

Financial statements

2013



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

Due to consistent support from its donors IPPF has seen unrestricted income from governments rise by 12%, supporting an increase in grant expenditure of 12%. The increase in expenditure has enabled IPPF Member Associations to increase overall services by 21% to 137 million services. The increase in services ahead of expenditure was supported by the organization change goal “Perform” which focuses on improving efficiency and effectiveness.

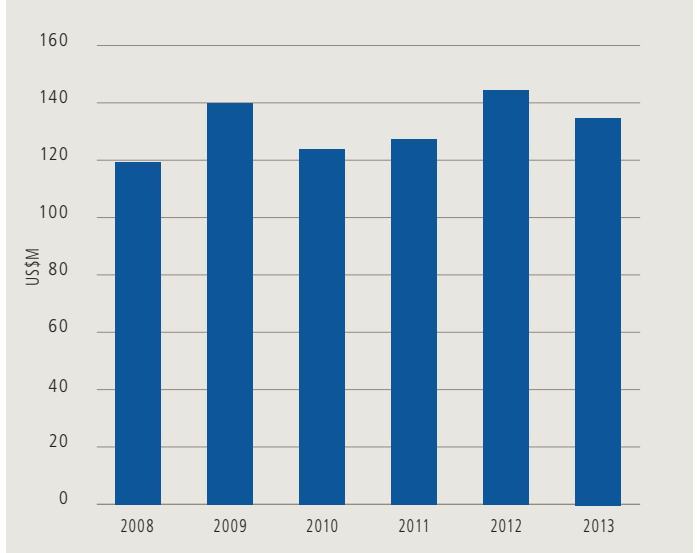
Income in 2013 of US\$136.1 million

IPPF’s unrestricted income from governments of US\$72 million grew by US\$7.5 million (12%) from US\$64.5 million in 2012 due to increased programme funding by the governments of Germany (US\$1.5 million), Sweden (US\$4.6 million) and Switzerland (US\$1.2 million). India also became an unrestricted donor for the first time. Restricted income from governments also grew by US\$4.1 million due to increased funding from the governments of Canada (US\$1.8 million), Denmark (US\$1.4 million), Finland (US\$0.7 million), Germany (US\$0.5 million), Netherlands (US\$3.9 million) and the UK (US\$1.8 million). In addition IPPF received US\$3.5 million of donated commodities from UNFPA an increase of US\$1.2 million from 2012.

However, IPPF’s total income from governments, foundations and other sources fell by US\$8.7 million between 2012 and 2013, a decrease of 6%. This comprised a rise of US\$7.4 million in unrestricted income (9%), and a fall in restricted income of US\$16 million (24%). In 2012 IPPF received a legacy donation of US\$15 million to support youth activity and work in Mexico. This one off event was the major cause of the comparative reduction in income between 2012 and 2013. Over the past five years, total income from governments, foundations and other sources has increased by US\$16.4 million (14%). Unrestricted income from multilaterals and other sources remained constant at US\$6.9 million, while restricted income from them fell from US\$42.1 million to US\$22.3 million in the main because of the receipt of a one off legacy of US\$15 million legacy in 2012.

The unrestricted funding we receive from our major donors provides for 10% of the total income received by the Federation’s grant receiving Member Associations (based on 2012 Member Association financial statements), and provides the investment for strengthening of service delivery, advocacy and performance that underpins the Federation’s progress in achieving the targets set for its change goals. This improvement includes delivery of 137 million services (2012 113 million) comprising of over 66 million services to young people up 47% on 2012, 3.0 million abortion services up 40% from 2012 and 25 million HIV services up 30% from 2012. The Federation also supported 97 successful policy and legislative changes in support or defence of sexual reproductive health services and rights. The increase in total services of 21% was considerably higher than funding increase as the organization continued to improve efficiency and effectiveness. Unrestricted funding will continue to play a key role in enabling IPPF to meet its commitment to defend sexual rights and double services delivered by 2015 from 2010 levels.

Figure 1: IPPF Income 2008–2013



“The unrestricted funding we receive from our major donors enables us to invest in strengthening service delivery, advocacy and performance – core functions that underpin the Federation’s progress in achieving our Change Goals.

Expenditure in 2013 of US\$132.8 million

IPPF made grants to Member Associations (MAs) and partner organizations of US\$80.1 million, an increase of US \$8.3 million (12%) from 2012. This increase was possible due to the increases in unrestricted grants from a number of donors. IPPF grant levels were set on the basis of income expectations for the year ahead. When funding received from donor governments is in excess of forecasted levels, this is used to establish designated funds which are then used to support initiatives in future years. These additional resources have been committed to supporting MAs and other partners in implementing initiatives in 2014–2015 to scale up service delivery radically and provide sustained improvement in performance across the Federation.

Total expenditure on abortion programmes has increased by US\$8.1 million (62%) in 2013, driven by an increase in grant expenditure on anonymous-donor funded global abortion initiatives, and also on the Safe Abortion Action Fund initiative hosted by IPPF and expenditure on access has increased by US\$3.1 million (11%). Expenditure on HIV and AIDS programmes reduced by US\$2.2 million (22%), driven by the reduction in the level of 2013 unrestricted IPPF MA grants being allocated by MAs to HIV specific programmes and the ending of a major research project. Expenditure on programmes targeted at adolescents decreased by US\$3.6 million (26%), mainly due to the winding down of a major project advocating for sexual reproductive health for young people.

As evidenced in the improvement in service levels referred to above, these movements are related to specific projects and have not impacted on the longer term growth of services.

Figure 2: Expenditure in 2013 of US\$132.8 million by type

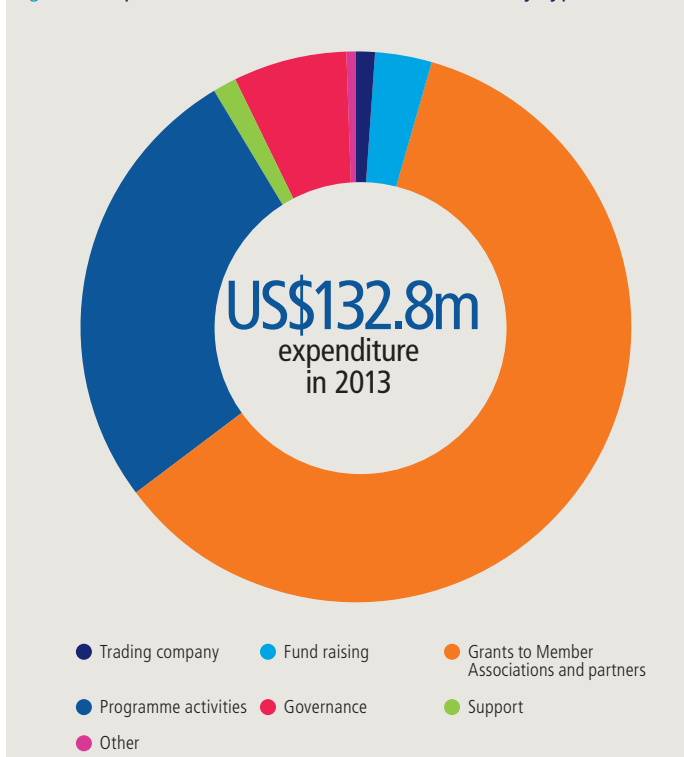
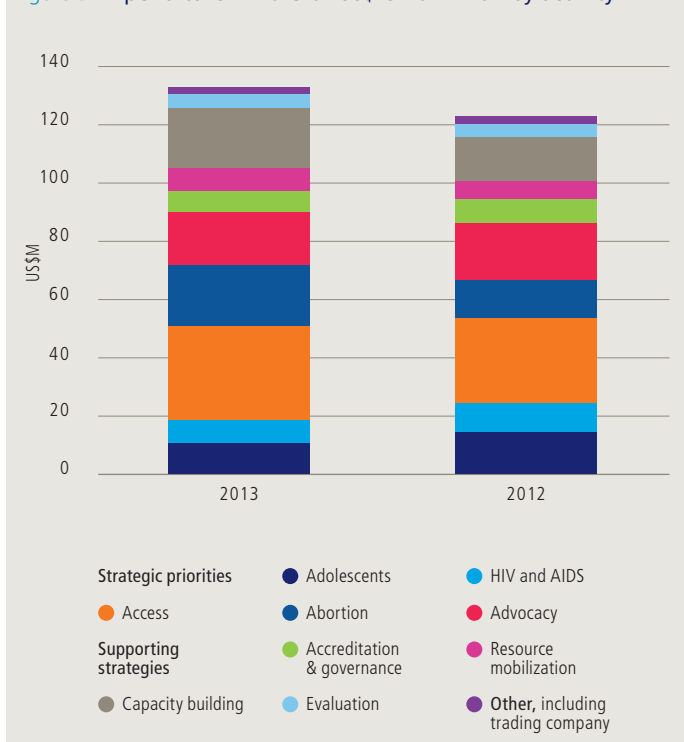


Figure 3: Expenditure in 2013 of US\$132.8 million by activity



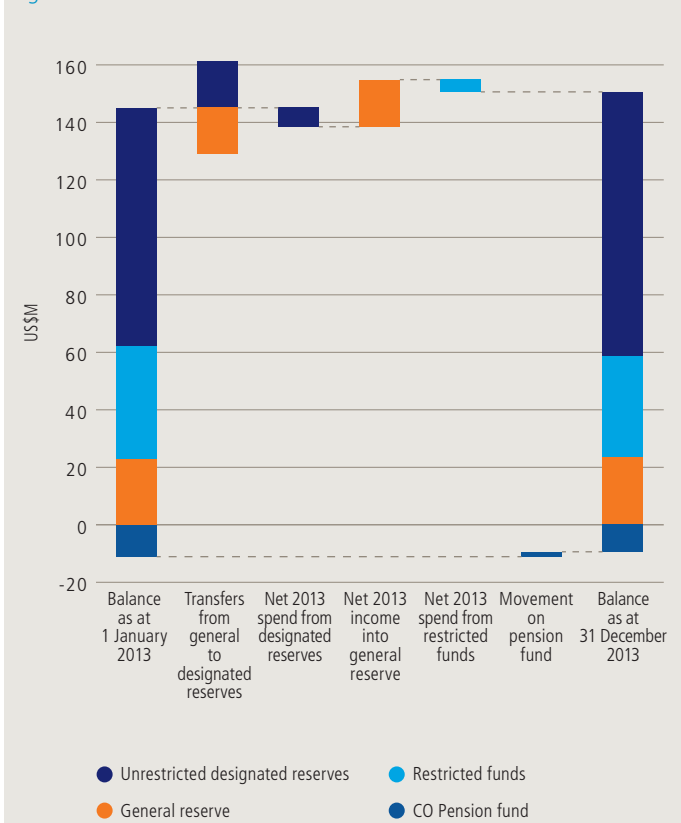
Total funds and reserves increased by US\$7.4 million to US \$141.1 million

As at 31 December 2013 IPPF held an unrestricted general reserve of US\$23.5 million, an increase of US\$0.6 million (3%) compared to 2012. Unrestricted designated reserves, committed by IPPF's Governing Council to support specific areas of work, total US\$92 million, an increase of US\$9.3 million (11%). The growth in designated funds reflects the decision to transfer US\$16 million of general funds into a number of specific unrestricted designated reserves. This includes US\$4.0 million transferred into the Member Association performance fund, US\$1.0 million committed to advocacy initiatives, US\$2.0 million for Member Association system strengthening, and US\$6 million to support fundraising initiatives. IPPF will continue to use unrestricted reserves to ensure that it has the resources in place to meet its strategic objectives whilst managing key financial risks. In May 2013 the Governing Council approved a new risk-based reserves policy, under which IPPF currently estimates maintaining the general reserve balance within the range of US\$18 million to US\$24 million, with the 2013 year end general reserve balance falling in this range.

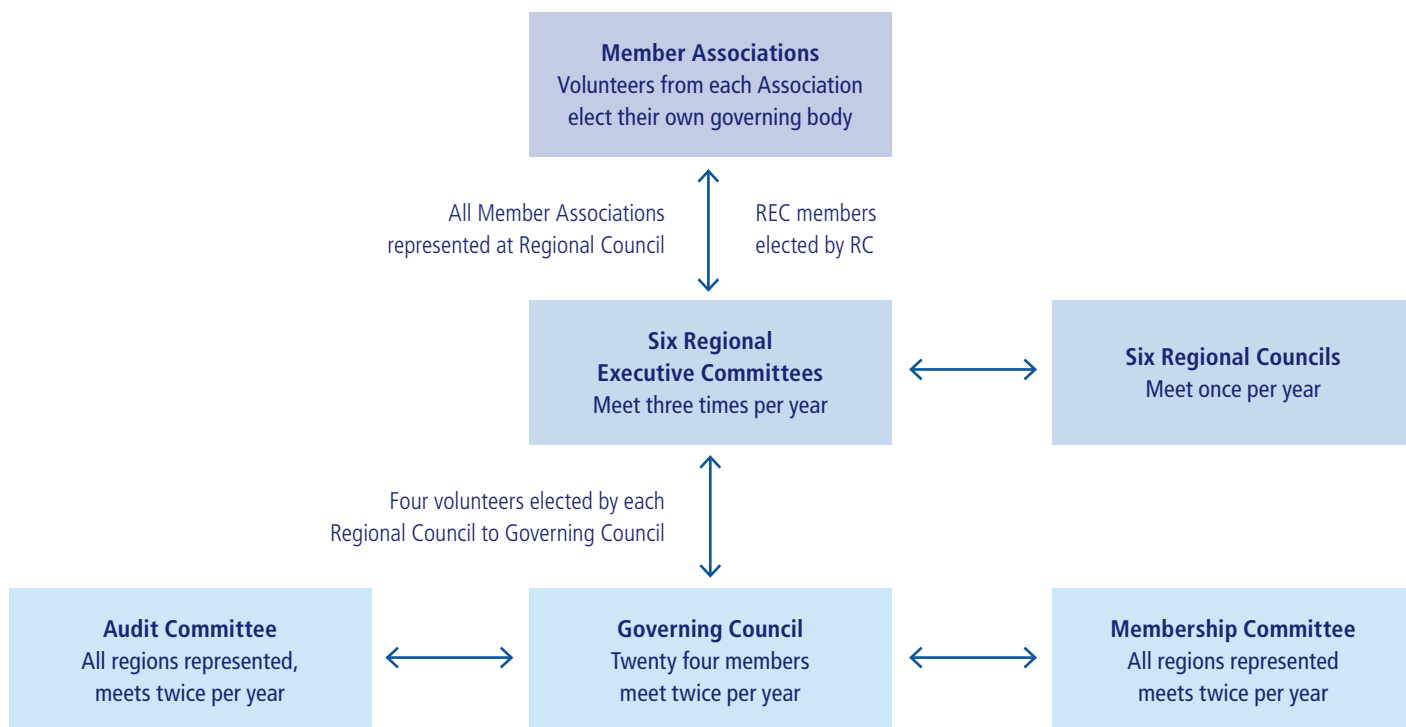
Restricted and endowment funds total US\$35 million, a decrease of US\$4.3 million. These unrestricted and restricted balances are offset by a statutory pension liability of US\$9.4 million as calculated under rules required by UK accounting standards.

The overall surplus position, excluding investment and pension fund movements, of US\$3.3 million reflects the nature of IPPF's income and expenditure streams as both a grant receiving and grant making organization, and does not represent an underlying accumulation of funds. In the past IPPF has reported net deficits and the 2013 surplus will be utilized in future years as the funds received in 2013 are invested in earmarked activities to enable IPPF to meet its strategic objectives.

Figure 4: Movement in reserves



IPPF's governance structure



Annual report of the Governing Council

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, focussing support on those who are poor, marginalized, socially-excluded and under-served.

IPPF currently has 152 Member Associations (MAs). These Member Associations are working in 164 countries (the Caribbean Family Planning Affiliation operates in 13 countries). In addition, IPPF is active in a further eight countries where there is not currently a Member Association. This brings the total number of countries in which IPPF is working to 172.

The Member Associations 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 Statement of Recommended Practice (SORP), Accounting and Reporting by Charities, as issued by the Charity Commission in 2005.

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

In response to the devastating aftermath of Typhoon Haiyan, our emergency response programme, the SPRINT Initiative, utilized funding from the Australian Government to support relief efforts to provide lifesaving sexual and reproductive health services and commodities.



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 is in alignment with the purposes stated in the Act.

Public benefit

The Charity Commission guidance on public benefit was 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. The Strategic Framework demonstrates that IPPF is engaged in activities which have general public benefit in the 172 countries in which IPPF currently works with its Member Associations. IPPF works through one organization in each of these countries. Member Associations do not 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 benefit from the services IPPF provides.

Governance

IPPF is governed by a Governing Council, composed of 24 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 2011. Each Regional Council elects four 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 Audit Committee which meet twice per year for one day at a time.

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.

Statement of the Governing Council's responsibilities in respect of the Governing Council's annual report and the financial statements

Under charity law, the Governing Council is responsible for preparing the Governing Council's Annual Report and the financial statements for each financial year which show a true and fair view of the state of affairs of the group and the charity and of the group's excess of income over expenditure for that period.

In preparing these financial statements, generally accepted accounting practice entails that the Governing Council:

- selects suitable accounting policies and then apply them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- states whether the financial statements comply with the International Planned Parenthood Federation Act 1977 and IPPF Regulations, subject to any material departures disclosed and explained in the financial statements;
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the group and the charity will continue its activities.

The trustees are required to act in accordance with the International Planned Parenthood Federation Act 1977 and within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Governing Council to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Governing Council is responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK 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 (Kuala Lumpur, Malaysia), Europe (Brussels, Belgium), South Asia (New Delhi, India), and Western Hemisphere (New York, USA). These Regional Offices all act as branches of IPPF, in accordance with The International Planned Parenthood Federation Act 1977.

The Director-General is based in the Central Office, London. There are six Regional Directors who report to the Director-General together with five Central Office directors, including the Finance Director.

IPPF has a trading subsidiary, International Contraceptive & SRH Marketing Limited (trading as ICON), based in the central office in London. The company primarily engages in commodity supply services, and the social marketing of contraceptives in conjunction with Member Associations. In 2013 a decision was made to cease the operations of ICON and commodity supply in future will be managed by a team within the charity.

Within the Western Hemisphere Region there are the following entities; the Regional Office, IPPF Western Hemisphere Inc and a separate entity used for investing significant bequests, the IPPF WHR Fund. The results of both these entities are reported within these financial statements.

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 work 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. Each Regional Office and the Central Office prepare individual risk maps on an annual basis. These risks are classified according to type (governance, strategic, operational, financial, compliance and external/reputational). From these the top 10 organizational

risks are identified with an assessment of the impact and likelihood of the risk occurring. Also identified are actions required to manage that risk and the person who will be responsible for undertaking this. These are reviewed annually by the Audit Committee and the Governing Council, who 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, assesses risks and reviews controls within IPPF; following a tender process in 2012 the internal audit function is now outsourced to Crowe Clark Whitehill LLP. Using a risk based approach the firm undertook a number of audits in 2013. These focused on key organizational risks and the mitigation strategies to manage them;
- **Review:** the 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.

The key risks facing IPPF have been identified as:

- Ensuring performance standards are met
- Ensuring resources can be raised to fund operations in a rapidly changing environment
- Reliance on a group of key donors
- A highly organized opposition to sexual reproductive health and rights
- The strategic direction of Governments' development policies
- The respective roles of Governance and Management
- Competition for funding from other organizations and development priorities
- A failure to clearly demonstrate the impact of the organization
- Systems failure
- Compliance failure

Objectives and activities

Strategic framework

In November 2003 the Governing Council approved the *IPPF Strategic Framework 2005–2015*. This framework is built around five priority focus areas called the Five 'A's:

- **Adolescents/Young People:** Providing youth friendly services to meet the needs and rights of young people.
- **HIV and AIDS:** Increasing access to prevention, care, support and treatment globally, and to reduce barriers that make people vulnerable to infection.
- **Abortion:** Advocating for the right to safe abortion services and providing them to the fullest extent permitted by law.
- **Access:** Ensuring access to information and services to improve sexual and reproductive health with particular focus on marginalized communities.
- **Advocacy:** Strengthening recognition of the importance of sexual and reproductive health within the context of international development and increasing resources in support of sexual and reproductive health services.

The *strategic framework* is not intended to impose a rigid set of rules or constraints and reflects the diversity of situations Member Associations and regions face. Underpinning the Five "A"s is a commitment to organizational accountability, efficiency and effectiveness. The IPPF accreditation system is dedicated to ensuring that Member Associations are well governed and managed and that they provide relevant up-to-date information and high quality training and clinical services. There is also an emphasis on building the capacity of Member Associations and that of the Federation as a whole, to develop the skills and technical knowledge needed to implement and resource the new framework.

In order to assess progress against each of the Five "A"s a series of global indicators have been developed. These were gathered from Member Associations across the Federation and enable IPPF to review, monitor and evaluate performance against key goals. Since developing the Strategic Framework further work was undertaken to develop and establish annual targets for the Change Goals which provide focus and priority to achieve accelerated results and impact by 2015. The three Change Goals are:

Goal 1: "Unite" – a global movement fighting for sexual rights and reproductive rights for all

IPPF is committed to promoting, defending and monitoring sexual and reproductive health and rights for all, and it will achieve this in the following ways:

Promote – IPPF will fight for international agreement on the meaning and importance of human rights in sexual and reproductive health. We will similarly fight for national fulfilment of these rights in every country in which we operate.

Defend – IPPF will defend international, regional and national conventions and commitments. IPPF will defend the right of all young people to enjoy their sexual lives free from ill health, unwanted pregnancy, violence and discrimination. IPPF will ensure that women are not put at unnecessary risk of injury, illness and death as a result of pregnancy and childbirth supporting a woman's right to choose to terminate her pregnancy legally and safely. We strive to ensure that people enjoy their sexual lives free from fear of infection.

Monitor – IPPF will monitor the rights of all individuals in our communities to have access to the sexual and reproductive rights that have been granted in law and policy ensuring that resources are provided and that governments are held accountable to the promises they have made.

Goal 2: "Deliver" – access for all to reduce unmet need by doubling IPPF services

IPPF as a service provider will strengthen its existing network to improve the range of services, the quality of those services and to build upon the need to ensure comprehensive services are provided to all users. IPPF key objectives will be:

- 1 To reduce unmet need for contraceptive services by targeting services to those most in need – including young people and people who are marginalized and socially excluded
- 2 To ensure universal access to SRH services
- 3 To ensure that through social marketing and franchising the unmet needs of the emerging middle classes are addressed and income generated to provide suitable services to the poor, marginalized and young people.

Goal 3: "Perform" – a relevant and accountable Federation

IPPF is committed to a performance culture and will maintain a triangle of mutual accountability for the promises we have made – to ourselves, to our donors and partners and to public citizens across the world. The organization will monitor the effectiveness of internal systems and processes in order to support organizational learning and governance in ways that will best serve our clients as well as looking for opportunities to improve the effectiveness and efficiency of the organization. IPPF will focus on improving data collection and analysis to better demonstrate that donor investment yields important results in human development and social justice.

In December 2015 the current IPPF Strategic Framework (2005–2015) will come to an end. IPPF is currently developing a new strategic framework and has put in place a process that ensures that the views of all key stakeholders are taken into account in its development. The new strategic framework will be discussed and approved by the Governing Council in 2014 and will become operational in 2016.

Grant making procedures

IPPF allocates resources using criteria relating to the level of need and performance in each of the five 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 electronic Integrated Management System (eIMS). 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.

In 2012 the linkage between grants and performance was further strengthened with the introduction of a 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.

Areas of work

The following provides a brief overview of some of IPPF's activities and achievements in 2013. Further information is available from our website (www.ippf.org) and 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 Member Associations.

136.6 million sexual and reproductive health services (including contraception) were provided in 2013.



Adolescents and young people

Adolescents, gender and rights

2013 saw the start of the Access, Knowledge, Services (ASK) Programme – a 3-year, multi-country programme funded by the Government of the Netherlands and led by IPPF's Member Associations in the Netherlands, Rutgers WPF. The programme aims to increase direct access to SRH information and services for young people, especially the under-served and most vulnerable.

Comprehensive sexuality education

Together with UNESCO, IPPF has developed a tool for assessing the comprehensiveness of sexuality education (CSE). The tool, entitled Inside & Out: A Comprehensive Sexuality Education Assessment Tool, is primarily intended for use by civil society organizations. IPPF sponsored two pilots in Ghana and the Dominican Republic and developed plans for further dissemination in 2014.

In June 2013, IPPF hosted an experts meeting on CSE together with the Danish Family Planning Association, a key partner under the Danida A+ Programme. The meeting aimed to strengthen political commitment and partnerships as well as raise awareness about effective technical interventions that increase the quality and coverage of CSE.

Young people's access to SRH services

In 2013, the number of services and referrals provided to young people rose to over 66 million, maintaining IPPF's place as a leading global service provider and reaffirming its commitment to the rights of young people. An external evaluation conducted on the A+ programme, a 14-country Danida-funded initiative that ended in 2013, indicated that placing young people at the centre of services and programmes was key to increasing services provided to them and left a sustainable impact on the Member Associations' commitment to youth programming.

Together with ASK Alliance partners, IPPF has developed an Essential Package Manual for services, information, advocacy, public private partnerships and youth participation. This package is a comprehensive assessment tool to analyse and inform youth programming.

In 2014, IPPF plans to update the youth friendly assessment tool entitled Provide. The updated version will build upon work done in the past five years on integrating sexual rights into service delivery and apply learning from programme evaluations on what it truly means to provide youth friendly services.

Creating an enabling environment

In 2013, IPPF partnered with Coram Children's Legal Centre to conduct socio-legal research on the legal barriers that young

people face in accessing SRH services in El Salvador, Senegal and the United Kingdom. The research prioritized the opinions and perceptions of young people themselves, rather than looking at the letter of the law. The research found that confidentiality and age of consent laws are obstacles to access and that young people and providers need to have concrete information about the legality of providing services to minors. There are plans to produce practice guidance on these topics in 2014.

Inspiring young leaders

IPPF continued to fund youth-led projects in 2013 under the "MYX Fund". The second round of MYX Fund projects focused on girls' leadership and empowerment. In Pakistan, Rahmuna FPAP's youth network hosted a series of "I love being a girl" tea parties to raise awareness amongst young women and girls of their sexual rights. The Irish Family Planning Association produced a short video entitled "It's Just One Choice". The MYX Fund seeks to empower young people with funding for innovative ideas and, at the same time, build their capacity to manage, implement and monitor projects.

Gender and rights

IPPF is committed to protecting and promoting the sexual rights of all people. In 2013 IPPF strengthened the capacity of staff to deliver services from a rights-based perspective by integrating a sexual rights orientation module throughout the Federation's induction process. In addition, IPPF began developing guidelines that will be finalized and utilized in 2014 to strengthen IPPF's gender mainstreaming efforts in service delivery, organization and programmes.

HIV/AIDS

IPPF continues its work to address prevention, treatment, HIV and SRH linkages, and to address stigma, across the Federation with a focus on key populations.

Elimination of mother to child transmission (eMTCT)

Increased services in this area were provided through projects started in 2013 in India, Indonesia, Swaziland, Ghana, Senegal and Mauritania, providing family planning and maternal and child health services for women living with HIV, through the Japanese Trust Fund.

The HIV team, together with UNFPA, under the auspices of the Integration Working Group of the inter agency task team on eMTCT, provided a number of cutting edge tools and resources to support eMTCT, through an eMTCT job aid for healthcare workers, and a case study and film from the Rwanda eMTCT programme.



Linkages

The initial findings of the Gates funded Integra HIV-SRH Initiative were launched by the President of Malawi, Joyce Banda, at a round table meeting at the Houses of Parliament in March 2013, and the findings were presented at a launch meeting at the London School of Hygiene and Tropical Medicine in July, and through a newsletter and press release.

The goal of this five-year pioneering operational research initiative on integrating SRH and HIV services, was to better understand the benefits and costs of a range of models for delivering integrated HIV and SRH services in Kenya, Malawi and Swaziland. The research findings demonstrate that there are benefits to using integrated models of service delivery but these cannot be assumed. For example, there is evidence to support integration of HIV counselling and testing into mainstream family planning and maternal health services and that integration has the potential to increase quality of care. However, the findings also show that integrating SRH and HIV services does not necessarily lead on its own to lower costs or a reduction in unintended pregnancies or stigma, as there are wider systemic and community factors that need to be taken into account. The qualitative data shows that consumer choice remains important; for example, some women living with HIV value specialized services, while others prefer fully integrated services.

The Integra Initiative findings highlight that integration is extremely complex. To overcome this complexity and reap the full benefits of integrating SRH and HIV services, the Integra Initiative demonstrates that SRH and HIV integration requires serious long term investment and needs to be scaled up across the health system.

Key populations

IPPF implemented the first year of the GIZ (German Government funded) "Shadows and Light" project addressing the linked SRH and HIV needs of four key populations: men who have sex with men (MSM), sex workers, people who use drugs, and transgender people, in four countries: Cameroon, Kenya, Uganda and India. The Global Fund itself and the German funded Backup initiative are key opportunities for providing sustainable services to key population groups.

Abortion

In 2013, the Abortion programme was scaled up across the Federation with intensified efforts to increase access to safe abortion information and services in IPPF Member Associations. In particular, work under the Abortion Strategic Action Plan has been progressed by the 73 focus Member Associations with the technical support of the IPPF Regional Offices and Central Office.

Results show that Member Associations are making significant progress towards the key 2014 targets.

- The number of safe abortion services provided by focus Member Associations increased by 61 per cent between 2010 and 2012
- Seventy-five per cent of focus Member Associations with clinical facilities are now providing essential abortion services, an increase from 58 per cent in 2010
- 20 policy initiatives or legislative changes in support of access to safe abortion were secured in 2012
- Seventy-nine per cent of focus Member Associations have formed one or more partnership to increase access to safe abortion services, an increase from 48 per cent in 2010

Service provision under a specific programme, the Global Comprehensive Abortion Care Initiative (GCACI), continued to improve during 2013, with increased access to essential abortion and contraceptive services for clients in the 12 participating Member Associations. In 2013, 54,723 clients were provided with an abortion or treated for incomplete abortion, an increase of 32 per cent from 2012, while the total number of clients provided with contraceptive service totalled 517,350, an increase of 95 per cent from 2012. These increases have been facilitated through ongoing technical assistance and monitoring provided by IPPF Central and Regional Offices. The implementation of the clinic audit tool during monitoring visits provides a systematic and structured assessment of quality of care at the clinics. This enables the development of informed recommendations for improvement to areas including clinic set-up and client flow, infection prevention protocols and stock management, and ensuring clinics meet IPPF quality of care standards.

During 2013, the “Youth and Abortion: Key Strategies and Promising Practices for Increasing Young Women’s Access to Abortion Services” guidance document was finalized and disseminated to Member Associations. This document consolidates the findings of research conducted among IPPF Member Associations on promising practices and practical actions for increasing young women’s access to safe abortion. IPPF also furthered its initiative to address abortion related stigma through conducting research and the piloting of small-scale interventions. A range of approaches such as community level awareness raising campaigns to normalize the issue of abortion, working with service providers to address stigma at the clinic level, and conducting advocacy campaigns to target politicians and decision makers, were implemented by Member Associations to address abortion stigma in their respective settings.

Access

In 2013, IPPF developed its strategy to treble services by 2020, to ensure it meets the commitments made during the London Summit on Family Planning. Building on regional plans, a framework to guide Federation-wide efforts to increase services while continuing

our focus on the poor and vulnerable was created. This framework included an initial focus on 42 grant-receiving MAs and this work formed the basis of “Our Strategic Approach to Trebling Services by 2020” which was launched at the donors meeting in September 2013.

Building on this strategy, a US\$2 million “Catalytic Fund for Service Delivery Scale-up” was established to fund initiatives aimed at kick starting service delivery growth. By the end of 2013, 20 proposals were approved, totalling about \$1,850,000.

Supported by funding from DFID and NORAD via UNFPA, a contraceptive implant programme was implemented as part of a balanced method mix. By the end of 2013 US\$0.2 million was awarded to fund activities such as training on implant insertion and demand creation.

The Access Team also led and managed the Gates-funded Cervical Cancer Screening and Preventive Therapy initiative in partnership with MSI and PSI. Lessons learned from the implementation in four countries in Africa have already been used to institutionalize cervical cancer services in three other IPPF regions.

In November 2013, IPPF launched the Integrated Package of Essential Services (IPES) Quality of Care toolkit which offers a set of guidelines, tools and resources to guide IPPF Member Associations to improve the effectiveness of their programmes and services. The IPES Quality of Care Toolkit can be accessed by all staff and volunteers across the Federation on IPPF’s knowledge sharing platform Exchange. Housing the toolkit on an online platform allows us to ensure that it is continually updated in line with latest evidence and emerging needs of MAs. The toolkit is available in four languages (Arabic, English, French and Spanish).

Looking forward, IPPF will continue to concentrate efforts around the implementation of the strategy to treble services while maintaining a focus on quality of service provision, for example, through the expansion of specific service delivery approaches such as social franchising. It will also coordinate strategic initiatives to promote adherence to the IPES at the Member Association level.

Advocacy

2013 was a successful year for advocacy towards our Vision 2020 goals. Following on from last year’s influencing of the Commission on Population and Development, IPPF successfully convened civil society meetings in each region which influenced the inter-governmental International Conference on Population and Development regional reviews and contributed to advancing the Programme of Action. IPPF also supported young people to make their voices heard in the review process.

IPPF fruitfully influenced the process of defining the post-2015 sustainable development framework which will replace the

In 2013 we distributed
164.2 million condoms.



IPPF/Peter Caton/Uganda

Millennium Development Goals: Vision 2020 goal 1. For example, IPPF ensured inclusion of sexual and reproductive health in the health consultation in Botswana, and in the High Level Panel report to the UN Secretary General. We also set out recommendations for how gender equality could be mainstreamed across the new framework and held a valuable event to promote this.

IPPF ran well-attended events and briefing sessions at international, regional and national events including the Commission of the Status of Women, Women Deliver and the International Family Planning Conference in Addis Ababa. We have continued to share information with civil society organizations around the world who are working to hold governments to account for the pledges made at the 2012 London Family Planning summit. We completed training for IPPF Member Associations on the Universal Periodic Review process.

IPPF continued to work in partnerships and coalitions at international, regional and national levels, including with agencies like UNFPA, with advocacy groups such as the African Women's Leaders Network. We developed new partnerships to enhance our influencing of the post-2015 development priorities and we increased our influence in several networks, for example becoming

co-chair of the Advocacy and Accountability working group of the Reproductive Health Supplies Coalition. IPPF was well represented on the working groups of the Family Planning 2020 Initiative and has continued to build relationships with influential governments.

Internally we recruited and inducted a new advocacy team and built stronger relationships with advocacy staff in the six Regional Offices. In partnership with the communications team we have promoted discussion and information sharing around sexual and reproductive health and rights through the media and the web.

In 2014 we will continue to influence the post-2015 framework (including through launching a Vision 2020 report and data-tracker), the Conference on Population and Development, the Commission on the Status of Women and other international institutions such as the World Bank. IPPF will support civil society advocacy for family planning accountability. We will run events around key meetings of decision-makers and continue to build the advocacy strength of the Federation.

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 reviews continued during 2008 and the total number of reviews carried out since 2003 under the first phase stands at 141. At the end of 2010, 128 Member Associations had been accredited, and five Member Associations had been expelled from the Federation for failing to comply with all the standards. Two Member Associations have resigned and two are currently suspended as a result of not complying with all standards. Three Associate Members could not meet the standards to become full members and one has been exempted from the first phase because of the country situation.

Following independent evaluation, a revised accreditation system was approved by the IPPF Governing Council in May 2008. The streamlined 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. Accreditation reviews using the revised system began in 2009 and up to the end of 2013 the Federation has carried out 118 accreditation reviews under the revised system and a total of 71 Member Associations have been accredited.

Achievements and performance

Progress on the change goals

Following the adoption of the change goals Unite, Deliver and Perform in 2011 IPPF developed a set of annual performance targets for each one. The following tables show the 2013 actual

achievement against the 2013 targets as well as actual results for 2011 and 2012.

Target	2011 (actual)	2012 (actual)	2013 (target)	2013 (actual)
UNITE				
U1 Each year, 50 successful policy initiatives and/or positive legislative changes in support or defence of SRHR to which the Member Association's advocacy contributed	116	105	50	97
U2 Each year, 5 successful global and regional policy initiatives and/or positive legislative changes in support or defence of SRHR to which IPPF's advocacy contributed	5	11	5	13
U3 Proportion of Member Associations monitoring obligations made by government in the international human rights treaties that they have ratified	n/a	42%	n/a	55%
DELIVER				
D1 Number of SRH services provided	89.6m	112.7m	125.8m	136.6m
D2 Couple years of protection (CYP)	9.1m	11.8m	12.7m	12.1m
D3 Number of SRH services provided to young people (under 25 years) (as a % of all services provided)	37.4m (42%)	45.1m (40%)	57.9m (46%)	66.2m (48%)
D4 Number of abortion-related services provided	1.6m	2.1m	3.4m	3.0m
D5 Number of HIV-related services provided	15.1m	19.2m	21.2m	24.8m
D6 Estimated number of IPPF clients who are poor and/or vulnerable (as a % of all clients)	24.9m (73%)	36.1m (81%)	35.3m (77%)	48.8m (81%)
D7 Proportion of Member Associations providing the Integrated Package of Essential Services	14%	21%	33%	26%
D8 Number of young people (below 25 years of age) who completed a comprehensive sexuality education programme delivered by Member Association staff	4.4m	18.2m	n/a	25.1m
PERFORM				
P1 Total IPPF income (unrestricted and restricted) (US\$)	127.6m	144.8m	n/a	136.1m
P2 Total Member Association income (minus IPPF income), supported by the Secretariat (US\$)	324.3m	372.1m	n/a	n/a
P3 Proportion of IPPF's unrestricted funding used to reward Member Associations through a performance-based funding system	1%	6%	8%	n/a
P4 Proportion of Member Associations using SRH service costing data from static clinics	n/a	13%	18%	n/a
P5 Number of Member Associations collecting data on poverty and vulnerability status (using the IPPF Vulnerability Assessment methodology)	1	10	20	20
P6 Proportion of Member Associations that have 20 per cent or more young people under 25 years of age on their governing board	58%	58%	75%	63%

The results for “Unite” are positive with two indicators surpassing their targets; the third indicator is new and targets will be set to assess future performance. In 2013, Member Associations’ advocacy efforts contributed to 97 policy and/or legislative changes in support of sexual and reproductive health and rights issues. This is almost double the annual target of 50 and reflects our commitment to and continued success in making a significant difference to the lives of millions of people with improved sexual and reproductive health. The third indicator relates specifically to the watchdog role of Member Associations to hold their governments to account on promises they have made. In 2013, 55% (2012: 42%) of Member Associations monitored the obligations made by their governments in the international human rights treaties that they have ratified.

Overall, the results for “Deliver” are also positive, with all indicators showing significant progress compared to 2012. The number of sexual and reproductive health services increased by 21% from 2012, and exceeded the target by 9%. Similarly, the number of Couple Years of Protection (CYP) increased by 3% from 2012, but was 5% lower than the target. Significant progress was also made in the number of HIV-related services provided – an annual increase of 29% – as well as in the number of young people completing a sexuality education programme delivered by IPPF. The numbers on sexuality education are inflated substantially by the major achievement in China, where 20 million (2012: 15 million) young people completed a sexuality education programme delivered by the Family Planning Association of China. However, the global data, excluding China, also reveal an annual increase of 59%. IPPF’s commitment to reaching the poorest and most vulnerable is reflected in the result that 81% of clients were estimated to be poor, marginalized, socially-excluded and/or under-served. This matches 2012, which was a record year for IPPF, being an 8% increase from 2011, and 5% higher than the target. The number of poor and/or vulnerable clients served rose significantly from 36.1 million in 2012 to 48.8 million in 2013, an increase of 35%. The number of services provided to young people went up by 47% from 2012 to 66.2 million in 2013, which is also above the target set of 57.9 million. The provision of abortion-related services increased by 43% to 3.0 million in 2013; again, a good result, but one which did not achieve the 2013 target of 3.4 million. Finally, the proportion of Member Associations providing an integrated package of essential services improved, from 21% to 26% between 2012 and 2013, but did not meet the target of 33%.

One of the critical issues identified by the midterm review of IPPF’s Strategic Framework 2005–2015 was performance culture. Significant achievements had already been made since the beginning of the Framework in the areas of IPPF’s accreditation system, governance reform and measurement of global performance. However, a need was identified to strengthen systems for monitoring performance, accountability, effectiveness and transparency to ensure maximum impact, value for money and continuous improvement throughout the Federation.

The income raised by the IPPF Secretariat went down by 6% from 2012, to US\$136.1 million, although this was mainly due to a single large endowment received in 2012. Income raised by Member Associations showed an increase of 15% between 2011 and 2012, but data are not yet available for 2013.

Three indicators monitor progress in implementing systems to support the utilization of data. The proportion of IPPF’s unrestricted funding used to reward Member Associations through a performance-based funding system was 6% in 2012, above the target of 5%. The target for 2013 is 8%, but actual data are not yet available. The overall aim is to reach 10% by 2015, as agreed by IPPF’s Governing Council. In 2012, 13% of Member Associations used sexual and reproductive health service costing data in static clinics; the target for 2013 is 18%. The methodology developed (by IPPF in partnership with MEASURE Evaluation and based on Poverty Scorecards) to estimate the proportion of IPPF’s clients who are poor and vulnerable has now been implemented by 20 Member Associations, equalling the 2013 target. Finally, the proportion of Member Associations that have 20% or more young people on their governing board increased from 58% to 63% between 2012 and 2013, although this did not meet the target of 75%.

Resource mobilization

2013 was a key transitional year for IPPF’s Resource Mobilization Programme. The London-based team was systematically restructured to meet the opportunities presented by changes in the architecture of overseas development assistance. IPPF is working to a plan to double Member Association and Secretariat income by 2020 to enable it to realize a trebling in its service delivery programme. Given our service delivery network is double that of McDonald’s Restaurants the challenge ahead for the Federation is considerable. However, the Federation’s Governing Council, Senior Management and its Member Associations are all committed fully to its realization. With such strong support we feel confident that this is a challenge we will meet ahead of schedule. Key to its achievement will be the trebling of restricted income in the coming years while maintaining growth in unrestricted income. In 2013 IPPF’s unrestricted donors demonstrated again their support for the Federation’s direction and performance. Significant increases in unrestricted funding in local currency terms were awarded by the governments of Sweden (38%), Germany (22%), Switzerland (100%) and China (25%).

Financial review

Statement of reserves

The members of the Governing Council have reviewed the level of reserves and note 16 to the financial statements shows IPPF's funds. This indicates the split of reserves between the general, designated, restricted and endowment funds.

The Governing Council in May 2013 approved a target general reserve level 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 three Change Goals by 2015, whilst also safeguarding the charity from the increasing levels of economic volatility affecting the sector.

The general reserve level as at 31 December 2013 of US\$23.5 million, an increase of US\$0.6 million from the balance as at 31 December 2012, falls within this approved range. The unrestricted expenditure programme budget for 2014 is US\$70.9 million. The current general reserve balance of US\$23.5 million represents 33% of this budgeted amount.

Unrestricted funds are designated at the discretion of the trustees. The largest designated fund relates to the Western Hemisphere Sustainability Fund. This fund of US\$21.8 million was created in 2002 following the receipt of a legacy in the Western Hemisphere Region.

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 as well as cash deposits and short term investments.

Shares and securities

Most of the investments are shares and securities which are held and traded on the New York Stock Exchange. The Western Hemisphere Regional Board has appointed an Investment Committee to monitor these investments. The Committee is comprised of 6 members, including the chair, who also serves as WHR's honorary legal counsel, the treasurer of the WHR board, and four other members who have specific and relevant investment experience. One of the three investment managers, GMO (Grantham, Mayo, Otterloo & Co) provides quarterly performance reports to the Investment Committee detailing all asset information as well as investment returns against appropriate indices. The investments are within the GMO Global Balanced Allocation Fund. The targeted allocation benchmark is 65% equities (31.6% USA, 6.9% emerging markets and 26.5% other countries) and 35% fixed income. The committee is currently reviewing how social, environmental and ethical considerations should be taken into consideration by the investment managers in relation to shares and securities held by IPPF. The IPPF/WHR Fund performed an extensive analysis of its portfolio and chose to diversify its portfolio to include two new investment managers, First Manhattan Co and Rockefeller & Co. In November, US \$10million was transferred out of GMO

investments and US\$5million was invested in First Manhattan Co and \$5million with Rockefeller & Co. First Manhattan Co and Rockefeller & Co were provided with a target allocation which includes fixed income, equities including global and US small cap, and a maximum of 10% in alternative investments. The IPPF WHR board of directors and the Investment Committee continues to closely monitor the performance of their investments.

Cash

Regular cash-flow predictions for both unrestricted and restricted income and expenditure are prepared. Given the historical timing of receipts the level of cash on deposit varies significantly during the year. In order to obtain sufficient returns on such balances, yet allowing for reaction to emergencies, surplus liquid assets are placed on deposit with maturity ranging from one week to twelve months. Investment options are regularly reviewed and IPPF has identified deposit accounts which allow the maximum interest to be generated from cash balances whilst giving the flexibility of access to those funds at short notice and these accounts are used when the cash reserves warrant such investment.

Financial summary

As a principle IPPF sets a core unrestricted budget where expenditure and income are aligned. The unrestricted income in local currency from our major donors exceeded budget assumptions because the governments of Sweden, Switzerland and Germany increased their unrestricted contributions by US\$4.6 million, US\$1.2 million and US\$1.5 million respectively after budgets were finalized. IPPF uses donors funding in the most effective and efficient way possible and it was decided to programme this funding for future years through the use of designated reserves. In addition, IPPF received US\$3.5 million of unrestricted income due to the donation of free stock from UNFPA. The net effect of this was that IPPF produced an unrestricted surplus of US\$8.0 million, before transfers, and an unrestricted surplus of US\$11.5 million after accounting for movements on investments and on the pension liability.

The organization made a restricted deficit of US\$4.6 million. The majority of the deficit was due to accounting for grant commitments made on a project funded by an anonymous donor, if this is excluded income and expenditure on restricted projects is broadly in balance. A full analysis of restricted projects balances and 2013 income and expenditure is available in note 16.

Income

The overall income of IPPF has fallen by US\$8.7 million (6%) to US\$136.1 million (2012: US\$144.8 million). The main cause of the decrease has been a fall in restricted funding of US\$16 million (24%) to US\$51.4 million, with restricted funding now representing 38% of IPPF's income compared to 47% in 2012. Unrestricted funding has increased by US\$7.5 million (10%) to US\$84.7 million, (2012 US\$77.4 million).

IPPF's main source of funding is government grants, which account for 74% (2012: 62%) of total income. In 2013

unrestricted government funding increased by US\$7.5 million (12%) to US\$72.0 million. The main increases were due to increased programme funding by the governments of Germany (US\$1.4 million), Sweden (US\$4.6 million) and Switzerland (US\$1.2 million). India also became an unrestricted donor for the first time. Unrestricted grants from other governments remained broadly constant.

IPPF also received income in kind from an unrestricted commodity grant of US\$3.5 million from UNFPA. These commodities have been used to support Member Associations who work in areas of high unmet need.

Restricted government funding amounted to US\$28.8 million, up from US\$24.7 million in 2012. The Government of Australia provided US\$6.1 million in relation to the global SPRINT Initiative to provide sexual and reproductive health services to crisis and post crisis areas in the Southeast Asia and Pacific Region, South Asia Region and Africa region. The Government of the Netherlands provided US\$2.8million in funding to support a major initiative on adolescents work, the "Choices and Opportunities Fund" and US\$2.2m to support the ASK Programme which focuses on: creating demand among under-served young people using modern technology, provision of services, providing youth friendly services, ensuring public private partnerships and ensuring greater respect for young people's sexual rights in six countries. The Government of Japan provided US\$0.8 million for work on HIV and AIDS and the Government of Germany US\$1.0 million to improve access for young people to SRH services in Kyrgyzstan.

The Government of the United Kingdom provided funding of US\$1.5 million to support a joint Western Hemisphere/ European Office accountability programme. The Government of Canada provided US\$2.8 million to support access to family planning in five countries. The Government of Norway provided US\$1.3 million to expand access to safe abortion services. The governments of Denmark, Netherlands, Norway, United Kingdom and an anonymous donor also provided funding of US\$8.7 million to the safe abortion action fund which provides small grants to non-government organizations for projects that promote safe abortion and prevent unsafe abortion through advocacy and awareness raising, service delivery and research activities.

Grants from multilateral donors and other sources decreased by 40% from US\$49.0 million to US\$29.2 million. The key reasons for the reduction were that in 2012 IPPF's Western Hemisphere region received a one off legacy of US\$15 million to support programmes in Mexico and also broader adolescent programmes in that region and the completion of a research project funded by the Bill & Melinda Gates Foundation. The multilateral and other unrestricted funding (US\$6.9 million) came mainly from the William & Flora Hewlett Foundation (US\$2.0 million) and public donations, chiefly in the Western Hemisphere Region.

The restricted (US\$22.3 million) funding is from multi-laterals covering a number of multi-year projects. The Bill & Melinda Gates Foundation's provision of US\$3.5 million is mainly for a three-year project aiming to safeguard and strengthen financial commitments to reproductive health and family planning, and strengthen political leadership on universal access.

Expenditure

IPPF spent US\$132.8 million in 2013. This compares to US\$122.9 million in 2012, an increase of US\$9.8 million (8%).

Grants to Member Associations and partner organizations rose by US\$8.3 million (12%) in 2013, comprising an increase in unrestricted grants of US\$4.3 million (11%) and an increase in restricted grants of US \$4.0 million (12%).

The 2013 total grant expenditures drove projects across all five of the strategic priority areas, as well as the supporting strategies. 35% of resources available to fund grants was spent on access (37% in 2012), 8% on advocacy (11% in 2012), 20% on abortion (11% in 2012), 10% on adolescents (15% in 2012), and 5% on HIV programmes (8% in 2012). Overall expenditure on abortion programmes increased by US \$ 8.1 million (100%) in 2012, driven by an increase in grant expenditure on anonymous-donor funded global abortion initiatives, and also on the Safe Abortion Action Fund initiative hosted by IPPF. This increased expenditure supported a 40% increases in abortion services to 3.0 million. Expenditure on HIV and AIDS programmes reduced by US\$1.3 million (25%), driven by a reduction in the level of 2013 restricted IPPF Member Association grants. While these movements do represent a reduction in targeted investment in HIV and the ending of specific research projects overall HIV services across the Federation continue to rise with 24.8 million services delivered in 2013 an increase of 29%. Expenditure on programmes targeted at adolescents decreased by US\$3.2 million (29%). However overall services to young people increased by 47% to 66.2 million.

Funds (including pension fund deficit)

Overall IPPF made a surplus, before investment gains, of US\$3.3 million compared to a surplus of US\$21.8 million in 2012. This comprised an unrestricted surplus of US\$8.0 million and a restricted deficit of US\$4.6 million. The overall surplus was increased by a gain on investment assets of US\$3.3 million and actuarial gains on the defined benefit pension scheme of US \$0.7 million and offset by foreign exchange losses of US\$0.1 million, leading to an overall increase in IPPF's total funds and reserves from US\$133.7 million to US\$141.1 million.

The general fund has increased by US\$0.6 million, from US\$22.9 million to US\$23.5 million. Designated Reserves have increased by US\$9.3 million, from US\$82.6 million to

US\$92.0 million. These movements reflect the decision to transfer US\$16 million of general funds into a number of specific unrestricted designated reserves. This includes US\$4.0 million transferred into the Member Association performance fund, US\$1.0 million committed to advocacy initiatives, US\$2.0 million for Member Association system strengthening, and US\$6 million to support fundraising initiatives.

IPPF's balance sheet includes restricted and endowment funds of US\$35.0 million in respect of funds received in advance of the project-related activities being completed, a decrease of US\$4.3 million from 2012. The decrease is due to activity in a number of funds where expenditure in 2013 has exceeded income due to income receipts in prior years. A number of projects are currently showing a negative balance where a decision has been made to carry out expenditure ahead of committed funding being received from donors. Those with a negative balance of more than US\$100k comprise the Australia-funded project capacity building in the Pacific (US\$324k), the EC project South Asia Advocacy project (US\$613k), the Government of Netherlands Advocacy (US\$393k), the UNFPA funded SRH/ HIV linkages campaign (US\$444k) and a project funded anonymously (US\$2.5 million.) The negative balance on the anonymously funded project arises because grant commitments have been made for future years but income has not yet been recognized.

The closing 2013 balance sheet contains a net pension liability of US\$9.4 million. This represents a decreased liability from the 2012 closing balance of US\$11.1 million. The majority of this movement is accounted for by actuarial gains of US\$0.7 million and employer contributions of US\$1.7 million. 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. The assumptions used to calculate the FRS17 pension liability are in line with typical market practice at the time of commissioning our FRS17 report. However, market conditions are constantly changing, and the FRS17 valuation is sensitive to changes in the underlying assumptions. The triennial valuation, which is used to calculate the funding shortfall, was completed on 1 July 2012. At that date there was a shortfall on the scheme of US\$14.5 million. An agreement has been made with the pension regulator to eliminate the funding shortfall by making payments until 2020. The payment was US\$1.7 million in 2013 which will increase annually by 3.4%.

Trading subsidiary

IPPF's trading subsidiary, ICON, is primarily engaged in commodity supply services and with the social marketing of contraceptives in conjunction with Member Associations. In 2013 the company made a trading profit before tax of US\$0.2 million for the year to 31 December 2013. This result includes inter-company income from IPPF, which is eliminated from the consolidated IPPF financial statements. In 2013 it was decided to cease ICON's operations and transfer these back into IPPF itself. ICON stopped operations on 1 September 2013 and the company is now dormant.

Plans for future periods

Plans for 2014 and beyond

IPPF will continue to focus on the delivery of the “Change goals” and the main area of focus will be as follows:

“Unite”

Vision 2020 for Sexual and Reproductive Health and Rights sets out IPPF’s advocacy priorities and calls on governments to commit to 10 targets, one of which is to establish a new international development framework that includes sexual and reproductive health and rights. We will partner with civil society organizations, UN agencies, and the private sector to ensure that sexual and reproductive health and rights are reflected in the post-2015 development framework, and we have developed three “asks”:

- The post-2015 global development agenda must include sexual and reproductive health and rights as essential priorities.
- The unfinished business from the Millennium Development Goal MDG 5b on universal access to reproductive health must feature, along with MDG 6 on HIV and AIDS.
- The post-2015 global development agenda must include a specific gender goal to eliminate all forms of discrimination against women and girls.

We will continue to contribute to the next steps in this process by influencing national positions to support negotiations among UN Member States. IPPF will also bring together other civil society organizations and non-governmental organizations working in the field of health, gender and rights at the regional and global levels to push decision-makers for positive change. In addition, recognizing the importance of Brazil, Russia, India, China and South Africa (BRICS) in international negotiations, we will encourage their support for sexual and reproductive health and rights.

“Deliver”

Increasing service provision: The commitment to increase the number of sexual and reproductive health services provided is shared across IPPF. In order to focus our efforts, 42 Member Associations, covering all six regions, have been identified as priority for support, and detailed roadmaps for how these Member Associations plan to increase service provision are in preparation. Early analysis reveals some key priorities, including: meeting the needs of young people; expanding mobile services to reach those who are under-served; reducing commodity stock-outs; and establishing social franchising networks to increase the range of services provided. Staff from across the Secretariat will work together to support efforts and share learning.

Partnership with UNFPA in support of Family Planning

2020: UNFPA and IPPF have a long history of successful collaboration supported by our complementary roles in working

with governments and communities. In 2013, a new initiative between UNFPA and IPPF was launched at Women Deliver to bring a significant boost in investment to family planning, including increasing financial and political will for sexual and reproductive health in 12 countries and the Pacific Islands. A series of innovative approaches will help increase access to family planning, especially among hard-to-reach populations, and will make a significant contribution to the commitment made at the London Summit on Family Planning to enable 120 million more women and girls in the world’s poorest countries to access contraception by 2020.

“Perform”

IPPF continues to strengthen its performance culture in order to optimize organizational effectiveness and support decision making at all levels of the Federation. We use a number of tools and systems to support data capture, analysis, demand and utilization, including the Branch Performance Tool, the Vulnerability Assessment Methodology and the Client Management Information System. The Data Quality Assessment Tool will be used to support Member Associations to improve data quality and increase confidence in data.

IPPF also remains committed to innovation and learning across the Federation, and in 2014, we will launch the Innovation Programme to build on the lessons learned from its predecessor, the Innovation Fund. While retaining the focus on testing innovative approaches to increase access to services for the poorest and most vulnerable, this new phase will emphasize research, robust evaluation design and systematic documentation to expand the potential for the replication and scale up of successful innovations, and to contribute to learning in the wider sexual and reproductive health sector.

We will foster a culture of collaborative learning, including participation and knowledge sharing in global health partnerships, and we will use evidence to implement a programme of continuous improvement, and to remain accountable to our stakeholders.

In 2014 IPPF will finalize its new strategic framework, an important aspect of this will be the development of strategic objectives to underpin the strategies implementation. It is expected that this work will be completed in November 2014.

Future funding

IPPF is working to increase longer term sustainability and income. The current uncertain economic outlook is a concern for IPPF. Whilst a number of donors have committed long term funding, which goes some way to reducing this risk, others only confirm their funding levels on an annual basis.

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. From 2011 to 2012 overall income for grant receiving Member Associations rose by 10% from US\$398 million to US\$437 million.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Thanks

IPPF thanks all its donors for their continuing and generous support. It also wishes to acknowledge the immense on-going 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 choices.

Approved on behalf of the Governing Council on 9 May 2014.

Dr Naomi Seboni
President

Mr Bert Van Herk





Through our Member Associations
17.7 million maternal and child health
services were provided in 2013.

Independent auditor's report to the Governing Council of the International Planned Parenthood Federation

Independent auditor's report to the Trustees of International Planned Parenthood Federation Charity

We have audited the group and charity financial statements (the "financial statements") of International Planned Parenthood Federation for the year ended 31st December 2013 set out on pages 23 to 60. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7 the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

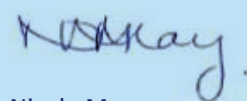
In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charity's affairs as at 31st December 2013 and of the group's and charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the 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.



Nicola May

For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Forest Gate
Brighton Road
Crawley
West Sussex
RH11 9PT

12 May 2014

KPMG is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities

Consolidated statement of financial activities for the year ended 31 December 2013

	Notes	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	2013 Total US\$'000	2012 Total US\$'000
Incoming resources						
Incoming resources from generated funds:						
Voluntary income:						
Grants from governments	2	71,973	28,781	–	100,754	89,146
Grants from multilaterals and other sources	3A	6,901	22,328	–	29,229	49,042
Donations in kind from multilaterals and other sources	3B	3,478	–	–	3,478	2,294
Investment income and interest	4	357	60	–	417	496
Incoming resources from charitable activities:						
Income of subsidiary trading company	11	1,293	–	–	1,293	1,514
Other incoming resources:						
Foreign exchange gains		341	–	–	341	539
Other incoming resources		387	188	–	575	1,761
Total incoming resources		84,730	51,357	–	136,087	144,792
Resources expended						
Cost of generating funds:						
Central fundraising	7	2,045	–	–	2,045	1,272
Regional fundraising	6	1,794	457	–	2,251	2,163
Investment management costs		4	36	–	40	60
Expenditure of subsidiary trading company	11	1,664	–	–	1,664	2,007
Charitable activities:						
Grants to Member Associations & Partners	5	43,759	36,330	–	80,089	71,815
Central expenditure	7	8,145	4,503	–	12,648	13,830
Regional expenditure	6	16,803	14,534	–	31,337	28,976
Governance costs	8	2,018	123	–	2,141	2,244
Pension finance charge	20	539	–	–	539	580
Total resources expended		76,771	55,983	–	132,754	122,947
Net incoming resources before other recognized gains and losses		7,959	(4,626)	–	3,333	21,845
Gain on investment assets	11	2,957	214	140	3,311	2,689
Actuarial gain/(loss) on defined benefit pension scheme	20	712	–	–	712	(1,139)
Foreign exchange movements on pension liability	20	(141)	–	–	(141)	(439)
Net movement in funds		11,487	(4,412)	140	7,215	22,956
Funds brought forward at 1 January	16	94,431	38,150	1,115	133,696	110,948
Unrealized foreign exchange gain/(loss) taken to reserves		181	–	–	181	(208)
Funds carried forward at 31 December	16	106,099	33,738	1,255	141,092	133,696

There are no recognized gains and losses other than those included above. All the above results arise from continuing operations. The notes on pages 28 to 59 form part of these financial statements.

Balance sheets

Consolidated balance sheet as at 31 December 2013

	Notes	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	2013 Total US\$'000	2012 Total US\$'000
Fixed assets						
Tangible assets	10	19,477	–	–	19,477	20,320
Investments	11	27,162	10,524	1,255	38,941	40,864
Long term loans	12	64	597	–	661	689
Total fixed assets		46,703	11,121	1,255	59,079	61,873
Current assets						
Stock of goods		1,110	–	–	1,110	1,094
Receivable from donors	13	2,724	573	–	3,297	3,621
Receivable from associations		1,004	306	–	1,310	768
Receivable from others		778	148	–	926	1,610
Prepayments		422	60	–	482	514
Funds held on short term deposit		50,418	–	–	50,418	38,443
Cash at bank		22,808	33,732	–	56,540	53,137
Total current assets		79,264	34,819	–	114,083	99,187
Creditors: amounts falling due within one year						
Accounts payable		2,338	96	–	2,434	4,682
Payable to associations		1,970	9,039	–	11,009	6,098
Accruals and other creditors		2,494	1,000	–	3,494	2,346
Deferred income	14	3,477	2,067	–	5,544	2,722
Total current liabilities		10,279	12,202	–	22,481	15,848
Net current assets excluding pension liability		68,985	22,617	–	91,602	83,339
Provisions for liabilities and charges	15	186	–	–	186	413
Pension liability	20	9,403	–	–	9,403	11,103
Total net assets including pension liability		106,099	33,738	1,255	141,092	133,696
Represented by:						
Unrestricted:						
General		23,525	–	–	23,525	22,903
Designated		91,977	–	–	91,977	82,631
Restricted		–	33,738	–	33,738	38,150
Endowment		–	–	1,255	1,255	1,115
Total funds and reserves excluding pension liability	16	115,502	33,738	1,255	150,495	144,799
Pension liability	20	(9,403)	–	–	(9,403)	(11,103)
Total funds and reserves including pension liability	16	106,099	33,738	1,255	141,092	133,696

Approved on behalf of the Governing Council on 9 May 2014. The notes on pages 28 to 59 form part of these financial statements.



Dr Naomi Seboni
President



Mr Bert Van Herk

Balance sheet (charity) as at 31 December 2013

	Notes	2013 Total US\$'000	2012 Total US\$'000
Fixed assets			
Tangible assets		19,477	20,320
Investments	11	38,941	41,214
Long term loans		661	690
Total fixed assets		59,079	62,224
Current assets			
Stock of goods		1,110	1,247
Receivable from donors	13	3,297	3,621
Receivable from associations		1,310	769
Receivable from others		926	1,479
Prepayments		482	494
Funds held on short term deposit		50,418	38,443
Cash at bank		56,540	52,546
Total current assets		114,083	98,599
Creditors: amounts falling due within one year			
Accounts payable		2,434	4,400
Payable to associations		11,009	6,098
Accruals and other creditors		3,494	2,314
Deferred income	14	5,544	2,722
Total current liabilities		22,481	15,534
Net current assets excluding pension liability		91,602	83,065
Provisions for liabilities and charges	15	186	413
Pension liability	20	9,403	11,103
Total net assets including pension liability		141,092	133,773
Represented by:			
Unrestricted:			
General		23,525	22,978
Designated		91,977	82,633
Restricted		33,738	38,150
Endowment		1,255	1,115
Total funds and reserves excluding pension liability		150,495	144,876
Pension liability		(9,403)	(11,103)
Total funds and reserves including pension liability		141,092	133,773

Approved on behalf of the Governing Council on 9 May 2014. The notes on pages 28 to 59 form part of these financial statements.



Dr Naomi Seboni
President



Mr Bert Van Herk

Cash flow statement

Consolidated cash flow statement for the year ended 31 December 2013

	Note	US\$'000	2013 US\$'000	US\$'000	2012 US\$'000
Net cash inflow/ (outflow) from operating activities	A		5,380		5,545
Returns on investments					
Interest received and similar income			502		400
Capital expenditure and financial investments					
Purchase of tangible assets		(441)		(430)	
Purchase of marketable securities		–		–	
Sale of tangible assets		–		1	
Sale of marketable securities		9,404		6,587	
Long term loan repayments received		429		289	
Long term loans issued		(400)		(139)	
			8,992		6,308
Net (increase)/reduction in short term deposits			(11,975)		2,177
Increase in cash	B		2,899		14,430

Note A: Reconciliation of net incoming resources to net cash inflow from operating activities

Net incoming resources	3,333	21,845
Interest receivable and similar income	(417)	(497)
Depreciation	1,255	1,233
Exchange movement on tangible assets	–	(1)
Exchange movement on pension liability	(141)	(439)
(Decrease)/increase in pension liability	(1,700)	530
Actuarial loss on pension scheme	712	(1,139)
Loss on disposal of fixed assets	29	–
Donations in kind	(4,170)	(19,604)
(Increase)/decrease in stock	(16)	256
Decrease in receivables from donors	324	144
(Increase)/decrease in receivables from associations	(542)	434
Decrease/(increase) in receivables from others (excluding interest)	597	(194)
Decrease in prepayments	32	52
(Decrease)/increase in accounts payable	(2,248)	2,407
Increase/(decrease) in payable to associations	4,911	(70)
Increase/(decrease) in accruals and other creditors	1,148	(167)
Increase in deferred income	2,822	1,072
(Decrease)/increase in provisions	(227)	198
Exchange movement on net funds	(322)	(515)
Net cash inflow from operating activities	5,380	5,545

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

	Note	2013 US\$'000	2012 US\$'000
Increase/(decrease) in cash in the year		2,899	14,430
Movement on foreign exchange		504	311
Movement in net funds for the period		3,403	14,741
Net funds at 1 January		53,137	38,396
Net funds at 31 December	C	56,540	53,137

Note C: Analysis of changes in net funds

	At 1 Jan 2013 US\$'000	Cash flows US\$'000	Exchange movements US\$'000	At 31 Dec 2013 US\$'000
Cash in hand and at bank	53,137	2,899	504	56,540

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, as modified for the revaluation of certain investments, and in accordance with applicable United Kingdom accounting standards, applicable United Kingdom law and the Statement of Recommended Practice ("SORP"), Accounting and Reporting by Charities (revised 2005), issued by the Charity Commission.

The members of Governing Council have reviewed IPPF's financial position, 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 under the provisions of the IPPF Act. Its activities are undertaken through a central office and six regional offices. All of the regional offices act as branches of IPPF and therefore fall under the term 'branches' in accordance with FRS 2 'Accounting for Subsidiary Undertakings' and the Charities SORP.

IPPF Arab World Regional Office (Tunis, Tunisia), IPPF East and Southeast Asia and Oceania Regional Office (Kuala Lumpur, Malaysia) and IPPF South Asia Regional Office (New Delhi, India) are not separate entities and their results are included in those of the Central Office (London, UK).

IPPF Africa Regional Office (Nairobi, Kenya) and IPPF Europe Regional Office (Brussels, Belgium) are separate legal entities in their respective regions, and are treated as branches of the Central Office in London. Their results are included with those of the charity.

The IPPF Western Hemisphere Regional Office (New York, US) – IPPF Western Hemisphere Inc. is a separate company incorporated in the State of New York, USA, as a membership corporation with not-for-profit status. All its results are combined with those of the charity, 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. IPPF WHR is not a trading subsidiary, and therefore its results have not been separately disclosed. In addition to the regional office, there are two other entities within this region – The IPPF WHR Fund and IPPF Worldwide Inc.

The IPPF WHR Fund is a separate entity used for investing significant bequests, the results of which are reported within these accounts. This entity is also considered to be a branch of IPPF.

IPPF Worldwide Inc (established in 2006) 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 with income received being reflected within these financial statements. This entity is also considered to be a branch of IPPF.

IPPF has a trading subsidiary, International Contraceptive and SRH Marketing Limited (trading as ICON). This primarily engages in commodity supply services and social marketing of contraceptives in conjunction with Member Associations. Its results for the trading period to 31 August 2013 have been consolidated in accordance with FRS 2 'Accounting for Subsidiary Undertakings' on a line by line basis. With effect from 1 September 2013 the activities previously carried out by ICON have been transferred to the main charity. ICON is now dormant. These financial statements present the consolidated statement of financial activities only, and both a consolidated and charity balance sheet.

Incoming resources

Income is recognized in the period in which it is receivable, when it meets recognition criteria: entitlement, certainty, and measureable with accuracy. See also the separate deferred income policy.

Commercial trading activities

Income from commercial trading activities is included in the period in which the group is entitled to receipt.

Donations and grants

Grants from governments and other agencies have been included as donations and similar incoming resources as these relate to core funding or are provided for a general purpose rather than being service agreements. These are included in incoming resources 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 have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the conditions for use have been met.
- Assets given for distribution are recognized as incoming resources for the year only when distributed with an equivalent amount being included as resources expended.

Legacies

Legacies are recognized when the charity is advised by the personal representatives of an estate that payment will be made or property transferred and the amount involved can be quantified.

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.

Intangible income

Donations in kind are included in donations and similar incoming resources where the amounts are material and an estimated market value is readily attainable. Commodities donated to IPPF for distribution to Member Associations are recognized as incoming resources to the extent that they have been distributed (or allocated for distribution) 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 incoming resources 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.

Resources expended 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, London, 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, Access, 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 the issuing or monitoring of grants to Member Associations and include general management, finance, office facilities, human resources and information technology.

Governance costs include the costs of governance arrangements relating to IPPF as a UK registered charity. Direct costs include internal and external audit, financial statement publication costs, legal advice for the Governing Council members and costs associated with constitutional and statutory requirements such as Governing Council meetings as well as the supporting committee meetings. As a Federation, the costs associated with Regional

governance structures (Regional Council Meetings and Regional Executive Meetings) are also included.

Where IPPF acts as an agent for another party upon specific projects, all costs and overheads recovered are netted off against those costs. Third party arrangements are detailed in note 19. Where overheads on IPPF's own projects are recovered by way of donations and grants, these and their related costs are not netted off but are shown separately.

Deferred income

Deferred income comprises amounts received in the period which the donor has given for use in future accounting periods only. Other forms of income, such as lease benefits, are also deferred in order to match the income with the periods that they are intended to benefit.

Fixed assets

All assets costing more than US\$1,000 are capitalized. All assets are stated at cost. All assets are depreciated in line with their expected useful lives using the straight line method at the following rates:

Land	no depreciation
Freehold buildings	2%
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.

Investments

Investments are valued at their market value at 31 December 2013. All gains and losses are taken to the Statement of Financial Activities as they arise.

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

Stock of goods

Stock is valued at the lower of cost and net realizable value and consists of contraceptives and related medical equipment. Goods donated for distribution are not included in stock.

Foreign currency

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated

using the rate of exchange ruling at the balance sheet date, and the gains and losses on translation are included in the statement of financial activities.

The results from overseas branches with operations denominated in foreign currency are translated into 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.

Leased assets

The annual payments in relation to lease arrangements, known as operating leases, are charged to the Statement of Financial Activities on an accruals basis.

Provisions

Provision is made, where material, for the present value of future liabilities and losses which have occurred during the financial year and up to the date on which the financial statements are approved by Governing Council. The recognition of a provision is in accordance with FRS 12 'Provisions, Contingent Liabilities and Contingent Assets'. The charge for a provision is made against the appropriate resources expended category to which it relates.

Contingent liabilities

Contingent liabilities are disclosed in accordance with FRS 12, 'Provisions, Contingent Liabilities and Contingent Assets'. 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.

Pension contributions

IPPF contributes to both a closed, defined benefit scheme and a number of defined contribution pension schemes (see note 20).

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 17 'Retirement Benefits', the Statement of Financial Activities includes: the cost of benefits accruing during the year in respect of current and past service (charged against net outgoing resources); 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.

Funds

IPPF maintains five types of fund:

Permanent 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 17 'Retirement Benefits', 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;

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 16.

2 Grants from governments

	Local currency (LC)	2013 LC'000	2012 LC'000	2013 US\$'000	2012 US\$'000
Unrestricted					
Australia	Australian \$	6,000	5,500	5,977	5,704
China	US\$	200	160	200	160
Denmark	Danish Krone	40,000	40,000	6,911	6,937
Finland	Euro	1,500	1,250	1,992	1,581
Germany	Euro	5,000	4,100	6,697	5,236
India	US\$	10	—	10	—
Japan	US\$	9,202	9,202	9,202	9,202
Malaysia	US\$	29	—	29	—
New Zealand	New Zealand \$	2,500	2,500	2,106	2,098
Norway	Norwegian Krone	40,000	40,000	6,597	6,962
South Korea	US\$	87	87	87	87
Sweden	Swedish Krona	110,000	80,000	16,568	12,015
Switzerland	Swiss Franc	2,000	1,000	2,218	1,047
Thailand	US\$	2	2	2	2
United Kingdom	£ Sterling	8,575	8,450	13,377	13,444
Unrestricted				71,973	64,475
Restricted					
Australia	Australian \$	6,108	8,948	6,112	9,299
Canada	Canadian \$	2,878	1,000	2,780	1,009
China	US\$	—	600	—	600
Denmark	Danish Krone	11,146	3,553	1,992	613
Finland	Euro	498	—	661	—
Germany	Euro	1,215	843	1,616	1,105
Ireland	Euro	21	8	28	11
Japan	US\$	819	819	819	819
The Netherlands	Euro	5,654	2,904	7,531	3,621
New Zealand	Australian \$	510	400	525	431
Norway	Norwegian Krone	19,277	13,020	3,134	2,289
Spain	US\$	—	39	—	39
Sweden	Swedish Krona	—	20,000	—	3,015
United Kingdom	£ Sterling	2,235	1,070	3,508	1,705
USA	US\$	75	115	75	115
Restricted				28,781	24,671
Total restricted and unrestricted grants from governments				100,754	89,146

3 Income from multilaterals and other sources

Note A: Grants from multilaterals and other sources

	Unrestricted US\$'000	Restricted US\$'000	2013 Total US\$'000	2012 Total US\$'000
Abundance Foundation	–	20	20	–
American Jewish World Service	–	–	–	60
Americares	–	–	–	240
Bayer	–	–	–	79
Brodsky Family Foundation	–	10	10	–
Eric E. Edith Bergstrom Foundation	–	303	303	168
Catapult	–	78	78	–
Comic Relief	–	112	112	190
Danish Family Planning Association	–	94	94	–
EuroNGOs	–	13	13	75
European Commission (EC)	–	860	860	–
European Commission (EC) Unmet Need	–	–	–	147
Flora Family Foundation	–	108	108	–
Ford Foundation	–	621	621	300
Forthcoming Fund	10	–	10	10
Francis & Christine Martin Family Foundation	–	–	–	5
Futures Group International, LLC	–	147	147	–
Bill & Melinda Gates Foundation	–	3,462	3,462	6,059
Gesellschaft für Internationale Zusammenarbeit (GIZ)	–	206	206	313
Gynuity Health Project	–	21	21	–
William & Flora Hewlett Foundation	2,025	580	2,605	4,964
IPAS	–	–	–	39
James Starr Moore Memorial Foundation	–	–	–	3
Laney Thornton Family Foundation	–	–	–	3
Libra Foundation	50	–	50	50
Liz Clairborne & Art Ortenberg Foundation	25	–	25	25
The John D & Catherine T MacArthur Foundation	–	200	200	500
MAC AIDS Fund	–	–	–	94
Make a Difference Trust (MAD)	–	–	–	6
Management Sciences For Health (MSH)	–	202	202	–
Natembea Foundation	–	–	–	10
New Venture Fund via Gates Foundation	–	–	–	175
Nirvana Mañana Institute Foundation	10	–	10	–
Overbrook Foundation	30	–	30	40
David & Lucile Packard Foundation	–	150	150	780
Palatin Foundation	27	–	27	10
Philip & Danielle Barach Family Foundation	–	–	–	2
The Philip Devon Family Foundation	–	–	–	3
Plumeria Family Foundation	10	–	10	10
Population Action International (PAI)	–	–	–	10
The Population Council	–	10	10	34
Population Services International (PSI)	–	–	–	107

	Unrestricted US\$'000	Restricted US\$'000	2013 Total US\$'000	2012 Total US\$'000
RFSU (The Swedish Association for Sexuality Education)	—	362	362	222
Richard Henry & Kathryn Harjes Foundation	—	—	—	1
Rutgers Nisso Groep (RNG)	—	—	—	13
Waterloo Foundation	—	81	81	—
William J and Sally Siegel Foundation	6	—	6	6
Smith Family Legacy Foundation	13	—	13	—
The Summit Foundation	—	185	185	199
Tides Foundation	—	—	—	5
The Tim & Starleen Wood Foundation	—	—	—	3
The Virginia B.Toulmin Foundation	—	250	250	250
United Nations Programme on HIV/AIDS (UNAIDS)	—	1,286	1,286	990
United Nations Fund for Population Activities (UNFPA)	—	914	914	1,141
UN Women (UNIFEM)	—	(1)	(1)	—
ViiV Healthcare	—	—	—	251
Westwind Foundation	100	75	175	175
Wild Flowers Foundation	—	40	40	40
White Ribbon Alliance (WRA)	—	—	—	64
World Health Organization (WHO)	—	18	18	—
Anonymous (At donor's request)	—	11,633	11,633	10,541
Legacies	927	13	940	17,205
Other <US\$5,000 or individuals not wishing to be disclosed	3,668	275	3,943	3,425
Total	6,901	22,328	29,229	49,042

Note B: Donations in kind from multilaterals and other sources

	Unrestricted US\$'000	Restricted US\$'000	2013 Total US\$'000	2012 Total US\$'000
United Nations Fund for Population Activities (UNFPA)	3,478	—	3,478	2,294
Total	3,478	—	3,478	2,294

4 Investment income and interest

	Unrestricted US\$'000	Restricted US\$'000	2013 Total US\$'000	2012 Total US\$'000
Interest receivable from cash deposits	355	55	410	483
Dividends and similar income from US listed securities	2	5	7	13
Total	357	60	417	496

5 Grants to Member Associations and partner organizations

	Unrestricted			Restricted			2013 US\$'000 Total	2012 US\$'000 Total
	2013 US\$'000	2013 US\$'000	2013 US\$'000	2013 US\$'000	2013 US\$'000	2013 US\$'000		
	Cash grants	Commodity grants	Technical assistance	Cash grants	Commodity grants	Endowment cash grants		
Africa	14,201	3,217	1,790	9,050	513	–	28,771	24,837
Arab World	2,402	89	268	813	56	–	3,628	3,571
E, SE Asia & Oceania	4,572	483	–	2,961	–	–	8,016	6,682
Europe	1,415	–	–	3,083	–	–	4,498	5,404
South Asia	6,191	34	–	8,774	–	–	14,999	13,790
Western Hemisphere	6,793	590	1,714	11,080	–	–	20,177	17,531
Total 2013	35,574	4,413	3,772	35,761	569	–	80,089	71,815
Total 2012	33,433	3,290	2,786	32,019	287	–	71,815	

Commodity grants consist of contraceptives and related goods.

Technical assistance represents advisory services provided by IPPF and funded by Member Associations from unrestricted core grants and locally generated income sources.

Grants to Member Associations and partner organizations by IPPF strategic priorities and supporting strategies

	2013 US\$'000 Unrestricted	2013 US\$'000 Restricted	2013 US\$'000 Total	2012 US\$'000 Total
Strategic Priorities				
Adolescents	3,982	3,747	7,729	10,912
HIV/AIDS	1,949	2,116	4,065	5,455
Access	20,889	7,049	27,938	26,676
Abortion	2,053	14,126	16,179	8,099
Advocacy	3,453	2,683	6,136	8,130
Supporting strategies				
Accreditation & governance	1,860	82	1,942	2,270
Resource mobilization	1,843	–	1,843	1,521
Capacity building	5,902	6,527	12,429	7,164
Evaluation	1,828	–	1,828	1,588
Total	43,759	36,330	80,089	71,815

The above figures are based on funding agreements. They are indicative in the sense that ensuring global standards of classifying projects is still something IPPF is refining. For example a Member Association undertaking projects to increase clinical services to young people and with an emphasis on HIV/AIDS prevention will generally classify this as 'access'. This can lead to other priority areas being lower than expected.

Grants to Member Associations

The following associations received cash and commodity grants as shown below. They are ranked in order of total unrestricted grants.

Rank	Country	Name of Member Association/partner organization	2013 Unrestricted \$	2013 Restricted \$	2013 Total \$
1	Nigeria	Planned Parenthood Federation of Nigeria	1,901,303	528,924	2,430,227
2	Pakistan	Rahnuma-Family Planning Association of Pakistan	1,890,648	1,222,296	3,112,944
3	India	Family Planning Association of India	1,535,522	2,608,715	4,144,237
4	Ethiopia	Family Guidance Association of Ethiopia	1,238,918	956,694	2,195,612
5	Nepal	Family Planning Association of Nepal	1,112,252	1,889,166	3,001,418
6	Tanzania	Uzazi na Malezi Bora Tanzania	1,026,929	410,371	1,437,300
7	Uganda	Reproductive Health Uganda	1,020,092	904,779	1,924,871
8	Ghana	Planned Parenthood Association of Ghana	922,046	553,273	1,475,319
9	Kenya	Family Health Options Kenya	887,645	1,413,123	2,300,768
10	Haiti	Association pour la Promotion de la Famille Haïtienne	843,128	78,241	921,369
11	Bangladesh	Family Planning Association of Bangladesh	795,709	2,332,860	3,128,569
12	Bolivia	Centro de Investigación, Educación y Servicios (CIES)	780,023	1,089,071	1,869,094
13	Burkina Faso	Association Burkinabé pour le Bien-Etre Familial	745,820	225,246	971,066
14	Zambia	Planned Parenthood Association of Zambia	710,694	164,615	875,309
15		Caribbean Family Planning Affiliation comprising:	226,390	–	226,390
	Antigua	Antigua Planned Parenthood Association	53,577	–	53,577
	Aruba	Foundation for the Promotion of Responsible Parenthood (Aruba)	21,296	–	21,296
	Bahamas	Bahamas Family Planning Association	621	–	621
	Curacao	Foundation for the Promotion of Responsible Parenthood (FPRP)	39,048	–	39,048
	Dominica	Dominica Planned Parenthood Association	67,320	–	67,320
	Grenada	Grenada Planned Parenthood Association	76,237	1,200	77,437
	St. Lucia	Saint Lucia Planned Parenthood Association	158,088	1,000	159,088
	St. Vincent	St. Vincent Planned Parenthood Association	40,043	–	40,043
16	Guatemala	Asociación Pro-Bienestar de la Familia de Guatemala	653,030	138,362	791,392
17	Colombia	Asociación Pro-Bienestar de la Familia Colombiana	618,751	3,297,236	3,915,987
18	Côte d'Ivoire	Association Ivoirienne pour le Bien-Etre Familial	603,219	166,750	769,969
19	Benin	Association Béninoise pour la Promotion de la Famille	594,631	114,289	708,920
20	Togo	Association Togolaise pour le Bien-Etre Familial	578,700	262,508	841,208
21	Dominican Republic	Asociación Dominicana Pro-Bienestar de la Familia	521,063	234,363	755,426
22	Senegal	Association Sénégalaise pour le Bien-Être Familial	511,267	445,891	957,158
23	Peru	Instituto Peruano de Paternidad Responsable	495,644	1,843,883	2,339,527
24	Madagascar	Fianakaviana Sambatra	478,938	45,500	524,438
25	Mozambique	Associação Moçambicana para Desenvolvimento da Família	470,967	134,522	605,489
26	Brazil	Bem-Estar Familiar	468,552	284,985	753,537
27	Malawi	Family Planning Association of Malawi	453,269	(830)	452,439
28	Egypt	Egyptian Family Planning Association	437,117	76,934	514,051
29	Afghanistan	Afghan Family Guidance Association	429,328	220,248	649,576
30	Burundi	Association Burundaise pour le Bien-Etre Familial	417,396	82,488	499,884
31	Lesotho	Lesotho Planned Parenthood Association	410,199	67,109	477,308
32	Philippines	Family Planning Organization of the Philippines	405,523	549,190	954,713
33	Sierra Leone	Planned Parenthood Association of Sierra Leone	397,556	343,178	740,734

Rank	Country	Name of Member Association/partner organization	2013 Unrestricted \$	2013 Restricted \$	2013 Total \$
34	Niger	Association Nigérienne pour le Bien-Etre Familial	397,336	15,740	413,076
35	Guinea-Conakry	Association Guinéenne pour le Bien-Etre Familial	396,719	30,000	426,719
36	Congo	Association Congolaise pour le Bien-Etre Familial	380,133	–	380,133
37	Honduras	Asociación Hondureña de Planificación de Familia	378,192	30,000	408,192
38	Congo, Dem. Republic	Association pour le Bien-Etre Familial/Naissances Désirables	375,194	66,573	441,767
39	Cameroon	Cameroon National Association for Family Welfare	373,542	248,152	621,694
40	Angola	Associação Angolana para o Bem Estar da Familia	370,150	–	370,150
41	El Salvador	Asociación Demográfica Salvadoreña	367,695	5,000	372,695
42	Mali	Association Malienne pour la Protection et la Promotion de la Famille	365,527	101,188	466,715
43	Syria	Syrian Family Planning Association	357,364	–	357,364
44	Venezuela	Asociacion Civil de Planificacion Familiar	350,242	222,750	572,992
45	Liberia	Planned Parenthood Association of Liberia	337,750	444,023	781,773
46	Paraguay	El Centro Paraguayo de Estudios de Población	330,648	–	330,648
47	Mauritania	Association Mauritanienne pour la Promotion de la Famille	311,457	74,104	385,561
48	Chad	Association Tchadienne pour le Bien-Etre Familial	307,830	–	307,830
49	Central African Republic	Association Centrafricaine pour le Bien-Etre Familial	306,249	46,492	352,741
50	Morocco	Association Marocaine de Planification Familiale	303,759	8,146	311,905
51	Cambodia	Reproductive Health Association of Cambodia	298,458	104,253	402,711
52	Palestine	Palestinian Family Planning and Protection Association	287,890	29,210	317,100
53	Indonesia	The Indonesian Planned Parenthood Association	287,402	605,680	893,082
54	China	China Family Planning Association	248,976	–	248,976
55	Botswana	Botswana Family Welfare Association	246,687	5,000	251,687
56	Guinea-Bissau	Associação Guineense para o Bem Estar Familiar	238,830	–	238,830
57	Namibia	Namibia Planned Parenthood Association	237,749	(10,356)	227,393
58	Swaziland	Family Life Association of Swaziland	235,522	220,840	456,362
59	Argentina	Fundación para la Salud del Adolescente	229,216	713,581	942,797
60	Gabon	Mouvement Gabonais pour le Bien-Etre Familial	225,507	5,000	230,507
61	Thailand	Planned Parenthood Association of Thailand	220,139	–	220,139
62	Solomon Islands	Solomon Islands Planned Parenthood Association	219,447	146,955	366,402
63	Comoros	Association Comorienne pour le Bien-Etre de la Famille	217,992	4,995	222,987
64	Russia	Russian Association for Population and Development	206,898	1,294	208,192
65	Tunisia	Association Tunisienne de la Santé de la Reproduction	201,023	–	201,023
66	Panama	Asociación Panameña para el Planeamiento de la Familia	197,343	70,954	268,297
67	Vietnam	Vietnam Family Planning Association	194,952	78,830	273,782
68	Mexico	Fundación Mexicana para la Planeación Familiar, A.C.	194,510	2,026,233	2,220,743
69	Korea, Dem. People's Rep of	Korean Family Planning & Maternal Child Health Association of DPRK	189,657	–	189,657
70	Vanuatu	Vanuatu Family Health Association	182,098	111,974	294,072
71	Cape Verde	Associação Caboverdiana para a Proteção da Família	179,652	5,000	184,652
72	Belize	Belize Family Life Association	175,855	62,500	238,355
73	Samoa	Samoa Family Health Association	174,851	58,368	233,219
74	Yemen	Yemeni Association for Reproductive Health	172,553	–	172,553
75	Nicaragua	Asociación Pro-Bienestar de la Familia Nicaragüense	168,022	15,809	183,831
76	Algeria	Association Algérienne pour la Planification Familiale	166,854	–	166,854

Rank	Country	Name of Member Association/partner organization	2013 Unrestricted \$	2013 Restricted \$	2013 Total \$
77	Trinidad and Tobago	Family Planning Association of Trinidad and Tobago	165,740	15,000	180,740
78	Sri Lanka	Family Planning Association of Sri Lanka	165,467	108,528	273,995
79	Lebanon	Association Libanaise pour une Famille Moderne	162,703	–	162,703
80	Malaysia	Federation of Reproductive Health Associations of Malaysia	160,781	8,244	169,025
81	Puerto Rico	Asociación Puertorriqueña Pro-Bienestar de la Familia	158,032	11,000	169,032
82	Mongolia	Mongolian Family Welfare Association	151,216	–	151,216
83	Suriname	Stichting Lobi	150,423	–	150,423
84	Sudan	Sudan Family Planning Association	150,169	638,035	788,204
85	Ecuador	Centro Ecuatoriano para la Promoción y Acción de la Mujer de Guayaquil, Ecuador	148,771	71,532	220,303
86	Kiribati	Kiribati Family Health Association	148,606	147,046	295,652
87	Tonga	Tonga Family Health Association	144,501	106,536	251,037
88	Tuvalu	Tuvalu Family Health Association	140,828	66,134	206,962
89	Costa Rica	Asociación Demográfica Costarricense	140,456	26,000	166,456
90	Iran	Family Health Association of Iran	140,000	–	140,000
91	Cuba	Sociedad Científica Cubana Para el Desarrollo de la Familia (SOCUDEP)	139,962	5,950	145,912
92	Kazakhstan	Kazakhstan Association on Sexual and Reproductive Health	135,228	30,371	165,599
93	Fiji	Reproductive & Family Health Association of Fiji	130,930	56,754	187,684
94	Guyana	Guyana Responsible Parenthood Association (GRPA)	129,731	18,200	147,931
95	Cook Islands	Cook Islands Family Welfare Association	118,655	71,014	189,669
96	Bulgaria	Bulgarian Family Planning and Sexual Health Association	115,640	42,792	158,432
97	Bosnia and Herzegovina	Association for Sexual and Reproductive Health XY	111,656	93,839	205,495
98	Jamaica	Jamaica Family Planning Association	110,024	15,000	125,024
99	Uruguay	Iniciativas Sanitarias	106,879	62,872	169,751
100	Chile	Asociación Chilena de Protección de la Familia	105,364	–	105,364
101	Georgia	Association HERA XXI	99,926	11,605	111,531
102	Maldives	Society for Health Education	99,694	91,867	191,561
103	Somaliland	Somaliland Family Health Association	98,460	–	98,460
104	Albania	Qëndra për Popullsinë dhe Zhvillimin (Center for Population and Development)	95,301	112,473	207,774
105	Mauritius	Mauritius Family Planning & Welfare Association	87,377	–	87,377
106	Kyrgyzstan	Reproductive Health Alliance of Kyrgyzstan	85,813	700,730	786,543
107	Tajikistan	Tajik Family Planning Alliance	74,008	25,802	99,810
108	Latvia	Latvijas Ģimenes Planošanas un Seksualas Veselības Asociācija	71,014	43,449	114,463
109	Republic of Macedonia	Health Education and Research Association	63,534	23,322	86,856
110	Bahrain	Bahrain Reproductive Health and Family Planning Association	63,274	–	63,274
111	Lithuania	Seimos Planavimo ir Seksualines Sveikatos Asociacija	57,884	4,115	61,999
112	Armenia	Pan-Armenian Family Health Association	50,977	48,125	99,102
113	Rwanda	Association Rwandaise pour le Bien-Etre Familial	50,867	20,642	71,509
114	Ukraine	NGO Women Health and Family Planning	49,248	–	49,248
115	Moldova	Societatea de Planificare a Familiei din Moldova	45,343	23,615	68,958
116	Romania	Societatea de Educatie Contraceptiva si Sexuala	41,774	48,267	90,041
117	Uzbekistan	Uzbek Association on Reproductive Health	39,920	44,851	84,771
118	Barbados	The Barbados Family Planning Association	36,439	–	36,439

Rank	Country	Name of Member Association/partner organization	2013 Unrestricted \$	2013 Restricted \$	2013 Total \$
119	Bhutan	Respect Educate Nurture Empower Women	34,554	–	34,554
120	Djibouti	Association Djiboutienne pour l'Equilibre et la Promotion de la Famille	28,211	–	28,211
121	Estonia	Eesti Seksuaaltervise Liit / Estonian Sexual Health Association	21,080	–	21,080
122	Denmark	Sex & Samfund – The Danish Family Planning Association	–	183,508	183,508
123	Spain	Federación de Planificación Familiar de España	–	125,410	125,410
124	Netherlands	RutgersWPF	–	112,984	112,984
125	Ireland	Irish Family Planning Association	–	110,923	110,923
126	Norway	Sex og Politikk	–	94,206	94,206
127	Sweden	Riksförbundet för Sexuell Upplysning (RFSU)	–	85,690	85,690
128	Finland	Väestöliitto	–	85,500	85,500
129	Switzerland	SANTÉ SEXUELLE Suisse	–	58,214	58,214
130	Portugal	Associação Para o Planeamento da Família	–	56,760	56,760
131	Cyprus	Cyprus Family Planning Association	–	46,969	46,969
132	Poland	Towarzystwo Rozwoju Rodziny	–	41,716	41,716
133	United Kingdom	FPA	–	31,381	31,381
134	Germany	pro familiar Bundesverband	–	12,871	12,871
135	Various	Grants below US\$10,000 and adjustments	(623)	15,435	14,812
Total Grants to Member Associations			41,272,206	32,089,745	73,361,951

Grants to other organizations

The following organizations received cash and commodity grants as shown below. This list includes organizations where IPPF is requested by donors to act as a Secretariat for their funds and issue grants to groups they have identified.

Rank	Country	Name of Member Association/partner organization	2013 Unrestricted \$	2013 Restricted \$	2013 Total \$
1	Japan	Japanese Organization for International Cooperation in Family Planning (JOICFP)	1,000,000	–	1,000,000
2	United States of America	White Ribbon Alliance for Safe Motherhood	250,000	–	250,000
3	South Sudan	Reproductive Health Association of South Sudan	185,362	–	185,362
4	Papua New Guinea	Papua New Guinea Family Health Association	182,661	143,352	326,013
5	Laos	Promotion of Family Health Association (LAO PDR)	144,936	–	144,936
6	Myanmar	Myanmar Maternal and Child Welfare Association	142,382	–	142,382
7	Zimbabwe	Zimbabwe National Family Planning Council	122,902	–	122,902
8	Japan	Asian Population and Development Association	100,000	–	100,000
9	São Tomé and Príncipe	Associação Santomense para Promoção Familiar	93,209	–	93,209
10	Seychelles	Alliance of Solidarity for the Family	92,020	–	92,020
11	Thailand	Asian Forum of Parliamentarians on Population and Development	43,145	–	43,145
12	Belgium	European Parliamentary Forum	30,000	156,840	186,840
13	Philippines	University of California, San Francisco (UCSF) Global Health Group	25,000	–	25,000
14	United Kingdom	All-Party Parliamentary Group on Population, Development and Reproductive Health	20,000	–	20,000
15	Republic of South Africa	Sexual Health and Rights Initiative in South Africa	15,000	–	15,000
16	India	Plan International	11,830	–	11,830
17	United States of America	The Global Forum on MSM & HIV (MSMGF)	1,500	21,419	22,919
18	Malawi	London School of Hygiene & Tropical Medicine	–	639,005	639,005

Rank	Country	Name of Member Association/partner organization	2013 Unrestricted \$	2013 Restricted \$	2013 Total \$
19	Argentina	Católicas por el Derecho a Decidir-Cordoba	—	450,000	450,000
20	Africa	The Millennium Promise Alliance	—	350,000	350,000
21	Thailand	The Concept Foundation	—	329,831	329,831
22	Philippines	Guttmacher Institute	—	195,444	195,444
23	Africa	Population Council	—	150,059	150,059
24	United States of America	Ibis Reproductive Health	—	114,000	114,000
25	France	Equilibres & Populations	—	101,899	101,899
26	Nigeria	Women Friendly Initiative (WFI)	—	100,750	100,750
27	United Kingdom	Marie Stopes International	—	100,113	100,113
28	Belgium	Sensoa VZW	—	88,674	88,674
29	Peru	Centro de Promoción y Defensa de los Derechos Sexuales y Reproductivos – PROMSEX	—	82,582	82,582
30	United Kingdom	Plan UK	—	79,786	79,786
31	Germany	Deutsche Stiftung Weltbevölkerung (DSW)	—	77,141	77,141
32	Nepal	Aware Girls (Nepal)	—	73,580	73,580
33	Republic of South Africa	IBIS Reproductive Health, South Africa Office	—	70,070	70,070
34	Nigeria	Women's Health & Action Research Centre	—	65,926	65,926
35	Bangladesh	Research, Training and Management (RTM) International	—	58,693	58,693
36	Vietnam	Center for Community Reproductive Health in Vietnam	—	57,461	57,461
37	Kenya	Planned Parenthood Federation of America International – Kenya	—	56,966	56,966
38	Bangladesh	Bangladesh Women's Health Coalition	—	53,437	53,437
39	Mozambique	Oral Testimony Works CIC	—	51,506	51,506
40	Brazil	ANIS – Institute of Bioethics, Human Rights and Gender	—	51,462	51,462
41	Uzbekistan	Social Initiatives Support Fund (SISF)	—	44,797	44,797
42	Sudan	Planned Parenthood Federation of America International – Sudan	—	42,727	42,727
43	Nepal	Sunaulo Parivar Nepal (MSI)	—	41,303	41,303
44	United Kingdom	Commonwealth Medical Trust	—	30,000	30,000
45	Uganda	Panos Eastern Africa	—	29,509	29,509
46	Bangladesh	Bangladesh Association for Prevention of Septic Abortion (BAPSA)	—	24,684	24,684
47	Nepal	Center for Research on Environment Health and Population Activities (CREHPA)	—	22,913	22,913
48	United Kingdom	Interact Worldwide	—	20,138	20,138
49	United Kingdom	Brook	—	18,278	18,278
50	Cambodia	Marie Stopes International Cambodia	—	13,013	13,013
51	Belgium	European Youth Press (EYP)	—	11,018	11,018
52	Various	Grants below US\$10,000 and adjustments	26,926	221,380	248,306
Total grants to partner organizations			2,486,873	4,239,756	6,726,629
Total grants to Member and partner organizations			43,759,079	36,329,501	80,088,580

6 Regional activities

Regional activities – 2013

	Unrestricted				Restricted programme activities US\$'000	Total US\$'000
	(1) Programme activities US\$'000	(2) Support costs US\$'000	Charitable activities Sub total US\$'000	(3) Regional fundraising US\$'000		
Personnel costs	6,765	2,806	9,571	1,063	6,603	17,237
Consultancies	1,231	265	1,496	95	2,638	4,229
Travel	2,409	120	2,529	65	4,082	6,676
Occupancy	202	1,206	1,408	23	747	2,178
Communications	229	182	411	525	503	1,439
Other costs	821	567	1,388	23	418	1,829
Total 2013	11,657	5,146	16,803	1,794	14,991	33,588

(1) 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, Access, and Accreditation.

(2) Support costs represent expenses on activities that are not directly attributable to the issuing or monitoring of grants to Member Associations and include general management, finance, office facilities, human resources and information technology. These are allocated across the Strategic Priorities and Supporting Strategies based on a proportion of direct personnel costs attributable to the implementation of the activities. This is the methodology used as part of the budget cycle in order to measure correctly the overall costs of undertaking projects on the internal electronic Integrated Management System. This methodology is applied to all areas of IPPF and has been selected for consistency of use and ease of implementation.

(3) Fundraising costs comprise of unrestricted expenses on activities related to regional income generation and resource development.

Regional activities by IPPF strategic priorities and supporting strategies – 2013

	Total support costs US\$'000	Programme activities US\$'000	Regional fundraising US\$'000	Total US\$'000
Strategic priorities				
Adolescents	293	1,469	–	1,762
HIV/AIDS	344	2,096	–	2,440
Access	589	2,696	–	3,285
Abortion	540	2,368	–	2,908
Advocacy	1,174	7,752	–	8,926
Supporting strategies				
Accreditation & governance	433	1,840	–	2,273
Resource mobilization	375	1,237	1,794	3,406
Capacity building	1,048	6,125	–	7,173
Evaluation	350	1,065	–	1,415
Total 2013	5,146	26,648	1,794	33,588

Regional activities – 2012

	Unrestricted				Restricted programme activities US\$'000	Total US\$'000
	(1) Programme activities US\$'000	(2) Support costs US\$'000	Charitable activities Sub total US\$'000	(3) Regional fundraising US\$'000		
Personnel costs	6,497	2,353	8,850	807	5,878	15,535
Consultancies	1,165	341	1,506	108	2,021	3,635
Travel	2,799	158	2,957	99	3,442	6,498
Occupancy	517	721	1,238	82	629	1,949
Communications	195	159	354	566	405	1,325
Other costs	537	606	1,143	67	987	2,197
Total 2012	11,710	4,338	16,048	1,729	13,362	31,139

(1) 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, Access, and Accreditation.

(2) Support costs represent expenses on activities that are not directly attributable to the issuing or monitoring of grants to Member Associations and include general management, finance, office facilities, human resources and information technology. These are allocated across the Strategic Priorities and Supporting Strategies based on a proportion of direct personnel costs attributable to the implementation of the activities. This is the methodology used as part of the budget cycle in order to measure correctly the overall costs of undertaking projects on the internal electronic Integrated Management System. This methodology is applied to all areas of IPPF and has been selected for consistency of use and ease of implementation.

(3) Fundraising costs comprise of unrestricted expenses on activities related to regional income generation and resource development.

Regional activities by IPPF Strategic priorities and supporting strategies – 2012

	Total support costs US\$'000	Programme activities US\$'000	Regional fundraising US\$'000	Total US\$'000
Strategic priorities				
Adolescents	408	1,771	–	2,179
HIV/AIDS	376	2,237	–	2,613
Access	395	1,418	–	1,813
Abortion	391	2,662	–	3,053
Advocacy	789	6,307	–	7,096
Supporting strategies				
Accreditation & governance	407	2,258	–	2,665
Resource mobilization	351	941	1,729	3,021
Capacity building	1,019	6,525	–	7,544
Evaluation	202	953	–	1,155
Total 2012	4,338	25,072	1,729	31,139

7 Central activities

Central activities – 2013

	Unrestricted				Restricted programme activities US\$'000	Total US\$'000
	(1) Programme activities US\$'000	(2) Support costs US\$'000	Charitable activities Sub total US\$'000	(3) Central fundraising US\$'000		
Personnel costs	3,091	1,900	4,991	940	1,856	7,787
Consultancies	551	522	1,073	629	826	2,528
Travel	479	88	567	411	830	1,808
Occupancy	9	416	425	–	4	429
Communications	71	78	149	13	44	206
Other costs	426	514	940	52	943	1,935
Total 2013	4,627	3,518	8,145	2,045	4,503	14,693

(1) 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. 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 Priorities and Supporting Strategies based on a proportion of direct personnel costs attributable to the implementation of the activities. This is the methodology used as part of the budget cycle in order to measure correctly the overall costs of undertaking projects on the internal electronic Integrated Management System. 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.

Central activities by IPPF strategic priorities and supporting strategies – 2013

	Support costs US\$'000	Programme activities & support US\$'000	Central fundraising US\$'000	Total US\$'000
Strategic priorities				
Adolescents	246	841	–	1,087
HIV/AIDS	219	1,171	–	1,390
Access	239	861	–	1,100
Abortion	545	1,479	–	2,024
Advocacy	827	2,274	–	3,101
Supporting strategies				
Accreditation & governance	200	588	–	788
Resource mobilization	642	–	2,045	2,687
Capacity building	169	648	–	817
Evaluation	431	1,268	–	1,699
Total 2013	3,518	9,130	2,045	14,693

Central activities – 2012

	Unrestricted				Restricted programme activities US\$'000	Total US\$'000
	(1) Programme activities US\$'000	(2) Support costs US\$'000	Charitable activities Sub total US\$'000	(3) Central fundraising US\$'000		
Personnel costs	3,392	1,936	5,328	620	1,619	7,567
Consultancies	826	452	1,278	342	1,341	2,961
Travel	561	79	640	267	1,332	2,239
Occupancy	—	398	398	—	—	398
Communications	68	84	152	9	35	196
Other costs	228	476	704	34	1,003	1,741
Total 2012	5,075	3,425	8,500	1,272	5,330	15,102

(1) 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. 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 Priorities and Supporting Strategies based on a proportion of direct personnel costs attributable to the implementation of the activities. This is the methodology used as part of the budget cycle in order to measure correctly the overall costs of undertaking projects on the internal electronic Integrated Management System. 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.

Central activities by IPPF strategic priorities and supporting strategies – 2012

	Support Costs US\$'000	Programme activities & support US\$'000	Central Fundraising US\$'000	Total US\$'000
Strategic priorities				
Adolescents	235	906	—	1,141
HIV/AIDS	369	1,694	—	2,063
Access	179	573	—	752
Abortion	430	1,422	—	1,852
Advocacy	883	3,513	—	4,396
Supporting strategies				
Accreditation & governance	269	596	—	865
Resource mobilization	382	—	1,272	1,654
Capacity building	130	364	—	494
Evaluation	548	1,337	—	1,885
Total 2012	3,425	10,405	1,272	15,102

8 Governance costs

	Unrestricted US\$'000	Restricted US\$'000	2013 Total US\$'000	2012 Total US\$'000
External audit fees	178	114	292	258
Other fees paid to external auditor (individual donor grant certificates)	14	5	19	102
Other audit/accountancy fees	127	4	131	14
Publishing financial statements	4	–	4	4
Cost of trustee meetings	1,695	–	1,695	1,866
Total	2,018	123	2,141	2,244

Cost of trustee meetings by expense type

	2013 Total US\$'000	2012 Total US\$'000
Air fares	465	689
Hotels	369	293
Per diems	91	102
Personnel	92	113
Other	678	669
Total	1,695	1,866

Cost of trustee meetings by meeting type

	Frequency	Volunteers attending	2013 Total US\$'000	2012 Total US\$'000
Governing Council	Twice per annum	24	429	397
Audit Committee	Twice per annum	4	54	54
Membership Committee	Twice per annum	7	54	49
Regional Councils	Once per annum	324	703	862
Regional Executive Committees	Twice per annum	52	431	451
Other	Ad-hoc	28	24	53
Total			1,695	1,866

The above costs are based on volunteer and staff costs associated with attending the meetings. The number of volunteers attending the meetings are indicated. Only the 24 Governing Council members are UK trustees of IPPF. IPPF operates a strict expenses policy in respect of these meetings, to ensure that expense re-imbursements are linked to actual costs incurred, and that lowest-cost travel and subsistence options are used.

9 Employee numbers and emoluments

The average total number of staff employed during the year on full time contracts were:

	Central office 2013	Regional offices 2013	Total 2013	Total 2012
Technical knowledge and support	29	112	141	119
Strategic planning, external affairs, advocacy & communications	6	28	34	33
Management, governance, accreditation and policy	13	29	42	42
Resource mobilization	6	15	21	22
Support services – finance, information technology, human resources & administration	28	68	96	100
Trading subsidiary (ICON)	5	–	5	6
Total 2013	87	252	339	322
Total 2012	81	241	322	

The cost of employing these staff was:

	2013 US\$'000	2012 US\$'000
Gross salaries of individuals on IPPF payroll	18,420	17,450
Social security costs	1,809	1,661
Pension	1,440	1,454
Temporary staff employed through third party agencies	452	298
Other employee benefits	2,651	1,983
Redundancy costs	343	372
Staff employed through trading subsidiary	283	403
Total	25,398	23,621

The numbers of staff whose emoluments were over US\$100,000 (i.e. £60,000) fell into the following bands:

	2013	2012
US\$100,000 to US\$110,000	12	9
US\$110,000 to US\$120,000	11	11
US\$120,000 to US\$130,000	6	2
US\$130,000 to US\$140,000	4	1
US\$140,000 to US\$150,000	1	1
US\$150,000 to US\$160,000	2	4
US\$160,000 to US\$170,000	2	1
US\$170,000 to US\$180,000	–	1
US\$180,000 to US\$190,000	1	–
US\$190,000 to US\$200,000	–	3
US\$200,000 to US\$210,000	1	1
US\$210,000 to US\$220,000	–	2
US\$220,000 to US\$230,000	1	–
US\$310,000 to US\$320,000	–	1
US\$320,000 to US\$330,000	1	–
US\$340,000 to US\$350,000	1	1

Contributions amounting to US\$535,569 (2012: US\$470,110) were made to defined contribution schemes on behalf of 37 higher paid employees (2012: 36).

No ex-gratia payments were made during the year (2012: Nil). No trustee received remuneration during the year (2012: Nil).

10 Tangible fixed assets (group)

	Freehold property US\$'000	Leasehold property & improvements US\$'000	Fixtures, fittings, equipment & computers US\$'000	Total US\$'000
Cost or valuation				
At 1 January 2013	13,694	9,377	5,559	28,630
Exchange adjustments	–	3	17	20
Additions	14	–	427	441
Disposals	–	(2)	(525)	(527)
At 31 December 2013	13,708	9,378	5,478	28,564
Depreciation and amortization				
At 1 January 2013	3,882	143	4,285	8,310
Exchange adjustments	–	3	17	20
Charge for the year	766	9	480	1,255
Released on disposal	–	–	(498)	(498)
At 31 December 2013	4,648	155	4,284	9,087
Net book values				
At 31 December 2013	9,060	9,223	1,194	19,477
At 31 December 2012	9,812	9,234	1,274	20,320

All tangible fixed assets are held for charity use.

Freehold property relates to land and buildings held in Kuala Lumpur and London. The Kuala Lumpur, Malaysia property was valued at 30 September 2006 by Jones Lang Wootton, external qualified valuers. The market value using the comparison method was RM7,800,000 (US\$2,236,777). The London, UK property was valued at 20 November 2006 by Atisreal, external qualified valuers. The market value using the comparison method was £4,275,000 (US\$6,187,079).

11 Investments (group and charity)

	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	Total US\$'000
Listed on the American and New York Stock Exchanges				
Shares and securities at market value:				
At 1 January 2013	24,662	13,956	1,115	39,733
Additions	157	4,013	–	4,170
Disposal proceeds	(1,745)	(7,659)	–	(9,404)
Unrealized/realized gains for the year	2,957	214	140	3,311
Shares and securities at 31 December 2013	26,031	10,524	1,255	37,810
Investment property at market value:				
At 1 January 2013	1,131	–	–	1,131
Additions	–	–	–	–
Investment property at 31 December 2013	1,131	–	–	1,131
Investments at 31 December 2013	27,162	10,524	1,255	38,941
Investments at 31 December 2012	25,793	13,956	1,115	40,864

Shares and securities at historical cost:

At 31 December 2013	29,666	10,523	1,255	41,444
At 31 December 2012	27,392	13,953	1,115	42,460

The above figures include no cash held as part of the investment portfolio (2012: nil).

Investment property at market 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 open market value and the last independent property valuation was carried out as at 13 February 2013 by the external valuer Nesbitt and Co Ltd (Chartered Surveyors).

Investment in subsidiary

International Contraceptive & SRH Marketing Limited (trading as ICON) is a wholly owned trading subsidiary incorporated and registered in England and Wales. The principal activity of the subsidiary is the supply of commodity services and social marketing of contraceptives in conjunction with Member Associations.

Financial statements for the year ended 31 December 2013 have been prepared. The company ordinarily transfers its profits to IPPF via gift aid. A summary of ICON's turnover and expenditure for the year is below. These figures include inter-company income and expenditure recorded between IPPF and ICON, which is eliminated from the IPPF consolidated financial statements. Intercompany income primarily comprises revenue from the sale of commodities to IPPF for distribution to Member Associations, plus a management fee paid by IPPF for the procurement and logistics service provided by ICON. Intercompany expenditure removed on consolidation primarily comprises the cost of sales of commodities sold to IPPF, since these are recorded on the group balance sheet and recorded as commodity grant expenditure once distributed. ICON's turnover and expenditure excluding these inter-company transactions are US\$1,293,248 and US\$1,663,584 respectively.

During 2013 IPPF transferred the business activities out of ICON and into IPPF. The transfer of the business, staff and net assets occurred on 31 August 2013 at midnight. The retained profit of (US\$24,857) was paid to IPPF in the form of a dividend. In November 2013 the ICON board approved the restructure and reduction of the ICON share capital from US\$350,000 to US\$1. All members of the ICON board also signed a statement confirming the solvency of ICON. Later in November, the IPPF Governing Council approved the reduction of the share capital and voted to keep ICON as a dormant company from 1 January 2014. Funds were paid up to IPPF in the form of a dividend.

	2013 US\$'000	2012 US\$'000
Turnover	3,609	3,806
Cost of sales	(2,824)	(2,907)
Gross profit	785	899
Total expenses	(568)	(876)
Other income	–	30
Interest payable	–	–
Profit on ordinary activities before taxation	217	53
Gift Aid to IPPF	(217)	(53)
Retained profit for the year	–	–

The aggregate amount of assets, liabilities and funds was:

	2013 US\$'000	2012 US\$'000
Assets	–	998
Liabilities	–	(623)
Funds	–	375

Following the transfer ICONs operations to IPPF, ICON has become a dormant company with a notional share capital of US\$1.

12 Long term loans (group and charity)

	Unrestricted US\$'000	Restricted US\$'000	2013 Total US\$'000	2012 Total US\$'000
Loans to Member Associations	64	597	661	689
Total	64	597	661	689

All loans to Member Associations are interest bearing.

13 Receivable from donors (group and charity)

	Unrestricted US\$'000	Restricted US\$'000	2013 Total US\$'000	2012 Total US\$'000
Compton Foundation	–	10	10	10
Government of Netherlands	–	–	–	1,318
Government of United Kingdom	–	15	15	65
Government of Switzerland	2,187	–	2,187	–
The John D & Catherine T MacArthur Foundation	–	150	150	150
Population Services International (PSI)	–	11	11	19
Eric E & Edith H Bergstrom Foundation	–	101	101	101
MSH – Leadership Management Governance	–	94	94	109
Other (various)	537	40	577	1,697
Anonymous donors	–	152	152	152
Total	2,724	573	3,297	3,621

14 Deferred income (group and charity)

	Unrestricted US\$'000	Restricted US\$'000	2013 Total US\$'000	2012 Total US\$'000
Deferred income balances brought forward	1,011	1,711	2,722	1,650
Recognition of prior year's deferred income	(1,011)	(1,711)	(2,722)	(1,650)
Income received for activities in future periods	3,477	2,067	5,544	2,722
Movement on lease benefits to be amortized over the lease period	–	–	–	–
Deferred income balances carried forward	3,477	2,067	5,544	2,722

15 Provisions (group and charity)

	2013 US\$'000	2012 US\$'000
Opening balance	413	215
Utilized in year	(227)	–
Arising in year	–	198
Closing balance	186	413

Following an investigation by the Kenya Revenue Authority in relation to unpaid employment taxes, IPPF have provided US\$173,834. This balance is carried over from 2012.

The majority (US\$180,000) of the provision release relates to the provision created in 2012 to meet redundancy costs from a restructuring exercise undertaken in 2012 and 2013.

16 Funds and reserves (group and charity)

Restricted funds

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

	Balance at 1 Jan 2013 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2013 US\$'000
Government				
Australia				
SPRINT	5,965	6,117	8,212	3,870
Capacity Building in the Pacific	(325)	1	–	(324)
Canada				
Delivering the Muskoka Promise	(433)	2,781	1,767	581
Denmark				
Adolescents & Advocacy for SRH (A+)	759	–	763	(4)
Rio+20 Side Event	10	1	–	11
High Level Task Force	–	471	471	–
Finland				
Meeting Young People's Sexual & Reproductive Health Needs (Nepal)	12	–	–	12
High Level Task Force	–	661	661	–
Germany				
Addressing SRH of Youth in Angola	(20)	–	(20)	–
Improving Sexual & Reproductive Health of Young People in Haiti	(5)	–	(5)	–
Improving Sexual & Reproductive Health of Young People in Sierra Leone	2	–	2	–
Improving SRH in Myanmar, Laos & Thailand	(18)	–	(18)	–
Improving access to maternal health & SRH services in Afghanistan	1	–	1	–

	Balance at 1 Jan 2013 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2013 US\$'000
Improving access for young people in SRH services in Kyrgyzstan	110	974	858	226
Increasing access to comprehensive SRH services in Sierra Leone	(82)	–	–	(82)
Promoting Integrated SRH/HIV Services for Girls at Risk and Persons with Disabilities in Liberia	–	601	425	176
High Level Task Force	–	40	40	–
Ireland	–	–	–	–
Bolivia Vulnerable Youth	(2)	20	18	–
Irish Aid 2013–2015	–	8	1	7
Japan – HIV/STI/AIDS Trust Fund	2,787	821	1,282	2,326
Netherlands				
Youth Incentive Fund	16	–	1	15
Choices and Opportunities Fund	582	2,803	2,839	546
Civil Society and ICPD	497	–	890	(393)
High Level Task Force	–	172	172	–
ASK	–	2,206	1,304	902
New Zealand – Reproductive Health Facility for the Pacific	138	525	498	165
Norway				
CSW	(8)	–	(8)	–
HIV Integration Activities	7	–	–	7
Next Generation of Leadership	25	–	18	7
UN Resources Databases	337	231	337	231
Expanding and Improving Access to Safe Abortion Services	–	1,290	330	960
South Korea				
Emergency Reproductive Health Services in Banda Aceh (post Tsunami)	33	–	–	33
Reinforcing SRH on PLHIV: A Way Out	11	1	–	12
Access to RH in Burkina Faso, Lesotho and Uganda	123	–	–	123
Spain				
Improve Sexual and Reproductive Rights and Reduce Maternal Mortality in Sudan	7	–	7	–
United Nations Fund for Population Activities (UNFPA) Advocacy Programmes	17	–	17	–
Sweden				
SIDA funds for ARO	3,015	–	2,009	1,006
United Kingdom				
Joining Forces for Voice and Accountability (Europe and Western Hemisphere)	(233)	1,031	798	–
Improving the Sexual and Reproductive Health and Rights for Young Women in Nepal	54	40	75	19
Safe Motherhood Gender Based Violence in South Asia Region	45	–	45	–
People Living with HIV Stigma Index Research	13	–	13	–
Men's SRHR and Men as Partners	13	–	13	–
GPAF Supporting Vulnerable People Global Economic Downturn	3	–	–	3
United States of America				
Western Hemisphere Region Sustainability Fund	1,784	182	124	1,842
MSH – Leadership, Management & Governance	–	202	155	47
CA & Mexico HIV/AIDS	–	75	75	–
Population Council – The Evidence Project	–	–	18	(18)
Multi-donor Fund – Safe Abortion Action Fund	2,609	8,664	1,552	9,721
Total government restricted funds	17,849	29,918	25,740	22,027

	Balance at 1 Jan 2013 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2013 US\$'000
Multilateral and other sources				
Americares – Haiti Adolescent Girls Network (HAGN)	33	–	33	–
Arab Gulf Fund – Youth Health Protection	186	–	40	146
Bayer – Bayer Barometer 2013	21	–	(75)	96
Erik E & Edith Bergstrom Foundation				
WHR Clinic Services (Bolivia)	105	303	273	135
Revolving Fund CIES Bolivia	1	–	1	–
Expanding Regional Effort in UP and UA	(34)	–	–	(34)
Big Lottery Fund – Brong Ahafo project (Ghana)	(1)	–	(1)	–
Comic Relief – Give Stigma the Index Finger: Understanding and Responding to Stigma	86	112	166	32
The Compton Foundation – Emergency Contraceptives	15	–	15	–
Danish Family Planning Association – Family Planning for Gender Equality and Development in the Eastern African Region	–	93	30	63
Development and Public Affairs (formerly DEVCOM)- Donor Cultivation	18	–	5	13
Equilibrium & Populations – Emergency Contraception	5	–	5	–
European Commission				
EC Safe Motherhood Bangladesh	30	–	–	30
ECOWAS: Ownership to Donorship	(69)	–	(55)	(14)
EC V2F Project	395	–	–	395
SRHR of Youth (SAFE)	(213)	230	17	–
SARO Advocacy Project	(274)	–	339	(613)
The Unmet Need	40	–	40	–
Keep Me Safe	–	630	487	143
Capacities/Partnership/Change	–	–	(33)	33
The Ford Foundation				
Declaration of Sexual Rights	160	150	156	154
International Advocacy 2012- 2014	–	300	55	245
Futures Group International LLC – Women's Leadership for FP & RH Workshop	–	147	127	20
Bill & Melinda Gates Foundation				
Assessing Benefits of integrated HIV and Reproductive Health – Africa	1,363	1	1,299	65
Europe Champions Reproductive Health Worldwide	(1)	–	(1)	–
Tackling the Supply Challenge	1,480	–	1,480	–
Leadership Transition Fund	157	–	155	2
Marie Stopes International – Cervical Cancer Screening & Preventative Therapy	1,221	–	1,207	14
Advance Family Planning	–	462	344	118
Joining Voices	–	3,000	536	2,464
Gesellschaft für Internationale Zusammenarbeit (GIZ)				
Making Money Work for Women	(14)	–	(14)	–
GTZ Gender Dimensions of Stigma	(20)	–	(20)	–
GTZ Berlin Follow up Flexi Fund	19	–	1	18
Shadows and Light	12	206	84	134
GNP+ STIGMA INDEX WORKSHOP	2	–	2	–
Gynuity Health Projects – Simplifying Menstrual Regulation in Pakistan	–	21	21	–
William and Flora Hewlett Foundation				
Global Advocacy Umbrella grant	192	–	2	190
Emergency Assistance for RH in Tsunami Affected Areas	18	–	18	–
Multi-donor Fund – EuroNGOs	294	–	278	16
Leadership Transition Fund	19	–	9	10

	Balance at 1 Jan 2013 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2013 US\$'000
To Assess Budget Transparency for SRHR	(61)	192	124	7
ARO Performance Based Funding	133	–	130	3
General Support and Advocacy	193	313	284	222
Setting Africa's Agenda on SRH Post-2015	400	–	243	157
John Hopkins University – Contraceptive Security Advocacy Activities	(13)	12	(1)	–
International Federation of the Red Cross – Self assessment tools – HIV/AIDS	4	–	2	2
International Women Health Coalition – IWHC	2	–	–	2
Kabak Foundation – grant to Africa Regional Office	151	–	–	151
The John D & Catherine T MacArthur Foundation				
International Advocacy to Advance SRH&R	188	–	107	81
Building capacity of MA's to enhance governance, Management	143	–	123	20
GLOBAL NGO FORUM	21	–	1	20
EuroNGOs	12	–	12	–
ICPD 2012–2015	–	200	83	117
The MAC Foundation				
MAC AIDS Europe & East, Southeast Asia & Oceania	7	–	5	2
2012 Stigma Index	82	–	82	–
Make A Difference Trust – Positive? Awareness and Attitudes to HIV in the UK	3	–	1	2
New Venture Fund				
Building Strategic Alliances with BRICS Countries	63	–	57	6
Overbrook Foundation – Building Stronger Community with SRH Voices	80	–	–	80
Sir David Owen Memorial – University Bursary Fund	35	–	(1)	36
The David and Lucile Packard Foundation				
Country Global Pathways II	6	–	6	–
Country Global Pathways III	50	–	(1)	51
Country Global Pathways IV	751	–	731	20
Leadership Transition Fund	11	–	11	–
Women's Leadership ARO	213	150	58	305
Conferences in Population and Reproductive Health in Sub-Saharan Africa	5	–	–	5
Strengthening the Monitoring and Evaluation of Advocacy	9	–	1	8
Multi-donor Fund – Leadership Transition Fund	46	–	47	(1)
EuroNGOs	280	–	–	280
Population Action International – Resource Mobilization Awareness	28	–	(1)	29
Rutgers – EuroNGOs SONGs	13	–	13	–
Helen Seymour Fund – University Bursary Fund	86	–	7	79
Summit Foundation				
Youth Friendly Services Belize	8	–	–	8
Youth Friendly SRHS	56	–	56	–
Youth Friendly SRHS 2013–2014	–	185	126	59
Swedish Association for Sexuality Education (RFSU)				
Sexual Rights are Human Rights	28	111	92	47
A Partnership for Change	–	251	251	–
United Nations Fund for Population Activities (UNFPA)				
Linkages	10	–	–	10
Strengthening SRH/HIV Linkages Part II	1	–	–	1
Strengthening SRH/HIV Linkages Part III	4	–	–	4
Strengthening SRH/HIV Linkages Part V	(217)	216	(1)	–

	Balance at 1 Jan 2013 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2013 US\$'000
Solomon Islands earthquake relief	10	—	—	10
UNFPA NGO CODE	2	—	—	2
Reproductive health Mozambique	21	—	—	21
PMTCT 2010	(5)	—	—	(5)
UNFPA MDG5B Grant (ESEAOR)	2	—	—	2
UNFPA ESEAOR	10	—	—	10
60th Anniversary Partners' Dialogue	(14)	14	—	—
HIV linkages website	(1)	—	(1)	—
Joint Project on Adolescent Health (SROP)	8	—	—	8
RHI data feed	—	7	7	—
SRH and HIV linkages website 2013	—	6	4	2
Support for SARYN meeting / APPC	—	37	42	(5)
Strengthening SRH/HIV Linkages Part VI	—	107	551	(444)
Systems strengthening for RHCS	—	278	—	278
Africa Parliamentary Forum for Population Development	—	56	20	36
SRHR in East and Southern Africa	—	40	11	29
Increased capacity to implement the Minimum Initial Service Package in humanitarian Regional Programme	—	133	133	—
Conference/AGM Eurongos	—	20	20	—
United Nations Programme on HIV/AIDS (UNAIDS)				
PLWA Index Briefing Pack	(15)	—	—	(15)
PLHIV	(81)	—	(1)	(80)
Ireland MA	73	—	—	73
Technical Support Facility ESEAOR	973	1,464	1,541	896
Technical Support Facility EUROPE	(1)	—	(1)	—
Report Cards Young Women & Girls	8	—	2	6
UNIFEM – Promoting an integrated response to and prevention of VAW through a SRHR mechanism in Africa	1	(1)	1	(1)
Urgent Action Fund – Support to the 4th Conf on Sexual Health and Rights	(4)	—	—	(4)
ViiV Healthcare – Young People SRH/HIV in Kenya	121	—	91	30
The Virginia B.Toulmin Foundation – MHU in Dominican Republic and Bolivia	(9)	250	126	115
Waterloo Foundation – Integration of Family Planning Services into Outreach Work in Tanzania	—	81	—	81
Westwind Foundation				
Advocacy India	60	—	(5)	65
UC Foundation, Trust and Gov'ernment	75	75	150	—
World Health Organization				
Linkages Evidence Review	2	—	—	2
Rapid Assessment Tool Findings	—	18	16	2
Multi-donor Fund – EuroNGOs	(6)	13	13	(6)
Multi-donor Fund – Advocacy High Level Task Force	108	225	333	—
Anonymous donors (not disclosed at their request)	2,171	10,891	15,535	(2,473)
Other (various)	8,715	654	1,981	7,388
Total Multilateral and other sources	20,301	21,653	30,243	11,711
Total Restricted Funds	38,150	51,571	55,983	33,738

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.

	Note	Fixed asset reserve US\$'000	Staff reserve US\$'000	Other designated funds US\$'000	WHR sustainability fund US\$'000	Innovation fund US\$'000	Pension fund US\$'000	General fund US\$'000	Total US\$'000
Additions to Fixed Assets (note 10)	a	(39)	–	–	–	–	–	39	–
Contribution to Innovation Fund	b	–	–	–	–	293	–	(293)	–
Contribution to Director-General's Fund	c	–	–	350	–	–	–	(350)	–
Transfer into Designated Regional Fund	d	–	–	2,342	–	–	–	(2,342)	–
Transfer into Member Association Performance Fund	e	–	–	4,004	–	–	–	(4,004)	–
Transfer into Global Advocacy Fund	f	–	–	1,000	–	–	–	(1,000)	–
Transfer into Member Association System Strengthening Fund	g	–	–	2,000	–	–	–	(2,000)	–
Transfer into Cost Share Fund	h	–	–	3,000	–	–	–	(3,000)	–
Transfer into Resource Mobilization Fund	i	–	–	3,000	–	–	–	(3,000)	–
Transfer into Other Designated Funds	–	–	–	23	–	–	–	(23)	–
Transfers between funds		(39)	–	15,719	–	293	–	(15,973)	–
Balance as at 1 January 2013		20,321	791	36,710	19,894	4,917	(11,103)	22,901	94,431
Net incoming/(outgoing) resources		(805)	(4)	(7,528)	(1,001)	(206)	1,129	16,363	7,948
Net gains/(losses) on investment assets		–	–	–	2,915	–	–	53	2,968
Actuarial gains/(losses) on defined benefit pension scheme		–	–	–	–	–	712	–	712
Foreign exchange movements on pension liability		–	–	–	–	–	(141)	–	(141)
Foreign currency translation		–	–	–	–	–	–	181	181
Balance as at 31 December 2013		19,477	787	44,901	21,808	5,004	(9,403)	23,525	106,099

Explanations of movements on unrestricted funds and reserves:

- a 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.
- b US\$0.3 million was allocated to develop innovative projects centred around the '5 As' and Change Goals, to be undertaken as part of the next phase of the Innovation Fund programme.
- c The Director-General's Contingency and Emergency Funds have been allocated US\$0.35 million to fund unforeseen events and emergency situations respectively.
- d During the year regions made savings of US\$2.3 million. These funds are allocated to a designated fund for utilization on projects being undertaken in 2014.
- e US\$4 million has been transferred to the Member Association Performance Fund to support initiatives to achieve the doubling of SRH services by 2015.
- f The US\$1 million replenishment of the Global Advocacy Fund will enable the further support of UN advocacy and a number of events until September 2015 ensuring that the new global framework reflects SRHR is an imperative. It will also support the first two years of activity on Vision 2020 including an annual global day of action, a flagship V2020 report and funding for national V2020 events and the planned petition.
- g US\$2 million has been transferred to the Member Association System Strengthening Fund to support a number of initiatives. Two areas in particular have been identified for further investment: The Client Management Information System (CMIS) which is designed to ensure that good client records are kept and supports the good management of clinics; The implementation of DHIS2 supported by local telephonic, smart phone, electronic pen and paper data collection tools, which will strengthen current systems and provide improved information to management and governance.
- h US\$3 million has been transferred into the Cost Share Fund in recognition of increasing donor requirements for investment in programmes by way of cost share. Therefore, this Fund will support the Federation when cost share is required.
- i US\$3 million has been transferred to replenish the Resource Mobilization, which was established in 2010 to support Federation wide Resource Mobilization at a Central and Regional level.

Fixed Asset Reserve	The Fixed Asset Reserve represents the value of IPPF funds invested in unrestricted fixed assets (see note 10) or allocated for their replacement.
Staff Reserve	Staff Reserve funds have been set aside to provide for redundancy and other separation costs in the event that IPPF should terminate its activities. This requirement only applies to the staff within the Western Hemisphere Regional Office.

Other Designated Funds	Other Designated Funds include the Member Association Performance Fund, the Resource Mobilization Fund, the 21st Century Fund (for sustainability projects in South American Member Associations) and various funds set aside for use by specific IPPF Regional Offices.
WHR Sustainability Fund	The WHR Sustainability Fund was established by the Western Hemisphere Region during 2002 following the receipt of a single legacy to be used within that Region. The WHR Board have agreed to keep the legacy intact and to use the income generated for activities within the region. 3.5% of the fund is released per-annum, 50% of which funds Regional Office projects and 50% funds Member Association projects.
Innovation Fund	The Innovation Fund is used to develop innovative projects centred around the IPPF 5 'As'.
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 20.
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.

17 Forward commitments

	2013 US\$'000	2012 US\$'000
Orders for contraceptives and services due within one year	563	674

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

At 31 December, the following annual non-cancellable operating lease rental commitments existed:

Expiring		
In the next 1–2 years	88	457
Between 2–5 years	500	23
Over 5 years	–	–

18 Contingent liability

The Kenya Revenue Authority is currently requesting payment of taxes on employment income which IPPF believed was exempted by the Ministry of Foreign Affairs. Following similar claims relating to other tax periods which were successfully defended, management disclose a contingent liability of US\$227,573. This is in addition to the balance of US\$173,834 provided for within the 2013 balance sheet (included in note 15).

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.

An arrangement was entered into in 2011 in respect of a loan of US\$1,755,351 made by the David and Lucile Packard Foundation to Family Guidance Association Ethiopia (FGAE). Under the terms of the loan, the balance to be repaid to the lender has been guaranteed by IPPF. The loan capital is scheduled to be repaid to the lender in nine instalments of US\$195,000 over four years. The loan balance outstanding at 31 December 2013 was US\$780,156. In the event that FGAE does not meet the requirements of the repayment schedule, the liability will fall to IPPF.

19 Funds held on behalf of third parties

At 31 December 2013, IPPF held funds on behalf of the member association of Guatemala (Asociación Pro Bienestar de la Familia de Guatemala) amounting to US\$14,337,779 (2012: US\$12,739,936). These funds are held by IPPF WHR Inc as part of the overall investment portfolio. The funds are not included in the balance sheet as the trustees do not have a legal obligation to ensure their charitable application. The funds are invested as a separate fund, managed by the investment managers GMO.

20 Pension schemes

IPPF operates four pension schemes as described below:

The Central Office defined benefit pension scheme

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 2012 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 5.25% per annum pre retirement
- Investment return 4.0% per annum post retirement
- Pension revaluation before retirement in line with CPI (maximum 5%) – 2.6% per annum
- Pension increases after retirement in line with RPI (maximum 5%) – 3.2% per annum

The report for the actuarial valuation as at 1 July 2012 showed the fund to have an asset value of US\$40.313 million under the ongoing valuation method. This is equivalent to a funding level of 73% (market value of assets versus liabilities).

Following the actuarial valuation results at 1 July 2006 a decision was taken to close the scheme to the current members from 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. A recovery plan was submitted to the Pensions Regulator in September 2010. This will require the pension deficit to be paid off by 2020 and require a 3.4% annual increase in payments from the current level of US\$1.69 million.

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

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 (2012: 7%), and it is non-contributory for staff. For staff previously included in the defined benefit scheme a contribution of 10% of salary is made.

The 2013 pension charge for this scheme is US\$384,833 (2012: US\$419,712).

The Western Hemisphere Regional Office pension scheme

Most full-time staff in the Western Hemisphere Regional Office are members of this defined contribution scheme. It is non-contributory for staff, and IPPF contributes 11.37% of eligible employee compensation.

The 2013 pension charge for this scheme is US\$514,223 (2012: US\$529,392).

The Overseas Staff pension scheme

Most full-time staff 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 12% of basic salary, and is non-contributory for staff.

The 2013 pension charge for this scheme is US\$215,144 (2012: US\$194,498).

At 31 December 2013 there were no outstanding or prepaid contributions for any of the defined contribution schemes.

FRS 17 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 2012 and was updated for FRS 17 purposes to 31 December 2013 by a qualified independent actuary.

The pension cost charge for the period represents contributions payable by IPPF to the scheme and were as follows:

	2013 US\$'000	2012 US\$'000
	1,668	1,628

There were no outstanding or prepaid contributions at the year-end (2012: nil).

The major assumptions used in the FRS 17 valuation were:

	2013 Per annum	2012 Per annum	2011 Per annum
Inflation – RPI	3.65%	2.85%	2.9%
Inflation – CPI	2.95%	2.15%	2.4%
% Rate of discount	4.65%	4.4%	4.7%
Pension increases:			
Pre 88 GMP	Nil	Nil	Nil
Post 88 GMP	2.95%	2.15%	2.4%
Excess over GMP accrued pre 1.3.1998	6.0%	6.0%	6.0%
Excess over GMP accrued between 1.3.1998 and 31.7.2002	6.0%	5.5%	5.5%
Excess over GMP accrued between 1.8.2002 and 5.4.2005	3.65%	2.85%	2.9%
Excess over GMP accrued from 5.4.2005	2.3%	2.3%	2.3%

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

	2013	2012
Pre retirement mortality (male/female)	S1PA / S1PA	PNA00 / PNA00
Post retirement mortality for non pensioner members (male/female)	S1PA / S1PA	PNA00 / PNA00
Post retirement mortality for pensioner members (male/female)	S1PA / S1PA	PNA00 / PNA00

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 is 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:

	2013 US\$'000	2012 US\$'000	2011 US\$'000
Equities	10,940	4,906	11,241
Bonds	24,012	35,019	22,024
Cash	8,333	1,888	3,743
Property	1,063	486	572
Total market value of assets	44,348	42,299	37,580
Present value of scheme liability	(53,751)	(53,402)	(48,153)
Deficit in scheme – Net pension liability	(9,403)	(11,103)	(10,573)

The expected rates of return on the assets in the scheme were:

	Long-term rate of return expected at 31/12/2013	Long-term rate of return expected at 31/12/2012	Long-term rate of return expected at 31/12/2011
Equities	6.6%	5.7%	5.8%
Bonds	5.6%	4.7%	4.8%
Cash	3.6%	2.7%	2.8%
Gilts	3.6%	2.7%	2.8%
Property	6.6%	5.7%	5.8%

Movement in pension fund liability during the year

	2013 US\$'000	2012 US\$'000
Deficit in scheme at 1 January 2013	(11,103)	(10,573)
Employer's contributions	1,668	1,628
Other finance charge	(539)	(580)
Actuarial gain/(loss)	712	(1,139)
Exchange rate movement	(141)	(439)
Deficit in scheme at 31 December 2013	(9,403)	(11,103)

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 2012 and 2013.

The actuary has confirmed that the valuations made above under the requirements of FRS 17 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\$9,403 million does not exceed the unrestricted funds balance.

Charge to the Statement of Financial Activities over the financial year

	2013 US\$'000s	2012 US\$'000s
Employer's current service cost	–	–
Curtailment gain	–	–
Total operating charge	–	–
Expected return on pension fund assets	(1,815)	(1,753)
Interest on pension funds liabilities	2,354	2,333
Net return	539	580
Total charge to the Statement of Financial Activities	539	580

History of experience gains and losses

	2013	2012	2011	2010	2009
Difference between the actual and expected return on scheme assets					
Amount (US\$'000)	(392)	1001	(1,422)	1,725	2,548
Percentage of year end scheme assets	(1%)	2%	(4%)	5%	12%
Experience gains and losses on scheme liabilities					
Amount (US\$'000)	–	–	–	–	–
Percentage of year end present value of the scheme liabilities	0%	0%	0%	0%	0%
Total amount recognized in the statement of total recognized gains and losses					
Amount (US\$'000)	712	(1,139)	(5,175)	(533)	(4,738)
Percentage of year end present value of scheme liabilities	1%	(2%)	(11%)	(1%)	(18%)

21 Related parties

IPPF requires each Governing Council member and Audit Committee member to complete a declaration of material transactions and interest form. These are reviewed by senior management and the 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 people act in the best interests of IPPF at all times 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 indicate a conflict of interest. There are no other related party interests or transactions that require disclosure.

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Africa Region

Mr Kweku Brenu	Ghana
Ms Aya Eleonore Kouakou	Ivory Coast
Ms Eliane Berthe Mokodopo	Central African Republic
Dr Naomi Seboni (President)	Botswana

Arab World Region

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Mr Mohamed Tarek Ghedira	Tunisia
Dr Tawfeeq Naseeb	Bahrain
Ms Nadine Nabulsi	Palestine

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Dr Oyunaa Lkhagvasuren	Mongolia
Ms Linda Penno	New Zealand
Mr Jeross Romano Aguilar	Philippines

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Ms Sujatha Natarajan (Treasurer)	India
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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 2013

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

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