all areas of the IPPF and has been selected for consistency of use and ease of implementation.
- 3) Fundraising costs comprise of activities related to the Federation's global income generation and resource development.

Included within support costs are fees payable to the external auditor, Deloitte, of US\$231k and US\$288k for the charity and group respectively (2017 – Deloitte – US\$102,000 and US\$140,000) for statutory audit. Within other support costs is a foreign exchange loss in 2018 of US\$1.3m (charity) and US\$1.3m (group); 2017 gain of US\$1.7m (group) and US\$1.5m (charity).

8 Employee numbers and emoluments

The average total number employed during the year were:

	Central activities	Regional Activities	Total 2018 Charity	Regional activities	Total 2018 Group
Technical knowledge and support	40	19	59	30	89
Strategic planning, external affairs, advocacy & communications	10	4	14	31	45
Management, governance, accreditation and policy	12	23	35	15	50
Resource mobilization	4	2	6	2	8
Support services – finance, information technology, human resources & administration	24	34	58	26	84
Total 2018	90	82	172	104	276

	Central activities	Regional activities	Total 2017 Charity	Regional activities	Total 2017 Group
Technical knowledge and support	37	20	57	40	97
Strategic planning, external affairs, advocacy & communications	9	5	14	22	36
Management, governance, accreditation and policy	11	17	28	7	35
Resource mobilization	11	3	14	3	17
Support services – finance, information technology, human resources & administration	21	26	47	22	69
Total 2017	89	71	160	94	254

The cost of employing these staff was:

	2018 US\$'000 Charity	2017 US\$'000 Charity	2018 US\$'000 Group	2017 US\$'000 Group
Gross salaries of individuals on IPPF payroll	10,040	9,194	15,414	14,574
Social security costs	927	728	1,655	1,229
Pension	750	379	1,171	798
Temporary staff employed through third party agencies	2,810	2,264	2,828	2,263
Other employee benefits	635	549	1,183	1,300
Redundancy costs	437	(284)	437	(216)
Total	15,599	12,830	22,688	19,948

The number of Charity and Group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of US \$78,000 (£60,000) was:

	2018 Charity	2017 Charity	2018 Group	2017 Group
US\$78,000 to US\$90,000	15	4	21	17
US\$90,000 to US\$100,000	2	5	7	9
US\$100,000 to US\$110,000	3	4	5	6
US\$110,000 to US\$120,000	7	2	8	4
US\$120,000 to US\$130,000	–	1	–	1
US\$130,000 to US\$140,000	2	1	3	3
US\$140,000 to US\$150,000	2	–	3	1
US\$150,000 to US\$160,000	–	1	–	1
US\$160,000 to US\$170,000	3	1	3	1
US\$170,000 to US\$180,000	–	1	–	2
US\$180,000 to US\$190,000	–	3	1	3
US\$190,000 to US\$200,000	1	–	1	1
US\$200,000 to US\$210,000	1	–	–	–
US\$280,000 to US\$290,000	1	–	–	–
US\$420,000 to US\$430,000	–	1	–	1
US\$550,000 to US\$560,000	1	–	1	–

Charity: Contributions amounting to US\$ 278,000 (2017: US\$178,000) were made to defined contribution schemes on behalf of 34 higher paid employees (2017: 18). Group: contributions amounting to US\$375,000 (2017: US\$305,000) were made to defined contribution schemes on behalf of 51 higher paid employees (2017: 35).

No ex-gratia payments were made during the year (2017: Nil). No trustee received remuneration during the year (2017: Nil). Total expenses reimbursed to members the Governing Council and Audit committee or incurred on their behalf for attendance at meetings was US\$373,162 (2017: US\$270,289).

Key management personnel

The key management personnel of the parent Charity are the Director General, the central office divisional directors and the regional directors of AWRO, ESEAOR and SARO. The total remuneration (including pension contributions and employers' national insurance) of the key management personnel of the Charity for the year totaled US\$1,257,152 (2017: US\$1,317,595).

The key management personnel of the Group comprise those of the Charity and key management personnel of ENRO and ARO. The total remuneration (including pension contributions and employers' national insurance) of the key management personnel of the Group for the year totaled US\$1,654,115 (2017: US\$1,676,072).

9 Tangible fixed assets

	Freehold land and property US\$'000 Charity	Fixtures, fittings, equipment & computers US\$'000 Charity	Total US\$'000 Charity	Freehold land and property US\$'000 Group	Fixtures, fittings, equipment & computers US\$'000 Group	Total US\$'000 Group
Cost						
At 1 January 2018	19,709	1,974	21,683	21,954	3,895	25,849
Exchange adjustment	(944)	(459)	(1,403)	(977)	(508)	(1,485)
Additions	–	35	35	–	285	285
Disposals	–	–	–	–	(739)	(739)
At 31 December 2018	18,765	1,550	20,315	20,977	2,933	23,910
Depreciation						
At 1 January 2018	1,260	1,921	3,181	1,391	3,384	4,775
Exchange adjustment	(72)	(448)	(520)	(72)	(483)	(555)
Charge for the year	298	58	356	337	187	524
Released on disposal	–	–	–	–	(626)	(626)
At 31 December 2018	1,486	1,531	3,017	1,656	2,462	4,118
Net book values						
31 December 2018	17,279	19	17,298	19,321	471	19,792
At 31 December 2017	18,449	53	18,502	20,563	511	21,074

All tangible fixed assets are held for charity use.

10 Investments

	2018 Total US\$'000 Charity	2017 Total US\$'000 Charity	2018 Total US\$'000 Group	2017 Total US\$'000 Group
Listed Investments	1,248	1,448	1,248	1,448
Subsidiary undertakings	28,806	27,342	–	–
Investment property	1,257	1,330	1,257	1,330
Total	31,311	30,120	2,505	2,778

Listed investments

	Total US\$'000 2018	Total US\$'000 2017
Listed on the New York Stock Exchange		
Shares and securities at market value:		
At 1 January 2018	1,448	1,286
Additions	48	1,358
Disposals	(41)	(1,329)
Net realised investment gains	37	43
Net unrealised investment (loss) / gain	(244)	90
Shares and securities at 31 December 2018	1,248	1,448

Shares and securities at historical cost:

At 31 December 2018	1,396
At 31 December 2017	1,358

Securities and shares are held by IPPF/WHR on behalf of IPPF. The above figures include US\$ nil cash held as part of the investment portfolio (2017: US\$23k).

Investment property

	Total US\$'000 2018	Total US\$'000 2017
Investment property at fair value:		
Investment property at 1 January	1,330	1,409
Revaluation	–	(212)
Foreign exchange movement	(73)	133
Investment property 31 December	1,257	1,330

Investment property at fair value

The investment property was acquired on 31 December 2012 for no cost, following the early termination of a lease on a property for which IPPF holds the freehold. It is included in the balance sheet at fair value, valued by management. The last independent property valuation was carried out as at 31 December 2015 by an external valuer – BNP Paribas Real Estate UK (Chartered Surveyors); this valuation has then been reviewed by management with reference to movements in the local market to ensure that it is accurate.

Investments in subsidiary undertakings

International Contraceptive & SRH Marketing Limited (trading as ICON) is a wholly owned dormant trading subsidiary incorporated in the UK and registered in England and Wales. The company owns the entire issued ordinary share capital of US\$1.

IPPF Worldwide Inc. is a separately registered not-for-profit organization in United States of America.

IPPF Africa Region (ARO) and IPPF Europe Network (ENRO) are separate legal entities in Nairobi, Kenya and Brussels, Belgium respectively. Their individual results and net assets are as follows:

	Worldwide Inc		ARO		ENRO	
	Year to 31 Dec 2018 US\$'000	Year to 31 Dec 2017 US\$'000	Year to 31 Dec 2018 US\$'000	Year to 31 Dec 2017 US\$'000	Year to 31 Dec 2018 US\$'000	Year to 31 Dec 2017 US\$'000
Income	14,287	10,619	9,414	8,624	6,275	3,659
Expenditure	(14,260)	(8,220)	(8,443)	(6,934)	(5,615)	(5,283)
Surplus / (deficit)	27	2,399	971	1,690	660	(1,624)

	Worldwide Inc		ARO		ENRO	
	Year to 31 Dec 2018 US\$'000	Year to 31 Dec 2017 US\$'000	Year to 31 Dec 2018 US\$'000	Year to 31 Dec 2017 US\$'000	Year to 31 Dec 2018 US\$'000	Year to 31 Dec 2017 US\$'000
Net Assets	10,090	10,065	15,234	14,263	3,479	3,014

11 Long-term loans

	2018 Total US\$'000	2017 Total US\$'000
Charity and Group		
Loans to Member Associations	20	60
Total	20	60

All loans to Member Associations are interest bearing.

12 Debtors (amounts falling due within one year)

	2018 Total US\$'000 Charity	2017 Total US\$'000 Charity	2018 Total US\$'000 Group	2017 Total US\$'000 Group
Receivable from donors	3,470	145	3,843	360
Receivable from associations	1,069	522	1,517	967
Receivable from others	818	600	1,502	1,153
Prepayments	900	301	948	321
Total	6,257	1,568	7,810	2,801

13 Creditors (amounts falling due within one year)

	2018 Total US\$'000 Charity	2017 Total US\$'000 Charity	2018 Total US\$'000 Group	2017 Total US\$'000 Group
Trade creditors	1,210	1,458	1,546	1,692
Payable to associations	3,982	1,476	3,984	1,530
Accruals and other creditors	4,193	461	4,974	1,724
Derivative financial instruments	21	842	21	842
Due to regional offices	3,240	1,052	297	299
Held on behalf of IPPF Worldwide Inc	3,847	6,047	–	–
Deferred income (see below)	160	–	3,170	875
Total	16,653	11,336	13,992	6,962

Deferred income

	2018 Total US\$'000 Charity	2017 Total US\$'000 Charity	2018 Total US\$'000 Group	2017 Total US\$'000 Group
Deferred income balances brought forward	–	–	875	–
Released in the year	–	–	(875)	–
Deferred in the year	160	–	3,070	875
Deferred income balances carried forward	160	–	3,070	875

Deferred income in the group represents funds received from donors but not available to be spent until 2019.

14 Provisions

	2018 Total US\$'000 Charity	2017 Total US\$'000 Charity	2018 Total US\$'000 Group	2017 Total US\$'000 Group
Opening balance	–	65	671	615
Utilized in year	–	(65)	–	(10)
Arising in year	–	–	35	66
Closing balance	–	–	706	671

The provisions relate to Kenya Revenue Authority Tax assessment's totaling US\$500k, advances receivable US\$112k Kenyan VAT reclaimable US\$74k and other provisions US\$20k.

15 Group funds and reserves

Restricted funds

The use of these funds has been restricted by the donor indicated below:

	Balance at 1 Jan 2018 \$'000	Income \$'000	Expenditure \$'000	Transfers \$'000	Balance at 31 Dec 2018 \$'000
Government					
Australia					
SPRINT	52	82	135	–	269
SPRINT III	571	2,692	(2,300)	–	963
Capacity Building in the Pacific	638	1	(981)	–	(342)
South Asia Strategic Plan	30	–	–	–	30
RENEW Advocacy and Institutional Strengthening	79	–	–	–	79
Samoa	11	164	(34)	–	141
Pacific Strategy	–	787	(219)	–	568
Gender based violence and Comprehensive Sexuality Education	–	143	–	–	143
Belgium – She Decides	–	3,767	(2,444)	–	1,323
Canada					
Delivering the Muskoka Promise	(8)	–	–	–	(8)
Protections of children working in mines in DRC	–	98	(87)	–	11
She Decides	–	3,102	(1,181)	–	1,921
Freedom to Choose – RHASS	–	114	(103)	–	11
China – Solutions Grant	–	400	–	–	400
Denmark					
Adolescents & Advocacy for SRH (A+)	11	–	(11)	–	–
Friendship Retreat	–	78	–	–	78
Germany					
Providing assistance to internally displaced populations in Syria	95	–	(146)	–	(51)
Enhancing SRH and addressing GBV among refugees and internally displaced populations in Sudan	19	292	(221)	–	90
Essential SRH & Youth Friendly services to marginalized Palestinian women and youth	–	187	(175)	–	12
Japan					
Provide SRH in Emergencies and PHC services in Yemen	–	1,000	(907)	–	93
HIV/STI/AIDS Trust Fund*	2,721	1,041	(636)	–	3,126
Maternal and RH for IDPs and Refugees	933	10	(498)	–	445
Netherlands					
Choices and Opportunities Fund	(3)	–	3	–	–
Civil Society and ICPD	3	–	–	–	3

	Balance at 1 Jan 2018 \$'000	Income \$'000	Expenditure \$'000	Transfers \$'000	Balance at 31 Dec 2018 \$'000
ASK	8	–	(8)	–	–
Right Here Right Now	135	443	(401)	–	177
Get Up Speak Out	528	1,568	(1,444)	–	652
New Zealand – Reproductive Health Facility for the Pacific	10	12	(10)	–	12
Norway					
UN Resources Databases	6	–	(6)	–	–
Empowering A First Generation of Somalis to Abandon FGM	61	–	–	–	61
Elimination of FGM in 3 AWR countries	362	358	(529)	–	191
South Africa – BRICS Study Tour India	3	–	–	–	3
Sweden					
She Decides Conference Co-ordination	–	105	(25)	–	80
Switzerland – Support for IPPF Geneva Office	102	75	(120)	–	57
United Kingdom					
Women Integrated Sexual Health Lot 1	–	–	(212)	–	(212)
Women Integrated Sexual Health Lot 2	–	8,344	(4,929)	–	3,415
United States of America					
Population Council – The Evidence Project	(225)	285	(77)	–	(17)
Sustainable Networks	(2,415)	6,756	(4,579)	–	(238)
Multi-donor Fund – Safe Abortion Action Fund	1,594	4,239	(4,714)	–	1,119
Total government restricted funds	5,321	36,143	(26,859)	–	14,605

* US\$1.9 million of the closing balance has been allocated for project and other activities in future years.

	Balance at 1 Jan 2018 \$'000	Income \$'000	Expenditure \$'000	Transfers \$'000	Balance at 31 Dec 2018 \$'000
Multilateral and other sources					
Arab Gulf Fund – Youth Health Protection	90	–	–	–	90
Bayer HealthCare – Bayer Barometer 2013	7	–	(7)	–	–
Bergstrom – Support of Africa Region	–	305	(610)	–	(305)
Bill & Melinda Gates Foundation					
Countdown 2030 Europe	702	2,163	(1,859)	(80)	926
Marie Stopes International – Cervical Cancer Screening & Preventative Therapy	(162)	200	–	–	38
Advance Family Planning	85	11	(96)	–	–
BMGF DMPA-SC Proposal	–	–	(17)	–	(17)
Business Plan	–	250	(72)	–	178
Leveraging IPPF's network for product intro and scale to expand mix for women	–	99	–	–	99
ARCHES Kenya (Addressing Reproductive Coercion in Health Settings)	–	494	(78)	–	416
Children's Investment Fund Foundation – Business Plan	–	250	(194)	–	56
Cordaid – Jeune S3 IPPFAR	40	152	(138)	–	54
Danish Family Planning Association					
Danish Arab Partnership for Improved SRHR	–	212	(213)	–	(1)
Sir David Owen Memorial – University Bursary Fund	36	–	–	–	36
The David and Lucile Packard Foundation					
Women's Leadership ARO	222	–	–	–	222
Abortion Stigma II	231	2	(217)	–	16
Abortion Stigma III	–	1,004	(182)	–	822
Business Plan	–	50	(12)	–	38
Strengthening coordination to increase access to SRHR for young people in Africa	4	141	(127)	–	18

	Balance at 1 Jan 2018 \$'000	Income \$'000	Expenditure \$'000	Transfers \$'000	Balance at 31 Dec 2018 \$'000
Reframing the Messaging	58	–	(65)	7	–
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)					
Africa Rising Project	35	24	(58)	–	1
BACKUP – Integration for Sustainability (I4S)	141	–	(102)	–	39
Accelerating ICPD Implementation	3	149	(153)	–	(1)
P2P BACKUP HEALTH	–	628	–	–	628
European Commission (EC)					
EC Safe Motherhood Bangladesh	30	–	–	–	30
State of the African Women Campaign	7	493	(507)	–	(7)
Strengthening MDG 5a and 5b in South Asia	536	–	–	–	536
Health Pooled Fund – Crown Agents-Technical assistance to South Sudan	81	–	–	–	81
Helen Seymour Fund – University Bursary Fund	79	–	–	–	79
The John D & Catherine T MacArthur Foundation – Building capacity of MA's to enhance governance, Management	13	–	–	–	13
Reckitt Benckiser (Brands) – Partnership Project Fund	60	–	(18)	–	42
Rutgers – AWAN for the SRHR Conference December 2017	(14)	12	–	–	(2)
United Nations Educational, Scientific and Cultural Organisation (UNESCO) – Youth-led CSE advocacy II	13	12	(25)	–	–
United Nations Population Fund (UNFPA)					
UNFPA MDG5B Grant (ESEAOR)	2	–	–	–	2
UNFPA ESEAOR	10	–	–	–	10
Joint Project on Adolescent Health (SROP)	7	–	–	–	7
Support for SARYN meeting / APPC	7	–	–	–	7
Systems strengthening for RHCS	6	–	–	–	6
Africa Parliamentary Forum for Population Development	2	–	–	–	2
Asia and the Pacific (APRO) – Reaching out to Young People	(18)	(6)	(7)	–	(31)
Sub-regional Office in the Pacific: planning and monitoring for youth-friendly health services	(1)	–	–	–	(1)
United Nations Programme on HIV/AIDS (UNAIDS)					
CSO Forum mid-term review of the Asia Pacific Ministerial Declaration on Population	–	30	(14)	–	16
Technical Support Facility ESEAOR	876	(442)	–	–	434
ACT 2015 phase IV	10	274	(258)	–	26
William and Flora Hewlett Foundation					
Voices: Towards universal access to SRHR for all (PHASE II)	–	389	(354)	–	35
Support of African member associations	1,000	–	(243)	–	757
Strategic Framework Refinement	–	90	(5)	–	85
World Health Organisation					
Rapid Assessment Tool Findings	3	–	(4)	–	(1)
PMNCH	9	–	–	–	9
Development of an electronic toolkit for SRHR and HIV linkages	2	–	(2)	–	–
Joint tools on SRH/HIV linkages	(1)	–	1	–	–
National dissemination workshops	(6)	6	1	–	1
Multi-donor Fund – EuroNGOs	282	233	(424)	(7)	84
Multi-donor Fund – SheDecides	–	2,310	(110)	–	2,200
Anonymous donors (not disclosed at their request)	1,706	7,376	(6,537)	–	2,545
Other (various)	430	1,067	(194)	(37)	1,266
Total Multilateral and other sources	6,623	17,978	(12,899)	(117)	11,582
Total Restricted Funds	11,944	54,121	(39,758)	(117)	26,190

	Balance at 1 Jan 2017 \$'000 (Restated)	Income \$'000	Expenditure \$'000	Transfers \$'000	Balance at 31 Dec 2017 \$'000
Government					
Australia					
SPRINT	1,275	2	(1,254)	29	52
SPRINT III	–	1,880	(1,309)	–	571
Capacity Building in the Pacific	458	1,461	(1,281)	–	638
South Asia Strategic Plan	30	–	–	–	30
RENEW Advocacy and Institutional Strengthening	200	–	(121)	–	79
Samoa	–	283	(272)	–	11
Canada					
Delivering the Muskoka Promise	(135)	145	–	(18)	(8)
Protections of children working in mines in DRC	–	26	(26)	–	–
Denmark – Adolescents & Advocacy for SRH (A+)	11	–	–	–	11
Germany					
Providing assistance to internally displaced populations in Syria	167	–	(72)	–	95
Enhancing SRH and addressing GBV among refugees and internally displaced populations in Sudan	(38)	224	(167)	–	19
Japan					
HIV/STI/AIDS Trust Fund	2,812	659	(750)	–	2,721
Maternal and RH for IDPs and Refugees	–	1,139	(206)	–	933
Netherlands					
Choices and Opportunities Fund	87	–	–	(90)	(3)
Civil Society and ICPD	(120)	120	3	–	3
ASK	212	(147)	–	(57)	8
Right Here Right Now	286	403	(512)	(42)	135
Get Up Speak Out	129	1,037	(638)	–	528
New Zealand – Reproductive Health Facility for the Pacific	10	–	–	–	10
Norway					
UN Resources Databases	6	–	–	–	6
Expanding and Improving Access to Safe Abortion Services	1	–	–	(1)	–
Empowering A First Generation of Somalis to Abandon FGM	370	–	(309)	–	61
Elimination of FGM in 3 AWR countries	–	362	–	–	362
South Africa – BRICS Study Tour India	–	29	(26)	–	3
South Korea – Access to RH in Burkina Faso, Lesotho and Uganda	41	–	–	(41)	–
Sweden					
SIDA funds for ARO	51	–	–	(51)	–
She Decides Conference Co-ordination	–	88	(88)	–	–
Switzerland – Support for IPPF Geneva Office	84	176	(158)	–	102
United States of America					
MSH – Leadership, Management & Governance	290	–	–	(290)	–
Population Council – The Evidence Project	(89)	372	(508)	–	(225)
Sustainable Networks	(3,092)	6,366	(5,689)	–	(2,415)
Multi-donor Fund – Safe Abortion Action Fund	1,409	3,716	(3,531)	–	1,594
Total government restricted funds 2017	4,455	18,341	(16,914)	(561)	5,321

	Balance at 1 Jan 2017 \$'000	Income \$'000	Expenditure \$'000	Transfers and other gains and losses US\$'000	Balance at 31 Dec 2017 \$'000
Multilateral and other sources					
Arab Gulf Fund – Youth Health Protection	90	–	–	–	90
Bayer HealthCare – Bayer Barometer 2013	70	–	(63)	–	7
Bill & Melinda Gates Foundation					
Assessing Benefits of integrated HIV and Reproductive Health – Africa	(40)	–	–	40	–
Countdown 2030 Europe	1,129	995	(1,553)	131	702
Marie Stopes International – Cervical Cancer Screening & Preventative Therapy	79	–	(241)	–	(162)
Advance Family Planning	(97)	834	(598)	(54)	85
Joining Voices	(6)	34	(28)	–	–
Cordaid – Jeune S3 IPPFAR	42	235	(235)	(2)	40
Danish Family Planning Association					
Family Planning for Gender Equality and Development in the Eastern African Region	3	–	–	(3)	–
Danish Arab Partnership for Improved SRHR	–	108	(108)	–	–
Sir David Owen Memorial – University Bursary Fund	36	–	–	–	36
The David and Lucile Packard Foundation					
Women's Leadership ARO	236	–	–	(14)	222
Abortion Stigma	8	–	–	(8)	–
Abortion Stigma II	619	4	(389)	(3)	231
Strengthening coordination to increase access to SRHR for young people in Africa	100	107	(188)	(15)	4
Reframing the Messaging	–	200	(142)	–	58
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)					
Africa Rising Project	46	39	(39)	(11)	35
BACKUP – Integration for Sustainability (I4S)	134	192	(185)	–	141
Accelerating ICPD Implementation	72	24	(93)	–	3
European Commission (EC)					
EC Safe Motherhood Bangladesh	30	–	–	–	30
State of the African Women Campaign	–	208	(201)	–	7
Strengthening MDG 5a and 5b in South Asia	544	–	(8)	–	536
The Ford Foundation – Declaration of Sexual Rights	148	–	(148)	–	–
Health Pooled Fund – Crown Agents-Technical assistance to South Sudan	137	–	(10)	(46)	81
Helen Seymour Fund – University Bursary Fund	79	–	–	–	79
The John D & Catherine T MacArthur Foundation – Building capacity of MA's to enhance governance, Management	13	–	–	–	13
Kabak Foundation – grant to Africa Regional Office	151	–	(151)	–	–
Reckitt Benckiser (Brands) – Partnership Project Fund	–	123	(63)	–	60
Rutgers – AWAN for the SRHR Conference December 2017	–	46	(60)	–	(14)
Swedish Association for Sexuality Education (RFSU) – Sexual Rights are Human Rights	10	–	1	(11)	–
United Nations Educational, Scientific and Cultural Organisation (UNESCO) – Youth-led CSE advocacy II	–	86	(73)	–	13
United Nations Population Fund (UNFPA)					
Reproductive health Mozambique	21	–	–	(21)	–
UNFPA MDG5B Grant (ESEAOR)	2	–	–	–	2
UNFPA ESEAOR	10	–	–	–	10
Joint Project on Adolescent Health (SROP)	7	–	–	–	7
Support for SARYN meeting / APPC	7	–	–	–	7
Systems strengthening for RHCS	(425)	425	6	–	6
Africa Parliamentary Forum for Population Development	136	133	(131)	(136)	2

	Balance at 1 Jan 2017 \$'000	Income \$'000	Expenditure \$'000	Transfers and other gains and losses US\$'000	Balance at 31 Dec 2017 \$'000
SRHR in East and Southern Africa	7	–	(1)	(6)	–
Strengthening SRH/HIV Linkages Part VIII	–	–	–	–	–
Asia and the Pacific (APRO) – Reaching out to Young People	(97)	138	(59)	–	(18)
Sub-regional Office in the Pacific: planning and monitoring for youth-friendly health services	(1)	–	–	–	(1)
Strengthening SRH/HIV Linkages 2016	(48)	48	–	–	–
Youth friendly services	21	2	(2)	(21)	–
United Nations Programme on HIV/AIDS (UNAIDS)					
Technical Support Facility ESEAOR	1,485	–	(609)	–	876
ACT 2015 phase IV	393	351	(734)	–	10
United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) – 3Es Young Women and HIV	4	–	–	(4)	–
Waterloo Foundation – Extend family planning services in Maya and Simiyu districts of Tanzania	40	124	(164)	–	–
William and Flora Hewlett Foundation					
Global Advocacy Umbrella grant	117	–	(26)	(91)	–
Voices: Towards universal access to SRHR for all (PHASE I)	219	–	–	(219)	–
Voices: Towards universal access to SRHR for all (PHASE II)	–	76	(76)	–	–
Support of African member associations	–	1,000	–	–	1,000
World Health Organisation					
Rapid Assessment Tool Findings	3	–	–	–	3
PMNCH	26	–	(17)	–	9
Development of an electronic toolkit for SRHR and HIV linkages	2	–	–	–	2
Joint tools on SRH/HIV linkages	(1)	–	–	–	(1)
National dissemination workshops	6	–	(12)	–	(6)
Multi-donor Fund – EuroNGOs	379	200	(297)	–	282
Anonymous donors (not disclosed at their request)	1,678	5,975	(5,834)	(113)	1,706
Other (various)	346	247	(240)	77	430
Total multilateral and other sources 2017	7,970	11,954	(12,771)	(530)	6,623
Total restricted funds 2017	12,425	30,295	(29,685)	(1,091)	11,944

Unrestricted funds and reserves

Unrestricted funds and reserves are those free of any donor restriction on their use. All unrestricted funds and reserves, apart from the General Fund, are designated by IPPF for specific purposes as noted below.

Group	Note	Asset Revaluation Reserve US\$'000	Fixed Asset Reserve US\$'000	Other designated funds US\$'000	Innovation Fund US\$'000	Pension Fund US\$'000	General Fund US\$'000	Total US\$'000
2018:								
Additions to fixed assets (note 9)	a	–	285	–	–	–	(285)	–
Transfer to designated regional funds	d	–	–	417	–	–	(417)	–
Other funds	e	–	–	1,000	(1,000)	–	34	34
Transfers between funds		–	285	1,417	(1,000)	–	(668)	34
Balance as at 1 January 2018		12,486	8,549	29,903	3,697	(15,094)	23,738	63,279
Net (expenditure) / income		(364)	(233)	(8,809)	(802)	1,278	(8,070)	(17,000)
Net losses on investment assets		–	–	–	–	–	(73)	(73)
Actuarial gains on defined benefit pension scheme		–	–	–	–	3,087	–	3,087
Foreign exchange movements on pension liability		–	–	–	–	756	–	756
Foreign currency translation		–	(931)	–	–	–	(564)	(1,495)
Balance as at 31 December 2018		12,122	7,670	22,511	1,895	(9,973)	14,363	48,588

Group	Note	Asset Revaluation Reserve US\$'000	Fixed Asset Reserve US\$'000	Other designated funds US\$'000	Innovation Fund US\$'000	Pension Fund US\$'000	General Fund US\$'000	Total US\$'000
2017:								
Additions to fixed assets (note 9)	a	–	114	–	–	–	(114)	–
Transfer to the Director-General's Contingency and emergency funds	b	–	–	452	–	–	(452)	–
GGR fund	c	–	–	6,750	–	–	(6,750)	–
Transfer to the designated regional fund	d	–	–	1,189	–	–	(1,189)	–
Australia 2016/17 funding set aside for MA grants in 2017		–	–	(1,800)	–	–	1,800	–
Miscellaneous other	e	–	(37)	7,890	1,000	–	(7,544)	1,309
Transfers between funds		–	77	14,481	1,000	–	(14,249)	1,309
Balance as at 1 January 2017 (Restated)		12,486	7,576	22,681	3,420	(14,540)	19,424	51,047
Net (expenditure) / income		–	(462)	(7,259)	(723)	1,167	16,042	8,765
Net losses on investment assets		–	–	–	–	–	(212)	(212)
Actuarial losses on defined benefit pension scheme		–	–	–	–	(413)	–	(413)
Foreign exchange movements on pension liability		–	–	–	–	(1,308)	–	(1,308)
Foreign currency translation		–	1,358	–	–	–	2,733	4,091
Balance as at 31 December 2017		12,486	8,549	29,903	3,697	(15,094)	23,738	63,279

Explanations of movements on unrestricted funds and reserves:

- The Fixed Asset Reserve represents the net book value of fixed assets with fixed asset additions being funded from the General Fund and depreciation being charged to this reserve each period.
- The Director-General's Contingency and Emergency Funds have been allocated US\$0.6 million to fund unforeseen events and emergency situations respectively.
- The GGR fund is set aside to assist member associations most affected by the Global Gag Rule.
- Funds allocated to the Designated Regional Funds from savings on budget allocation for utilization in 2018.
- Funds set aside for innovation projects and other transfers.

Asset Revaluation Reserve	The Asset Revaluation Reserve represents the difference between the historical cost of fixed assets and the depreciated revalued equivalent.
Fixed Asset Reserve	The Fixed Asset Reserve represents the value of IPPF funds invested in unrestricted fixed assets (see note 9) or allocated for their replacement.
Other Designated Funds	Other Designated Funds include the Member Association Performance Fund, the Resource Mobilization Fund, and various funds set aside for use by specific Regions.
Innovation Fund	The Innovation Fund is used to develop innovative projects and try new approaches to our work.
Pension Fund	The Pension Fund represents the value of IPPF's assets and liabilities arising in respect of the Central Office Defined Benefit Pension Scheme, which was closed in 2007. The movements in this fund are detailed in note 19.
General Fund	The General Fund contains the undesignated unrestricted funds of IPPF which are free of donor restrictions for specific activities or countries. These will fund future activities.

16 Net assets between funds

Charity	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	2018 Total US\$'000
Fixed assets	34,974	12,556	1,098	48,628
Current assets	37,764	15,784	–	53,548
Current liabilities	(14,177)	(2,150)	–	(16,327)
Pension liability	(9,973)	–	–	(9,973)
Total 2018	48,588	26,190	1,098	75,876

	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	2017 Total US\$'000
Charity				
Fixed assets	37,163	10,177	1,342	48,682
Current assets	52,546	1,767	–	54,313
Current liabilities	(11,336)	–	–	(11,336)
Pension liability	(15,094)	–	–	(15,094)
Total 2017	63,279	11,944	1,342	76,565

	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	2018 Total US\$'000
Group				
Fixed assets	21,141	78	1,098	22,317
Current assets	47,453	30,451	–	77,904
Current liabilities	(9,327)	(4,339)	–	(13,666)
Provisions for liabilities	(706)	–	–	(706)
Pension liability	(9,973)	–	–	(9,973)
Total 2018	48,588	26,190	1,098	75,876

	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	2017 Total US\$'000
Group				
Fixed assets	22,514	56	1,342	23,912
Current assets	62,183	13,197	–	75,380
Current liabilities	(5,653)	(1,309)	–	(6,962)
Provisions for liabilities	(671)	–	–	(671)
Pension liability	(15,094)	–	–	(15,094)
Total 2017	63,279	11,944	1,342	76,565

17 Forward commitments

Charity and Group	2018 US\$'000	2017 US\$'000
Orders for contraceptives and services due within one year	9	540

The commitments recognized are orders placed by the year-end but not yet delivered to IPPF, for which there is a legal obligation to make payment to the supplier.

Operating lease commitments:

The total future minimum lease payments under non-cancellable operating leases

Group	Buildings US\$'000	Equipment US\$'000	2018 US\$'000	Buildings US\$'000	Equipment US\$'000	2017 US\$'000
Due						
In the next 1-2 years	196	16	212	387	26	413
Between 2-5 years	149	2	151	190	10	200
Total	345	18	363	577	36	613

18 Contingent liability

In the ordinary course of business IPPF is subject to certain legal actions. In the opinion of management, such matters will not have a material effect on the financial position of IPPF.

19 Pension schemes

IPPF operates three pension schemes as described below:

The Central Office defined benefit pension scheme (closed)

This is a defined benefit scheme covering full-time staff in the Central Office, London. The assets of the fund are managed by independent professional investment managers.

The scheme's assets and liabilities are calculated by professional actuaries. The most recent formal actuarial valuation as at 1 July 2015 was performed using the Defined Accrued Benefit Method. The assumption used reflected the Employer Covenant Strength and the average term of the liabilities. The main assumptions used in the valuation were:

- Deferred Pensioners (average term 25 years);
- Investment return 4.95% per annum pre-retirement;
- Investment return 3.70 % per annum post retirement;
- Pension revaluation before retirement in line with CPI (maximum 5%) – 3.05% per annum; and
- Pension increases after retirement in line with RPI (maximum 5%) – 3.65% per annum.

The report for the actuarial valuation as at 1 July 2015 showed the fund to have an asset value of GBP£29.6 million under the ongoing valuation method. This is equivalent to a funding level of 83% (market value of assets versus liabilities).

A decision was taken to close the scheme to current members in 1 September 2007. This followed the earlier decision in September 2003 to close the scheme to new members. A pension strategy was approved in October 2009 which commits IPPF to reducing the pension deficit to zero by 2020. An updated recovery plan was submitted to the Pensions Regulator from July 2016. This will require the pension deficit to be paid off by January 2021 and require a 3.5% annual increase in payments from the current level of GBP£1.3 million.

From 1 September 2007 the former members of this scheme were offered defined contribution pension arrangements.

IPPF are aware of evolving U.K. case law in relation to final salary schemes and are assessing any possible implications to its defined benefit scheme (closed). It is not yet certain whether any additional liability occurs and therefore any financial impact.

The Central Office defined contribution pension scheme

Since 2003, a defined contribution pension scheme has been offered to permanent staff in the Central Office, London. IPPF contributes 7% of salary. For staff previously included in the defined benefit scheme a contribution of 10% of salary is made.

The 2018 pension charge for this scheme is US\$461k (2017: US\$379k).

The overseas employee pension scheme

Most full-time employees in the Africa Regional Office and some members of the Arab World and South Asia Regional Offices are members of this scheme. It is a defined contribution scheme under which IPPF contributes 7%-12% of basic salary and is non-contributory for staff.

The 2018 pension charge for this scheme is US\$62k (Charity) and US\$305k (Group) (2017: US\$33k (Charity) and US\$377k (Group)).

At 31 December 2018 there were no outstanding or prepaid contributions for any of the defined contribution schemes, (2017: US\$nil).

FRS 102 disclosure note

There is one defined benefit pension scheme providing benefits on final pensionable salary, the Central Office Defined Benefit Pension Scheme. The latest full actuarial valuation of this scheme was carried out at 1 July 2015 and was updated for accounting purposes to 31 December 2018 by a qualified independent actuary from Premier Pensions Management Ltd.

The pension contributions payable by IPPF to the scheme were as follows:

	2018 US\$'000	2017 US\$'000
Pension contributions	1,689	1,575

There were outstanding contributions at the year-end US\$ 4k (Charity) and US\$18k (Group) (2017: US\$nil).

The major assumptions used in the FRS 102 valuation were:

	2018 Per annum	2017 Per annum	2016 Per annum
Inflation – RPI	3.60%	3.50%	3.60%
Inflation – CPI	2.60%	2.80%	2.90%
Rate of discount	2.85%	2.50%	2.70%
Pension increases:			
Pre 88 GMP	Nil	Nil	Nil
Post 88 GMP	2.70%	2.70%	2.70%
Excess over GMP accrued pre 1.3.1998	6.00%	6.00%	6.00%
Excess over GMP accrued between 1.3.1998 and 31.7.2002	6.00%	6.00%	6.00%
Excess over GMP accrued between 1.8.2002 and 5.4.2005	3.60%	3.60%	3.60%
Excess over GMP accrued from 5.4.2005	2.30%	2.30%	2.30%
Life expectancy (at age 65):			
	Years		
Males born 1952	22.2		
Females born 1952	24.1		
Males born 1972	23.9		
Females born 1972	25.9		

The present value of the scheme liability was calculated as follows, using the updated year of birth series adjusted for the medium cohort:

	2018	2017
Pre-retirement mortality (male/female)	S1PA / S1PA	S1PA / S1PA
Post retirement mortality for non-pensioner members (male/female)	S1PA / S1PA	S1PA / S1PA
Post retirement mortality for pensioner members (male/female)	S1PA / S1PA	S1PA / S1PA

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

In 2010 the UK Government announced a change in the statutory minimum pension increase for public and private pension schemes. Previously this inflation rate was linked to the Retail Price Index (RPI). The announced change links this inflation rate to the Consumer Price Index (CPI), where this in line with the legal obligations detailed within the rules of the scheme. After clarifying the legal obligations that apply to the scheme IPPF linked the inflation rate to CPI.

Scheme assets

The fair value of the scheme's assets, which are not intended to be realized in the short term and may be subject to significant change before they are realized, and the present value of the scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

	2018 US\$'000	2017 US\$'000
Equities	9,718	10,827
Bonds	21,486	23,878
Cash	192	122
Liability Driven Investment	8,614	9,468
Total market value of assets	40,010	44,295
Present value of scheme liability	(49,983)	(59,389)
Deficit in scheme – Net pension liability	(9,973)	(15,094)

The expected rates of return on the assets in the scheme were 2.85% (2017 – 2.5%). The actual return on scheme assets was \$1.05m (2017 – \$1.1m).

Movement in pension fund liability during the year:

	2018 US\$'000	2017 US\$'000
Deficit in scheme at 1 January	(15,094)	(14,540)
Employer's contributions	1,689	1,575
Benefits paid	(411)	(408)
Actuarial gains (losses)	3,087	(413)
Exchange rate gain (loss)	756	(1,308)
Deficit in scheme at 31 December	(9,973)	(15,094)

The scheme closed to future accrual on 1 September 2007, with all active members being given deferred pensions at that date. This means that benefits for those members now increase broadly in line with price inflation. Previously, these benefits increased in line with salary.

The exchange rate movement represents the difference in the exchange rate used to value the balance sheet in 2017 and 2018 as the liability is in GBP.

The actuary has confirmed that the valuations made above under the requirements of FRS 102 do not indicate that there is an immediate funding requirement or that there is any need to change the current funding rates made by the employer to the pension scheme.

The pension fund liability of US\$9.9 million does not exceed the unrestricted funds balance.

Charge to the Statement of Financial Activities over the financial year:

	2018 US\$'000	2017 US\$'000
Expected return on pension fund assets	(1,107)	(1,137)
Interest on pension fund liabilities	1,542	1,545
Net Interest Cost	435	408
Net cost recognised within net income for the year	435	408
Other recognised gains/losses – actuarial (gain) loss	(3,089)	413
Other recognised gains/losses – Unrealized foreign exchange loss (gain)	756	(1,308)
Total cost relating to defined benefit scheme recognised in the Statement of Financial Activities	(1,997)	2,129

20 Related parties

IPPF requires each Governing Council member and Finance and Audit Committee member to complete a declaration of material transactions and interest form. These are reviewed by senior management and the Finance and Audit Committee. All IPPF staff are also required to complete such a form on joining the organization which is then up-dated as individual circumstances change. These forms are reviewed by senior management. These procedures are part of the policy which aims to ensure that employees always act in the best interests of IPPF and that there is openness and transparency concerning any actual or potential conflict of interest.

Some members of the Governing Council are Presidents of Member Associations who receive grants from IPPF in accordance with the volunteer governance structure of IPPF.

The Audit Committee of IPPF has reviewed the above disclosures and do not consider that any indicates a conflict of interest. There are no other related party interests or transactions that require disclosure.

No remuneration was paid to members of the Governing Council or Finance and Audit committee.

Total expenses reimbursed to members of the Governing Council and Finance Audit Committee or incurred on their behalf for attendance at meetings was US\$373,162 (2017: US\$270,289).

There were no other related party transactions during the period.

Appendix 1

Unaudited statement of financial activities for the year ended 31 December 2018

Secretariat – unaudited*

	2018				2017			
	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	Total US\$'000	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	Total US\$'000
Income from:								
Donations and legacies								
Grants from governments	55,125	35,256	–	90,381	67,417	16,840	–	84,257
Grants from multilaterals and other sources	8,843	31,296	–	40,139	10,451	27,162	–	37,613
Donations in kind from multilaterals and other sources	172	1	–	173	8	1	–	9
Other trading activities	130	–	–	130	1,591	–	–	1,591
Income from investments	924	665	–	1,589	630	585	–	1,215
Other income	548	–	–	548	397	–	–	397
Total income and endowments	65,742	67,218	–	132,960	80,494	44,588	–	125,082
Expenditure on:								
Raising funds								
Central fundraising	3,345	569	–	3,914	3,546	163	–	3,709
Regional fundraising	3,016	38	–	3,054	2,427	219	–	2,646
Investment management costs	59	261	–	320	35	283	5	323
Cost of sales	132	–	–	132	1,212	–	–	1,212
Charitable activities								
Grants to Member Associations & Partners	43,050	33,838	–	76,888	36,483	24,796	–	61,279
Central expenditure	12,804	6,964	–	19,768	7,982	7,471	–	15,453
Regional expenditure	19,809	12,674	–	32,483	17,341	12,384	–	29,725
Pension finance charge	411	–	–	411	408	–	–	408
Total expenditure	82,626	54,344	–	136,970	69,434	45,316	5	114,755
Net operating (expenditure) / income	(16,884)	12,874	–	(4,010)	11,060	(728)	(5)	10,327
(Losses) / gains on investment assets	(417)	(2,169)	(207)	(2,793)	1,158	1,699	133	2,990
Net income / (expenditure)	(17,301)	10,705	(207)	(6,803)	12,218	971	128	13,317
Transfer between funds	34	3	(37)	–	1,309	(1,309)	–	–
Other recognised gains / (losses)								
Actuarial gain / (loss) on defined benefit pension scheme	3,087	–	–	3,087	(413)	–	–	(413)
Foreign exchange movements on pension liability	756	–	–	756	(1,308)	–	–	(1,308)
Unrealized foreign exchange (loss) / gain taken to reserves	(1,495)	(120)	–	(1,615)	4,092	218	–	4,310
Net movement in funds	(13,427)	10,586	(244)	(4,575)	15,898	(120)	128	15,906
Reconciliation of funds								
Total funds brought forward at 1 January	111,466	27,926	1,342	140,734	95,568	28,046	1,214	124,828
Net movement in funds	(14,917)	10,586	(244)	(4,575)	15,898	(120)	128	15,906
Total funds carried forward at 31 December	96,549	38,512	1,098	136,159	111,466	27,926	1,342	140,734

There are no recognized gains and losses other than those included above.

* These financial statements exclude IPPF Western Hemisphere Region Inc as its status as an autonomous business unit precludes it from inclusion in the group. Its results have therefore been included in the aggregated financial statements in Appendix 1. Deloitte audited the charity and group 2018 financials and the IPPF/WHR 2018 financials were audited by BDO USA LLP (2017 – KPMG). Adjustments to remove inter-entity transactions and adjustments on income to align with UK GAAP have then been processed, unaudited, to present the aggregated position of the Secretariat.

Unaudited balance sheet as at 31 December 2018

Secretariat – unaudited*

	2018 Total US\$'000	2017 Total US\$'000
Fixed assets		
Tangible assets	30,492	32,179
Investments	38,877	40,243
Long term loans	213	222
Total fixed assets	69,582	72,644
Current assets		
Stock of goods	296	560
Debtors	9,288	4,163
Cash at bank and in hand	87,383	92,353
Total current assets	96,967	97,076
Creditors: amounts falling due within one year	(19,711)	(13,221)
Total current assets	77,256	83,855
Net assets	146,838	156,499
Provisions for liabilities	(706)	(671)
Net assets excluding pension liability	146,132	155,828
Defined benefit pension scheme liability	(9,973)	(15,094)
Total net assets including pension liability	136,159	140,734
Represented by:		
Unrestricted:		
General	18,364	26,829
Designated	76,036	87,246
Revaluation reserve	12,122	12,486
Restricted	38,512	27,925
Endowment	1,098	1,342
Total funds and reserves excluding pension liability	146,132	155,828
Pension liability	(9,973)	(15,094)
Total funds and reserves including pension liability	136,159	140,734

* These financial statements exclude IPPF Western Hemisphere Region Inc as its status as an autonomous business unit precludes it from inclusion in the group. Its results have therefore been included in the aggregated financial statements in Appendix 1. Deloitte audited the charity and group 2018 financials and the IPPF/WHR 2018 financials were audited by BDO USA LLP (2017 – KPMG). Adjustments to remove inter-entity transactions and adjustments on income to align with UK GAAP have then been processed, unaudited, to present the aggregated position of the Secretariat.

Members of the Governing Council

Africa Region

Ms Namukuza Daphynne Olgah	Uganda
Mr Antonio Rosario Niquire	Mozambique
Ms Clementine Guelmbaye Poulumbodje	Chad

Arab World Region

Ms Rana Abu Ghazaleh (President)	Palestine
Mr Mohamed Tarek Ghedira	Tunisia
Ms Maysam Shouman	Lebanon

East, South East Asia & Oceania Region

Ms Shanshan He	China
Mr John Tangi (deceased 1 August 2018)	Cook Islands
Prof Eui Sook Kim	Korea
Prof Kun Tang	China

Europe Region

Ms Alice Ackermann	France
Mr Gabriel Bianchi	Slovakia
Ms Lene Stavngaard (resigned 18 November 2018)	Denmark
Ms Gunta Lazdane (appointed 18 November 2018)	Latvia

South Asia Region

Mr Umar Mavee Ali (term ended November 2018)	Maldives
Ms Mahtab Akbar Rashdi (Treasurer)	Pakistan
Mr Umesh Rudraradhya (appointed November 2018)	India
Ms Amu Singh Sijapati (term ended November 2018)	Nepal

Western Hemisphere Region

Ms Diana Barco	Colombia
Ms Donya Nasser	USA
Ms Jovana Rios	Panama

Members of the Finance & Audit Committee

Ms Judith Maffon	Benin
Ms Dilnoza Shukurova	Tajikistan
Ms Melanie Kanaka (resigned November 2018)	Sri Lanka
Dr Esther Vicente (Chair)	Puerto Rico

Members of the Membership Committee

Mr Mohamed Tarek Ghedira	Tunisia
Ms Clementine Guelmbaye Poloubodje	Chad
Prof Eui Sook Kim	Korea
Ms Alice Ackermann	France
Ms Mahtab Akbar Rashdi (until November 2018)	Pakistan
Mr Umesh Rudraradhya (appointed November 2018)	India
Ms Donya Nasser	USA

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Director, Finance and Technology Division
Varun Anand

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Haingo Rabearimondry (acting)

Arab World Regional Director
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IPPF uses the services of several law firms, each one in accordance with their area of expertise. Further information is available on request.

How to help

If you would like to support the work of IPPF or any of our national affiliates by making a financial donation please visit our website at www.ippf.org or contact IPPF Central Office in London, UK.

IPPF Financial Statements 2018

If you would like to support the work of IPPF or any of our national affiliates by making a financial donation please visit our website at www.ippf.org or contact IPPF Central Office in London, UK.

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