

A close-up photograph of a woman with dark hair, wearing a red top and a necklace with a pink bead. Another woman's hands are visible, one holding a comb and the other resting on the first woman's head, suggesting a hair styling session. The background is blurred.

Financial statements

2014

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

IPPF's total income has fallen by US\$10.0 million from US\$136.1 million to US\$126.1 million. This reduction is due to a fall in unrestricted government income of US\$2.2 million, a reduction of restricted government income of US\$8.0 million and reduced donations in kind of US\$2.2 million offset by an increase in restricted grants from multilaterals of US\$2.9 million. The total decrease is equally split between unrestricted and restricted income at US\$5 million each. With the exception of Australia, all government donors have held level or increased their unrestricted funding to IPPF in the donor currency. However the strengthening of the US dollar has had a significant impact, effectively reducing US dollar unrestricted income by approximately 9% on a like for like basis compared to 2013.

Total expenditure has risen from US\$132.8 million to US\$137.6 million. Unrestricted expenditure has risen from US\$76.8 million to US\$84.3 million while restricted expenditure has fallen from US\$56.0 million to US\$53.3 million. The increase in unrestricted expenditure is driven by an exchange loss (US\$3.6 million) and the use of designated funds to provide support in a number of areas: support in South Asia for system strengthening (US\$1.7 million); provision of support to Member Associations (MAs) to scale up services (US\$0.9 million); development of the new strategic framework (US\$0.4 million); international advocacy and supporting IPPF Vision 2020 campaign to place sexual reproductive health (SRH) and rights at the centre of the sustainable development agenda (US\$0.8 million); and support for resource mobilization at a regional and central level (US\$1.4 million). Restricted expenditure levels are driven by the timing of donor funded programmes, which vary on a year-by-year basis.

This has resulted in an unrestricted deficit of US\$4.6 million before other unrecognized gains and losses and a restricted deficit of US\$6.9 million, to generate a total operating deficit of US\$11.5 million. After taking into account actuarial losses on the defined benefit pension scheme the resulting net movement in funds was a reduction of US\$15.1 million

The level of unrestricted income received was as forecast in the 2014 budget and the expenditure in excess of income levels was funded using approved designated funds (US\$6.4 million). This resulted in a small increase in general reserves to US\$24.0 million and a fall in designated reserves to US\$85.9 million

“The unrestricted funding that our major donors have provided to us over the long term has enabled the Federation's Member Associations to build sustainable programmes of delivery and advocacy impacting positively the lives of millions of people.

Income in 2014 of US\$126.1 million

IPPF's unrestricted income from governments of US\$69.8 million fell by US\$2.2 million (3%) from US\$72.0 million in 2013 mainly because no unrestricted funding was received from the Government of Australia (US\$6.0 million). However, IPPF does expect to receive unrestricted funding from the Government of Australia in 2015. Four governments increased funding by a total of US\$2.8 million, namely the Governments of Finland (US\$0.4 million), Germany (US\$1.1 million) Norway (US\$0.4 million) and Sweden (US\$0.9 million). Restricted income from governments fell by US\$8.0 million to US\$20.8 million. In addition, IPPF received US\$1.3 million of donated commodities from UNFPA; this figure is reducing as UNFPA increasingly delivers commodities directly to Member Associations.

IPPF's total income from governments, foundations and other sources fell by US\$10.0 million between 2013 and 2014, a decrease of 7%. When considering these figures it should be noted that the dollar has strengthened by approximately 20% against most European donor currencies. This has had the impact of reducing unrestricted government grants by circa 9% between 2013 and 2014 on a like for like basis.

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 2013 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 149.3 million services (2013: 136.7 million) comprising of over 65.5 million services to young people, 3.8 million abortion services up 27% from 2013 and 31.8 million HIV services up 29% from 2013. The Federation also supported 81 successful policy and legislative changes in support or defence of sexual reproductive health services and rights. The increase in total services of 9% is in contrast to the slight reduction in Member Association income and therefore demonstrates the continued improvements in 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.

Expenditure in 2014 of US\$137.6 million

IPPF made grants to Member Associations (MAs) and partner organizations of US\$74.5 million, a decrease of US\$5.5 million (7%) from 2013. While restricted grants fell (US\$7.4 million) due to a number of programmes coming to an end, unrestricted grants rose by US\$1.8 million.

IPPF grant levels are set on the basis of income expectations for the year ahead. When funding received from donor governments exceeds forecasted levels, this excess is used to establish designated funds which are then used to support initiatives in future years. These additional resources have been used to support MAs and other partners in implementing initiatives in 2014 to scale up service delivery radically, support increased resource mobilization, reduce the defined benefit pension scheme deficit and support initiatives to improve performance across the Federation.

Total Expenditure on access programmes has increased by US\$1.7 million (5%) in 2014, driven by an increase in grant expenditure and programmes to accelerate access to reproductive health services funded from designated reserves. Expenditure on Abortion and Adolescents increased by US\$0.9 million and US\$1.0 million respectively as grant expenditure also increased.

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 1: Expenditure in 2014 of US\$137.6 million by type

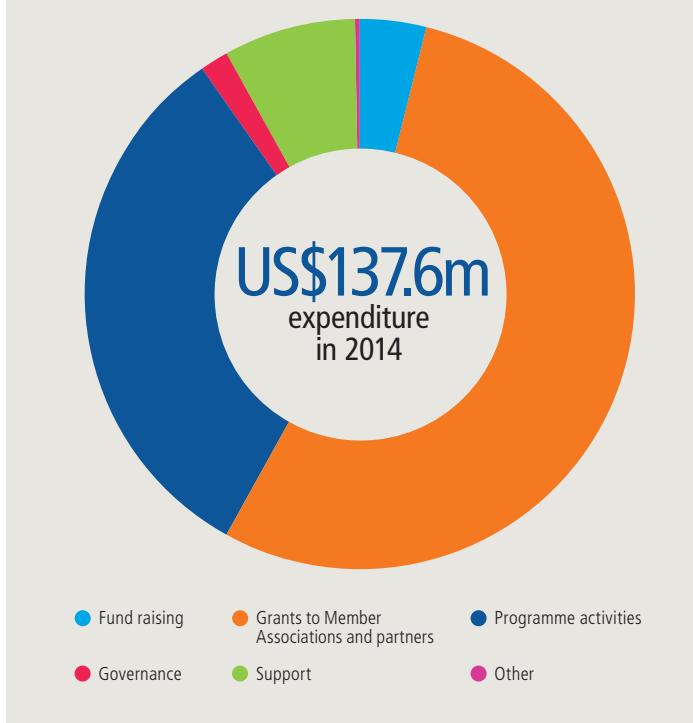
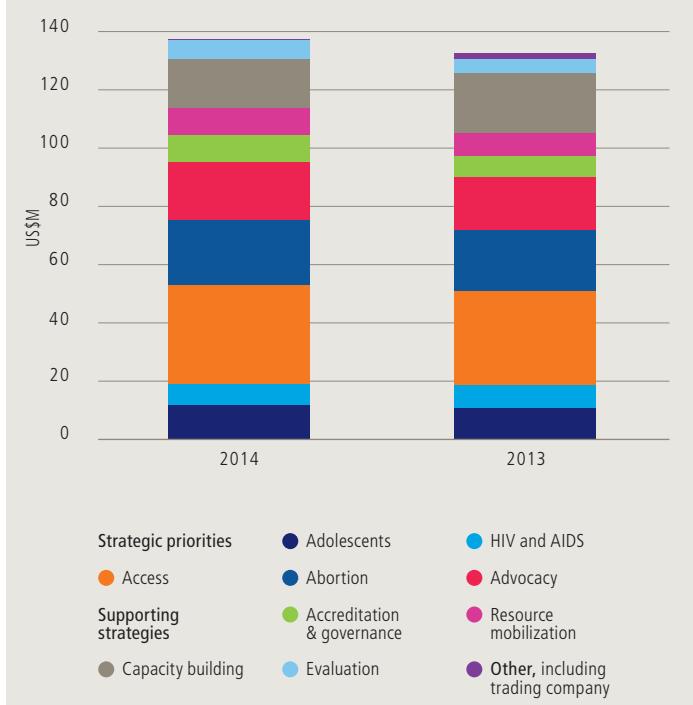


Figure 2: Expenditure in 2014 of US\$137.6 million by activity



Total funds and reserves have decreased by US\$15.4 million to US\$125.7 million

Explanation of move in designated funds

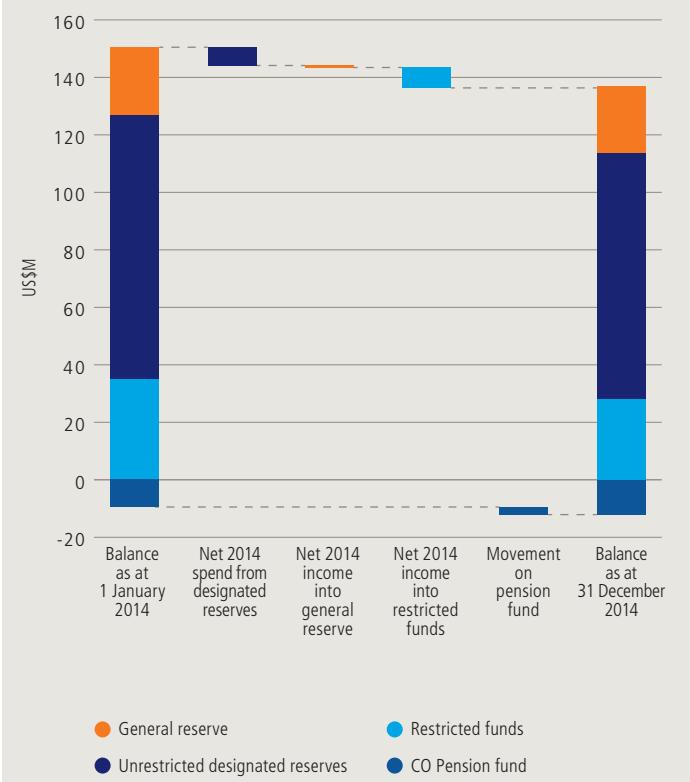
As at 31 December 2014 IPPF held an unrestricted general reserve of US\$24.0 million, an increase of US\$0.5 million (2%) compared to 2013. Unrestricted designated reserves, committed by IPPF's Governing Council to support specific areas of work, total US\$85.9 million, a decrease of US\$6.1 million (7%). The reduction in designated funds reflects the planned expenditure of the funds across a number of areas including supporting Member Associations to expand services, advocacy on sexual reproductive health and rights, resource mobilization and fundraising, and reducing the defined benefit pension deficit. 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 risk-based reserves policy, under which IPPF looks to maintain a general reserve balance within the range of US\$18 million to US\$24 million, with the 2014 year end general reserve balance falling at the top end of this range.

Restricted and endowment funds total US\$27.9 million, a decrease of US\$7.1 million.

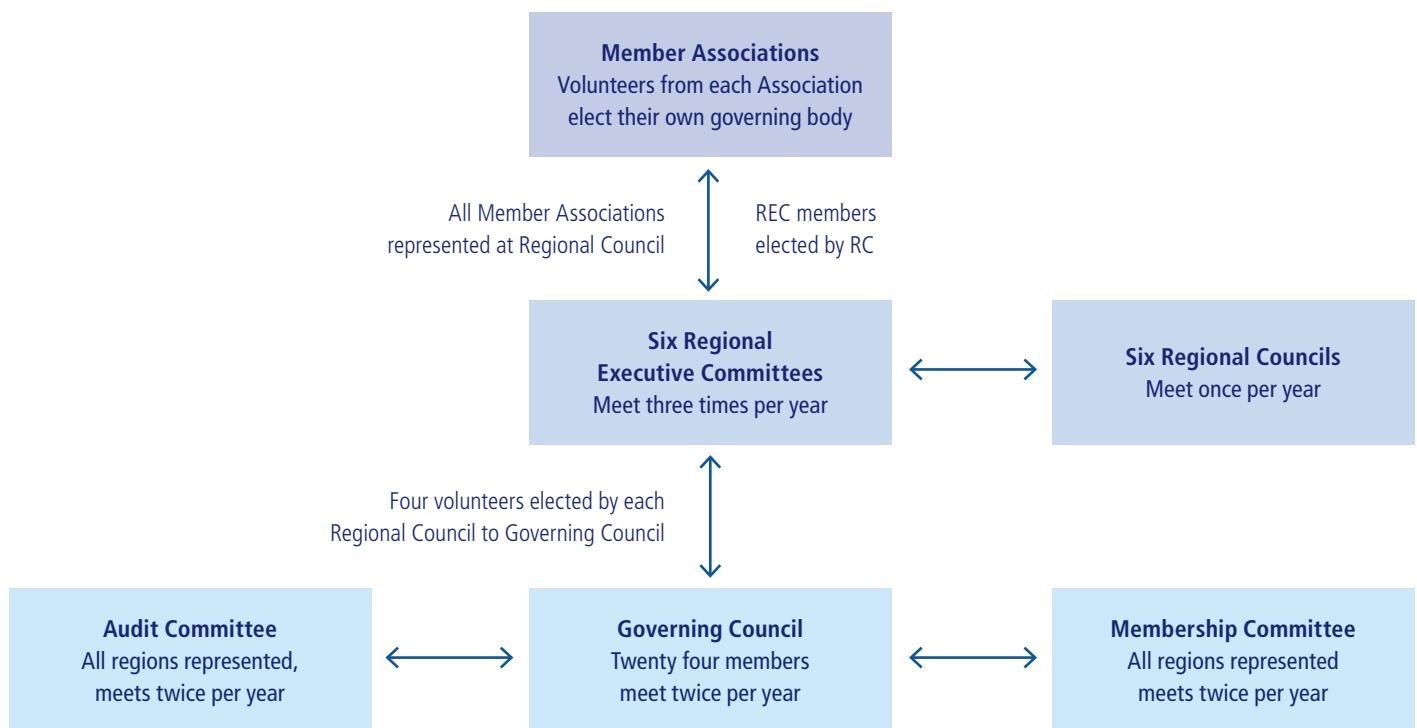
These unrestricted and restricted balances are offset by a statutory pension liability of US\$12.0 million as calculated under rules required by UK accounting standards.

The overall deficit position, excluding investment and pension fund movements, of US\$11.5 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 deficit position. The key driver for the deficit has been the planned use of designated funds and expenditure of restricted funds that had been received in prior years.

Figure 3: 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 147 Member Associations (MAs). These Member Associations are working in 159 countries (the Caribbean Family Planning Affiliation operates in 13 countries). In addition, IPPF is active in a further eleven countries where there is not currently a Member Association. This brings the total number of countries in which IPPF is working to 170.

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



IPPF/Nichole Sobecki/Bolivia

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 in its Strategic Framework. The Strategic Framework demonstrates that IPPF is engaged in activities which have general public benefit in the 170 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 2014. 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 the trust deed of the charity and charity law, the Governing Council is responsible for preparing the Governing Council's Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governing Council to prepare financial statements for each financial year.

The group and charity's financial statements are required by law to give a true and fair view of the state of affairs of the group and the charity and of the group's and the charity's excess of expenditure over income for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the charity will continue in business.

The Governing Council is required to act in accordance with the trust deed of the charity, within the framework of trust law. It is 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 (one post vacant at December 2014), including the Finance Director.

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 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 to Crowe Clark Whitehill LLP, assesses risks and reviews controls within IPPF. Using a risk based approach the firm undertook a number of audits in 2014. 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 by both the Secretariat and Member Associations
- Ensuring resources can be raised to fund operations in a rapidly changing environment
- Reliance on a small group of key donors
- A highly organized opposition to sexual reproductive health and rights
- Ensuring all aspects of duty of care for staff are well managed and maximising staff retention
- The strategic direction of Governments' development policies are not aligned with the mission of IPPF
- The respective roles of Governance and Management
- A failure to clearly demonstrate the impact of the organization
- Systems failure
- Compliance failure and fraudulent activity

For each identified risk a mitigation strategy has been identified and implemented.

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 that 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 and support 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’s 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 has developed a new strategic framework using a process that ensures that the views of all key stakeholders are taken into account in its development. The new strategic framework was discussed and approved by the Governing Council in 2014 and will become operational in 2016. At the

present time work is on-going in developing an implementation plan for the Strategic Framework at both the Secretariat and Member Association level.

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.

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

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

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

Areas of work

The following provides a brief overview of some of IPPF's activities and achievements in 2014. 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. The 2014 report will be published in June 2015.



Adolescents and young people

Adolescent programmes

In 2014, IPPF secured an extension of its youth programme "Choices and Opportunities", funded by the Government of the Netherlands, to continue, expand and consolidate the progress and achievements of the past four years of youth work. The programme now works in 17 countries across all six IPPF regions and is supporting MAs to increase access to SRH services, comprehensive sexuality education (CSE) and supporting advocacy to advance the sexual health and rights of young people. In addition, the David & Lucile Packard Foundation awarded IPPF a two year grant to focus on abortion stigma as it relates to young people's access to abortion services.

Youth centred approach

IPPF, with the support of regional youth volunteers and key partner organizations including WHO and UNFPA, developed a strategic document entitled "Young at heart: transforming IPPF from youth-friendly to youth-centred". This examines the legacy of IPPF's work with young people over the last 25 years, celebrates lessons learnt and articulates a vision for a future to place youth at the centre of our programming. IPPF has developed a unique approach to youth participation whereby young people play a role in all areas of our work, including governance, advocacy, services and programming. "Young at Heart" looks at ways of building on that momentum to ensure that IPPF remains a leader in youth programming and participation.

Comprehensive sexuality education

IPPF conducted a regional roll out of its new CSE assessment tool, "Inside & Out", facilitating 30 Member Associations to review and assess the comprehensiveness and quality of their sexuality education programmes. The tool supports Member Associations in providing high quality, rights-based CSE for adolescents and young people, both inside and outside of the school setting. The findings and recommendations of the assessments are informing IPPF's youth programme development, Member Association's work plans and collaboration with government to create change that supports young people's sexual and reproductive health and rights (SRHR).

IPPF co-hosted an expert meeting with UNFPA, WHO, Population Council and others to discuss the latest advances of programme evaluation of CSE that address the integration and mainstreaming of gender and human rights into their curricula and its delivery, both in-school and out-of school, with a special emphasis on evaluation design, methodology and common measures of critical indicators. This will lead to a global consensus on a common framework for programme evaluation, which will identify the indicators and variables of the empowerment approach to CSE.

Young people's access to SRH services

In 2014, the number of services and referrals provided to young people rose to 66.5 million, maintaining IPPF's place as a leading global service provider and reaffirming its commitment to the rights of young people.

IPPF updated Provide, a self-assessment tool for youth friendly services. The updated version built upon work done in the past five years on integrating sexual rights into service delivery and applied learning from programme evaluations on what it truly means to provide youth friendly services. It was piloted in two countries and will further be rolled out to all the Regions in 2015.

In 2014 IPPF started the process to expand our work on working with young people as partners. Peer education work, for example, has evolved in many ways: as experience and research have shown the need to establish a link between educational activities and access to services, peer educators are now increasingly providing contraceptives (including injectables) and counselling. The notion of who can provide services has also changed significantly with authoritative sources, such as the World Health Organization, recommending task sharing/task shifting for the provision of different sexual and reproductive health services.

Youth participation

In 2014 IPPF continued to fund youth-led projects worldwide. The third round of the "MYX Fund" saw young people in the Czech Republic, El Salvador, Egypt, Estonia, Fiji and Ghana be awarded small grants to realize projects which: promoted young people's right to information and education on sexual and reproductive health; linked information and access to services for young people at the local level; and strengthened IPPF's youth networks at the national and community levels.

Gender and rights

During 2014 IPPF developed policy papers on gender and economic empowerment and these will be formally launched in 2015. Furthermore we held a webinar for HerHealth to start the discussion with the commercial sector on linkages between economic empowerment and sexual and reproductive health of women and girls highlighting the economic consequences of not addressing these and examples of success stories.

In May 2014, the Governing Council approved a new progressive gender policy that demonstrates IPPF's commitment to eliminate gender inequality and sets out specific and targeted actions to address social norms that impede the ability to participate equally and freely in society. IPPF recognizes that gender norms and patriarchal structures are pervasive and affect women disproportionately. Women and girls have lower status, fewer opportunities, and less access to power than men and boys. IPPF recognizes that gender norms also reinforce constructs of masculinity that are harmful to men and boys and individuals who do not conform to these rigid definitions.



IPPF/Peter Caton/Uganda

Rights

Funded by the Ford Foundation, IPPF continued its work on implementing its Declaration for Sexual Rights based approach in several countries, including advocacy work on early marriage in Niger, working with sex workers in Georgia, and capacity building on masculinity and male engagement in Nepal.

HIV and AIDS

IPPF continues to scale up our work on HIV to address prevention and stigma, and the treatment, care and support needs of people living with HIV, with a particular focus on key populations (sex workers, people who use drugs, men who have sex with men, and transgender people). HIV services are integrated into existing sexual and reproductive health services in IPPF clinics, and overall in 2014 we provided 31.8 million HIV related services, significantly exceeding the target of 24.7 million.

Integration

Integration of HIV services into IPPF's existing sexual and reproductive health services is at the heart of the work of the HIV team. A key component of strengthening integrated service delivery has been capacity building with Member Associations. This work includes: scaling up services around sexually transmitted

infections; eliminating mother to child transmission of HIV; and meeting the sexual and reproductive health and HIV needs of people living with HIV and key populations. With funding from Government of Japan and German BACKUP Initiative, integrated HIV programmes have targeted women, young people and key populations in 13 countries.

Stigma

Stigma continues to be a major factor hindering HIV prevention, treatment, care and support, and affecting the overall health and well-being of people living with HIV. At the International AIDS Conference, Oral Testimony Works and IPPF launched a publication featuring personal experiences of HIV-related stigma. "'Stigma is still my most serious challenge'" presents oral testimonies of men and women living with HIV in Ethiopia, Mozambique and Swaziland. These testimonies were recorded as part of a three year project funded by Comic Relief and implemented by IPPF and its partners. In September, a report "HIV and Stigma: The Media Challenge" by the International Broadcasting Trust (IBT) and IPPF was launched in the UK House of Commons. While the media has a crucial role to challenge such prejudice, there is a fatigue in their response to the global HIV epidemic. IPPF calls for a holistic and multi-levelled response to address HIV stigma and discrimination to ensure people living with HIV everywhere can enjoy a stigma-free and dignified life.

Abortion

2014 saw a year of successes for the Abortion programme. At the beginning of the year, IPPF brought together participants from 26 countries around the globe in a unique global meeting to share their experiences, successes and challenges in promoting a woman's right to choose and to expand the provision of safe abortion and related services. Participants discussed key achievements under the Abortion Strategic Action Plan, IPPF's framework for abortion service delivery and advocacy.

The achievements being made across the Federation on abortion programming are evidenced by IPPF's service statistics. Overall in 2014, approximately 3.8 million abortion related services were provided by all IPPF MAs indicating an increase of 28% from 2013. About 28% of these services were clinical abortion services, with a big increase seen across the Federation in the provision of treatment for incomplete abortion services, as well as harm reduction services. A total of 83 Member Associations reported providing clinical abortion related services in 2014, including four Member Associations that reported providing these services for the first time.

IPPF continued to make considerable progress in expanding access to safe abortion services, post-abortion care and contraceptive services through the Global Comprehensive Abortion Care Initiative (GCACI). In 2014, the 11 participating Member Association across four regions provided 61,337 clients with an abortion or treatment for incomplete abortion, an increase of 12% from 2013, while the total number of clients provided with contraceptive service totaled 662,256, an increase of 30% from 2013. These achievements were made possible through the use of client-based data to inform and develop programmatic strategies and decisions, leading to the identification of focused awareness raising activities with the community.

IPPF was also able to expand its abortion work with new restricted funded programmes in 2014. The Norwegian government is supporting IPPF to expand access to safe abortion through access to high quality medical abortion services across the Federation by improving the capacity of clinics and service providers, and ensuring commodity availability and quality. In addition, the Packard Foundation awarded IPPF a grant to explore and address abortion-related stigma among young people and address the impact of stigma on young people's access to safe abortion information and services.

IPPF is also working to raise awareness and tackle abortion-related stigma through an innovative new series of short films – "Women's Voices" – telling the real abortion stories of three women from India, Cameroon and France. Though each of the woman's experience is different and unique, what they have in common is that the decision they made was right for them and their families.

Access

IPPF's service delivery initiatives aim to support and contribute to the organization's strategic approach to treble services from their 2013 level by 2020, through promoting provision of quality, integrated sexual and reproductive health (SRH) services.

Quality of Care (QOC)

The QOC team contributed to the development of the terms of reference for the QOC Technical Working Group and the consensus document of the components of the IPPF QOC system. Several QOC tools were developed during the year, including the revised Quality Assessment Checklist and the Comprehensive QOC Assessment Tool which incorporates all the components of the Integrated Package of Essential Services (IPES) and can be utilized for assessing static and non-static service delivery points.

Integrated services

The service delivery team focused on consolidating IPES as one of the key strategies for strengthening integration and expansion of SRH services in IPPF. Several tools and information materials were developed to support MAs in monitoring implementation of IPES, including a briefing paper – IPPF's Integrated Package of Essential Services which was launched in November. The dissemination of the briefing paper will contribute to IPPF reaching its target of 30% of MAs providing integrated package of essential services. A working group was also established to update the IPES online resource and develop a vision paper.

In April 2014, a US\$3 million Scale-up Fund was approved to support strengthening of service delivery approaches in social franchising (\$0.5 million), sexual and gender based violence (\$1.5 million) and cervical cancer screening and treatment (\$1 million). The Scale-up Fund complements the Catalytic Fund, which disbursed over \$1.5 million to support 20 focus country MAs and one regional programme to implement a range of innovative service delivery initiatives and approaches. The Social Franchising Working Group developed guidance for MAs for implementation of the associated clinic model.

Through the DFID/UNFPA Implant Fund, nine MAs from three regions received \$27,000 each to support the scale up of implants as part of a well-balanced contraceptive method mix.

The Gates-funded Cervical Cancer Screening and Preventive Therapy initiative recorded a notable increase in the number of services provided, including visual inspection with acetic acid (VIA). Building on this success, IPPF is supporting an additional 6 MAs through the Catalytic Fund to strengthen cervical cancer prevention.

Advocacy

IPPF seeks to promote sexual and reproductive health and rights through influencing decision-makers in national governments, multi-lateral institutions and international fora. The Federation organized its largest ever international advocacy programme in 2014, continuing its role as a leading civil society voice for change.

IPPF successfully influenced the inter-governmental process for agreeing new sustainable development goals – the post-2015 process. Working with allies, IPPF ensured that sexual and reproductive rights were mentioned in every session convened by the group of governments (the Open Working Group) tasked with drafting the proposed new goals. IPPF Member Associations strengthened support for sexual and reproductive health and rights at the national level and the final draft of the Open Working Group's proposals calls for a goal on gender equality and features targets on sexual and reproductive health, and reproductive rights.

IPPF ran well-attended events at international, regional and national events including the United Nations General Assembly and Special Session on the International Conference on Population and Development, the Commission of the Status of Women, the Commission on Population and Development, the World Health Assembly and regional reviews of the Beijing Platform for Action and in Africa the Maputo Plan of Action.

IPPF continued to share information with civil society organizations around the world which are working to hold governments to account for the pledges made at the 2012 London Family Planning summit. IPPF hosted meetings of family planning activists and champions and ensured that southern voices for family planning were heard in internal fora. IPPF also led research on the use of social accountability methods in family planning programmes. IPPF provided training for Member Associations on the Universal Periodic Review process and supported them to submit shadow reports to the Human Rights Council.

IPPF continued to work in partnerships and coalitions at international, regional and national levels, including with agencies like UNFPA, with champions such as African First Ladies, advocacy groups like the Reproductive Health Supplies Coalition and the FP2020 movement, as well as with influential governments.

IPPF continued to influence the World Bank, launching a scorecard measuring progress on the Reproductive Health Action Plan during the Bank's 2014 spring meetings and influencing the design of the new Global Financing Facility. IPPF convened civil society organizations from Brazil, India, China and South Africa to advocate at meetings of BRICS governments on population matters.

IPPF's global "I decide" campaign, launched on Vision 2020 day of action in May, secured popular support from around the world for sexual and reproductive health and rights and gender equality. Over 350,000 people signed IPPF's petition and campaign

messages are reaching supporters through social media, video films, animations and email action alerts, as well as events. IPPF's social media campaign won a trophy at the Population Institute's 35th media awards.

In 2015 IPPF will continue to promote the petition and to influence the inter-governmental negotiations on the new sustainable development goals until the UN General Assembly meeting in September 2015. IPPF's advocacy for funding for sexual and reproductive health and rights will continue as will the push for accountability around family planning pledges.

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.

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 2014 the Federation has carried out 131 accreditation reviews under the revised system and a total of 95 Member Associations have been accredited. During this period three Member Associations have been expelled.

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 2014 actual

achievement against the 2014 targets as well as actual results for 2011, 2012, and 2013.

Target	2011 (actual)	2012 (actual)	2013 (actual)	2014 (target)	2014 (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	97	50	81
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	13	5	17
U3 Proportion of Member Associations monitoring obligations made by government in the international human rights treaties that they have ratified	n/a	42%	55%	n/a	54%
Deliver					
D1 Number of SRH services provided	89.6m	112.7m	136.6m	149.0m	149.3m
D2 Couple years of protection (CYP)	9.1m	11.8m	12.1m	15.1m	14.5m
D3 Number of SRH services provided to young people (under 25 years) (as a % of all services provided)	37.4m (42%)	45.1m (40%)	66.2m (48%)	71.5m (48%)	66.6m (45%)
D4 Number of abortion-related services provided	1.6m	2.1m	3.0m	4.9m	3.8m
D5 Number of HIV-related services provided	15.1m	19.2m	24.8m	25.1m	31.8m
D6 Estimated number of IPPF clients who are poor and/or vulnerable (as a % of all clients)	24.9m (73%)	36.1m (81%)	48.8m (81%)	41.8m (79%)	52.6m (85%)
D7 Proportion of Member Associations providing the Integrated Package of Essential Services	14%	21%	26%	44%	30%
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	25.1m	27.6m	25.2m
Perform					
P1 Total IPPF income (unrestricted and restricted) (US\$)	127.6m	144.8m	136.1m	145.7m	126.1m
P2 Total Member Association income (minus IPPF income), supported by the Secretariat (US\$)	324.3m	372.1m	384.1	415.6	370.3
P3 Proportion of IPPF's unrestricted funding used to reward Member Associations through a performance-based funding system	1%	6%	7%	10%	9%
P4 Proportion of Member Associations using SRH service costing data from static clinics	n/a	13%	27%	25%	28%
P5 Number of Member Associations collecting data on poverty and vulnerability status (using the IPPF Vulnerability Assessment methodology)	1	10	20	35	31
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%	63%	90%	73%

The results for “Unite” are positive with the indicators surpassing their targets. In 2014, Member Associations’ advocacy efforts contributed to 81 policy and/or legislative changes in support of sexual and reproductive health and rights issues. This is 60% above 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 global advocacy efforts of IPPF also contributed to 17 global and regional policy initiatives and/or positive legislative changes in support or defence of SRHR. The third indicator relates specifically to the watchdog role of Member Associations to hold their governments to account on promises they have made. In 2014, 54% (2013: 55%) 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 progress compared to 2013. The number of sexual and reproductive health services increased by 9% from 2013, and slightly exceeded the target. Similarly, the number of Couple Years of Protection (CYP) increased by 20% from 2013, but was 4% lower than the target. Significant progress was also made in the number of HIV-related services provided – an annual increase of 29%. The number of young people completing a sexuality education programme delivered by IPPF increased slightly to 25.2 million (2013: 25.1 million). IPPF’s commitment to reaching the poorest and most vulnerable is reflected in the result that 85% of clients were estimated to be poor, marginalized, socially-excluded and/or under-served. This is 6% higher than the target and a 12% improvement on the 2011 performance. The number of poor and/or vulnerable clients served increased to 52.6 million in 2014 (47.1 million in 2013), an increase of 8%. The number of services provided to young people went up slightly from 66.2 million in 2013 to 66.6 million in 2014, but this is below the target set of 71.5 million. The provision of abortion-related services increased by 27% to 3.8 million in 2014; again, a good result, but one which did not achieve the 2014 target of 4.9 million. Finally, the proportion of Member Associations providing an integrated package of essential services improved, from 26% to 30% between 2013 and 2014, but did not meet the target of 44%.

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 7% from 2013, to US\$126.1 million, although this was mainly due to the strengthening of the US\$ against donor currencies and the temporary reduction in funding from the Government of Australia. Income raised by Member Associations of US\$370.3 million

showed a reduction of 4% between 2013 and 2014, but this is entirely due to the Brazilian Member Association leaving IPPF.

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 9% in 2014. The overall aim is to reach 10% by 2015, as agreed by IPPF’s Governing Council. In 2014, 28% of service delivery Member Associations used sexual and reproductive health service costing data; the target for 2014 is 25%. 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 31 Member Associations. This is below the target of 35, but an improvement on the 2013 result of only 20. Finally, the proportion of Member Associations that have 20% or more young people on their governing board increased from 63% to 73% between 2013 and 2014, although this did not meet the target of 90%.

Resource mobilization

To realize the ambition of its strategic framework IPPF must rapidly diversify and expand its sources of funding. Across the Secretariat and at the Member Association level a wide range of resource mobilization activities are being undertaken to build capacity in resource mobilization, this has resulted in an increased investment in expenditure on resource mobilization activity in the Secretariat from US\$4.3 million in 2013 to US\$5.4 million in 2014. In particular, IPPF is investing in strengthening its systems such that it can effectively respond to competitive application processes for national and global funding opportunities. This is requiring a significant culture and step change in how resource mobilization is considered. In building this new culture, in 2014 volunteers and staff from Member Associations and the Secretariat from Asia, Africa, Arab World, the Caribbean, Latin America, and the Pacific all received training in how to effectively engage with donors and prepare winning proposals. These training sessions brought together staff from different divisions so that they could work together to understand their respective roles, and to design the systems, that will attract new income to the Federation.

In 2014 IPPF received increased unrestricted funding contributions from the Governments of Finland, Germany, Japan and Sweden alongside a renewed commitment from the Governments of Denmark and New Zealand. Additionally, IPPF agreed a new funding agreement with the US Government. This was the first since the lifting of the global gag rule in 2008.

Financial review

Statement of reserves

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

The Governing Council in May 2014 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 goals set out in its current Strategy and deliver the outcomes laid out in its new Strategic framework, whilst also safeguarding the charity from the increasing levels of economic volatility affecting the sector.

The general reserve level as at 31 December 2014 of US\$24.0 million, an increase of US\$0.5 million from the balance as at 31 December 2013, falls at the top of this approved range. The unrestricted expenditure programme budget for 2015 is US\$76.1 million. The current general reserve balance of US\$24.0 million represents 32% of this budgeted amount.

Unrestricted funds are designated at the discretion of the Governing Council. The largest designated fund relates to the Western Hemisphere Sustainability Fund. This fund of US\$21.6 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 five members, including the chair, who also serves as WHR's honorary legal counsel, the treasurer of the WHR board, and three other members who have specific and relevant investment experience. One of the three investment managers, GMO LLC 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% U.S.A., 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 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 broadly matched budget assumptions because the governments of Sweden, Germany, Norway and Finland increased their unrestricted contributions by US\$1.0 million, US\$0.8 million, US\$0.4 million and US\$0.4 million respectively after budgets were finalised, offsetting the reduction from Australia (US\$6.0 million). In addition, IPPF received US\$1.3 million of unrestricted income due to the donation of free stock from UNFPA.

Total unrestricted expenditure of US\$84.3 million covers grants (US\$45.6 million), secretariat expenditure (US\$31.5 million), fundraising costs (US\$5.0 million) and governance (US\$2.2 million). It should be noted that the Central Office unrestricted expenditure contains a US\$3.6 million charge for currency losses on non US\$ deposits. The total unrestricted expenditure of US\$84.3 million was in line with 2014 budget plus approved funding from designated funds and resulted in an unrestricted deficit of US\$4.6 million.

There was a restricted deficit of US\$6.9 million. The majority of this was accounted for by activity using funds received in prior years: Safe Abortion Action Fund (US\$3.3 million); the high level task force on Sexual and reproductive health and rights funded by the Government of the Netherlands (US\$1.3 million); and the Gates fund "Joining Voices" programme which safeguards and strengthens European donors' commitment to reproductive health and family planning (US\$2.0 million). A full analysis of restricted projects balances and 2014 income and expenditure is available in note 16.

Income

The overall income of IPPF has fallen by US\$10.0 million (7%) to US\$126.1 million (2013: US\$136.1 million). The decrease is equally split in value terms between unrestricted and restricted income at US\$5 million each. Overall, restricted funding represents 37% of IPPF's income, which is line in line with 2013 levels. With the

exception of Australia, all other government donors have held level or increased their unrestricted funding to IPPF. However, the strengthening of the US dollar has had a significant impact effectively reducing US dollar unrestricted income by approximately 9% on a like for like basis compared to 2013.

IPPF's main source of funding is government grants, which account for 72% (2013: 74%) of total income. In 2014 unrestricted government funding decreased by US\$2.2 million (3%) to US\$69.8 million. While funding from the Governments of Finland (US\$0.4 million), Germany (US\$1.1 million) Norway (US\$0.4 million) and Sweden (US\$0.9 million) all increased, this was offset by the fact that no funding was received from the Government of Australia in 2014. It is expected that the Government of Australia will provide unrestricted funding to IPPF in 2015.

IPPF also received income in kind from an unrestricted commodity grant of US\$1.3 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\$20.8 million, down from US\$28.8 million in 2013. The main cause of this reduction was funding to the Safe Abortion Action Fund (reduction US\$4.0 million) as funds for the current phase of the project were received in previous years. In addition, funding from Canada and Australia reduced due to their programmes coming to an end in 2015 and 2014 respectively. The Government of Australia continued to provide support (US\$4.4 million) in relation to the global SPRINT Initiative to provide sexual and reproductive health services to crisis and post crisis areas in South East Asia, the Pacific, South Asia, and Africa. The Government of the Netherlands provided funding for a number of programmes including US\$2.7 million to support a major initiative on adolescents work, the "Choices and Opportunities Fund" and US\$2.5 million 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 to promote sexual reproductive health services in Liberia and to displaced persons in western Côte d'Ivoire.

The Government of Canada provided US\$1.7 million to support access to family planning in five countries. The governments of Denmark, Norway, United Kingdom and an anonymous donor also provided funding of US\$4.6 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 increased by 8% from US\$29.2 million to US\$31.7 million. The key reasons for the increase were increased funding from the anonymous donor for work on accessing safe abortion and UNAIDS for the technical support facility in South East Asia. The multilateral and other unrestricted funding came mainly from the William & Flora Hewlett Foundation (US\$2.0 million) and public donations, chiefly in the Western Hemisphere Region. Restricted income of US\$25.3 million was received from multi-laterals covering a number of multi-year projects. The Bill & Melinda Gates Foundation's provided of US\$2.0 million relating to cervical cancer screening, advocacy to promote the use of family planning and increasing understanding of family planning.

Expenditure

IPPF spent US\$137.6 million in 2014. This compares to US\$132.8 million in 2013, an increase of US\$4.8 million (4%).

Grants to Member Associations and partner organizations fell by US\$5.5 million (7%) in 2014, comprising an increase in unrestricted grants of US\$1.9 million (4%) offset by a decrease in restricted grants of US\$7.4 million (20%).

The 2014 total grant expenditure 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 (35% in 2013), 5% on advocacy (8% in 2013), 21% on abortion (20% in 2013), 11% on adolescents (10% in 2013), and 5% on HIV programmes (5% in 2013). Total expenditure on access programmes increased by US\$1.7 million (5%) in 2014, driven in part by an investment from the catalytic designated reserve. This increased expenditure supported a 9% increases in access services to 149.3 million.

Funds (including pension fund deficit)

Overall there was a deficit before investment gains of US\$11.5 million compared to a surplus of US\$3.3 million in 2013. This comprised an unrestricted deficit of US\$4.6 million and a restricted deficit of US\$6.9 million. The overall deficit was further increased by actuarial gains on the defined benefit pension scheme of US\$4.7 million and offset by foreign exchange gains on the pension liability of US\$0.4 million and gains on investment assets of US\$0.8 million, leading to an overall decrease in IPPF's total funds and reserves from US\$141.1 million to US\$125.7 million.

The general fund has increased by US\$0.5 million, from US\$23.5 million to US\$24.0 million. Designated Reserves have decreased by US\$6.1 million, from US\$92.0 million to US\$85.9 million. These movements reflect the use of designated funds to provide support to a number of areas. The main movements in the designated fund are as follows: support for

defined benefit scheme (US\$1.9 million), support in South Asia for system strengthening (US\$1.7 million), provision of support to MAs to scale up services (US\$0.9 million), development of new strategic framework (US\$0.4 million), international advocacy and supporting the IPPF Vison 2020 campaign to place sexual reproductive health and rights at the centre of the sustainable development agenda (US\$0.8 million), and support for resource mobilization at a regional and central level (US\$1.4 million).

IPPF's balance sheet includes restricted and endowment funds of US\$27.9 million in respect of funds received in advance of the project-related activities being completed, a decrease of US\$7.1 million from 2013. The decrease is due to activity in a number of funds where expenditure in 2014 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 German-funded project providing assistance to internally displaced populations in Syria (US\$154,000); the Netherlands funded projects for the International Commission for Population and Development (US\$1.3 million); Choices and Opportunities Fund for Youth (US\$541,000); the high level task force on population and development (US\$1.3 million); and the US government funded Sustainable Networks project (US\$442,000). In addition the following projects funded by multilaterals and other donors show a negative balance of more than US\$100,000: Bergstrom Foundation Bolivian clinic construction (US\$171,000); Gates Foundation Cervical screening programme (US\$388,000); and the Swedish Association for Sexuality Education (RFSU) – International programme for Sexual Reproductive health (US\$897,000), and UNFPA Strengthening Sexual reproductive Health and HIV linkages (US\$143,000). The funds related to these programmes are contractually committed by the donors involved and in many cases funding was received in the first quarter of 2015.

The 2014 balance sheet contains a net pension liability of US\$12.0 million. This represents an increased liability from the 2013 balance of US\$9.4 million. The majority of this movement is accounted for by actuarial losses of US\$4.7 million offset by employer contributions of US\$1.8 million. The main driver of the increase in actuarial losses is a change in assumptions relating to the discount rate for future liabilities. The pension liability forms part of unrestricted funds and represents the total net future liability arising from the Central Office defined benefit pension scheme. A specific designated reserve has been established to meet this liability.

The defined benefit scheme was closed in 2007. 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\$1.8 million in 2014 which will increase annually by 3.4%.

Plans for future periods

Moving forward together: our new Strategic Framework 2016–2022

The current IPPF Strategic Framework ends in 2015. The process of agreeing IPPF's next strategy is built on the collaborative consultation process undertaken during 2014. This allowed the Governing Council to approve the new strategy in November 2014.

Engage

IPPF consulted widely on the draft strategy throughout the last year gaining the valuable feedback from the rich diversity of Member Associations and country contexts in which they work. Our partners, donors and other stakeholders provided guidance and challenge on the key role that IPPF can play as a locally owned, globally connected civil society movement providing and enabling services, and championing sexual and reproductive health and rights for all, especially the underserved.

Focus

Our new strategy focuses on four key outcomes:

- 100 Governments respect, protect and fulfil sexual and reproductive rights and gender equality
- 1 billion people empowered to act freely on their sexual and reproductive health and rights
- 2 billion quality integrated sexual and reproductive health services delivered
- A high performing, accountable and united Federation

Implement

Implementation will commence in 2016. Country level strategies are being prepared to identify the contributions they can commit to. The Secretariat is developing an implementation plan together with a dashboard of expected results to monitor IPPF's global progress. This will enable IPPF to move forward as a united Federation working to ensure that all people are free to make choices about their sexuality and wellbeing, in a world without discrimination.

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 2013 to 2014 overall income for grant receiving Member Associations fell by 4% from US\$384.1 million to US\$370.1 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 ongoing contribution it receives from its volunteers, in terms of the time, hard work, and personal commitment. Volunteers provide a huge range of help to the organization from assisting in clinics, sitting as Board members, acting as peer educators, meeting donors etc. Without this volunteer commitment IPPF could not achieve its mission or be the strong voice it currently is within the field of sexual and reproductive health and choices.

Approved on behalf of the Governing Council on 11 May 2015.



Dr Naomi Seboni
President



Mrs Sujatha Natarajan
Treasurer



IPPF/Graeme Robertson/Palestine

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

We have audited the group and charity financial statements (the "financial statements") of International Planned Parenthood Federation for the year ended 31 December 2014 set out on pages 23 to 58. 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 31 December 2014 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.

Ian Pennington

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

4 June 2015

KPMG LLP 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 2014

	Notes	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	2014 Total US\$'000	2013 Total US\$'000
Incoming resources						
Incoming resources from generated funds:						
Voluntary income:						
Grants from governments	2	69,820	20,755	–	90,575	100,754
Grants from multilaterals and other sources	3A	6,415	25,258	–	31,673	29,229
Donations in kind from multilaterals and other sources	3B	1,322	–	–	1,322	3,478
Investment income and interest	4	294	267	–	561	417
Incoming resources from charitable activities:						
Income of subsidiary trading company		–	–	–	–	1,293
Other incoming resources:						
Foreign exchange gains		360	–	–	360	341
Other incoming resources		1,474	105	–	1,579	575
Total incoming resources		79,685	46,385	–	126,070	136,087
Resources expended						
Cost of generating funds:						
Central fundraising	7	3,009	–	–	3,009	2,045
Regional fundraising	6	2,034	493	–	2,527	2,251
Investment management costs		52	36	–	88	40
Expenditure of subsidiary trading company		–	–	–	–	1,664
Charitable activities:						
Grants to Member Associations & Partners	5	45,597	28,946	–	74,543	80,089
Central expenditure	7	14,315	6,135	–	20,450	12,648
Regional expenditure	6	16,849	17,580	–	34,429	31,337
Governance costs	8	2,198	118	–	2,316	2,141
Pension finance charge		217	–	–	217	539
Total resources expended		84,271	53,308	–	137,579	132,754
Net incoming/(outgoing) resources before other recognized gains and losses						
Gain/(loss) on investment assets	11	777	(164)	17	630	3,311
Actuarial gain/(loss) on defined benefit pension scheme	20	(4,676)	–	–	(4,676)	712
Foreign exchange movements on pension liability	20	433	–	–	433	(141)
Net movement in funds		(8,052)	(7,087)	17	(15,122)	7,215
Funds brought forward at 1 January	16	106,099	33,738	1,255	141,092	133,696
Unrealized foreign exchange gain/(loss) taken to reserves		(236)	–	–	(236)	181
Funds carried forward at 31 December	16	97,811	26,651	1,272	125,734	141,092

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 58 form part of these financial statements.

Balance sheets

Consolidated balance sheet as at 31 December 2014

	Notes	Unrestricted US\$'000	Restricted US\$'000	Endowment US\$'000	2014 Total US\$'000	2013 Total US\$'000
Fixed assets						
Tangible assets	10	18,427	—	—	18,427	19,477
Investments	11	28,245	8,455	1,272	37,972	38,941
Long term loans	12	133	741	—	874	661
Total fixed assets		46,805	9,196	1,272	57,273	59,079
Current assets						
Stock of goods		664	—	—	664	1,110
Receivable from donors	13	621	631	—	1,252	3,297
Receivable from associations		1,434	—	—	1,434	1,310
Receivable from others		720	193	—	913	926
Prepayments		437	50	—	487	482
Funds held on short term deposit		—	—	—	—	50,418
Cash at bank		71,148	22,999	—	94,147	56,540
Total current assets		75,024	23,873	—	98,897	114,083
Creditors: amounts falling due within one year						
Accounts payable		2,418	108	—	2,526	2,434
Payable to associations		3,258	4,332	—	7,590	11,009
Accruals and other creditors		2,569	1,134	—	3,703	3,494
Deferred income	14	3,451	844	—	4,295	5,544
Total current liabilities		11,696	6,418	—	18,114	22,481
Net current assets excluding pension liability		63,328	17,455	—	80,783	91,602
Provisions for liabilities and charges	15	282	—	—	282	186
Pension liability	20	12,040	—	—	12,040	9,403
Total net assets including pension liability		97,811	26,651	1,272	125,734	141,092
Represented by:						
Unrestricted:						
General		23,970	—	—	23,970	23,525
Designated		85,881	—	—	85,881	91,977
Restricted		—	26,651	—	26,651	33,738
Endowment		—	—	1,272	1,272	1,255
Total funds and reserves excluding pension liability	16	109,851	26,651	1,272	137,774	150,495
Pension liability	20	(12,040)	—	—	(12,040)	(9,403)
Total funds and reserves including pension liability	16	97,811	26,651	1,272	125,734	141,092

Approved on behalf of the Governing Council on 11 May 2015. The notes on pages 28 to 58 form part of these financial statements.

Dr Naomi Seboni
President

Ms Sujatha Natarajan
Treasurer

Balance sheet (charity) as at 31 December 2014

	Notes	2014 Total US\$'000	2013 Total US\$'000
Fixed assets			
Tangible assets		18,427	19,477
Investments	11	37,972	38,941
Long term loans		874	661
Total fixed assets		57,273	59,079
Current assets			
Stock of goods		664	1,110
Receivable from donors	13	1,252	3,297
Receivable from associations		1,434	1,310
Receivable from others		913	926
Prepayments		487	482
Funds held on short term deposit		–	50,418
Cash at bank		94,147	56,540
Total current assets		98,897	114,083
Creditors: amounts falling due within one year			
Accounts payable		2,526	2,434
Payable to associations		7,590	11,009
Accruals and other creditors		3,703	3,494
Deferred income	14	4,295	5,544
Total current liabilities		18,114	22,481
Net current assets excluding pension liability		80,783	91,602
Provisions for liabilities and charges	15	282	186
Pension liability	20	12,040	9,403
Total net assets including pension liability		125,734	141,092
Represented by:			
Unrestricted:			
General		23,970	23,525
Designated		85,881	91,977
Restricted		26,651	33,738
Endowment		1,272	1,255
Total funds and reserves excluding pension liability		137,774	150,495
Pension liability		(12,040)	(9,403)
Total funds and reserves including pension liability		125,734	141,092

Approved on behalf of the Governing Council on 11 May 2015. The notes on pages 28 to 58 form part of these financial statements.

Dr Naomi Seboni
President

Ms Sujatha Natarajan
Treasurer

Cash flow statement

Consolidated cash flow statement for the year ended 31 December 2014

	Note	US\$'000	2014 US\$'000	US\$'000	2013 US\$'000
Net cash (outflow)/inflow from operating activities	A		(18,575)		5,380
Returns on investments					
Interest received and similar income			669		502
Capital expenditure and financial investments					
Purchase of tangible assets			(252)		(441)
Purchase of marketable securities			(9,521)		–
Sale of tangible assets			3		–
Sale of marketable securities			15,315		9,404
Long term loan repayments received			154		429
Long term loans issued			(368)		(400)
			5,331		8,992
Net reduction/(increase) in short term deposits			50,418		(11,975)
Increase in cash	B		37,843		2,899

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

	2014 US\$'000	2013 US\$'000
Net (outgoing)/incoming resources	(11,509)	3,333
Interest receivable and similar income	(561)	(417)
Depreciation	1,299	1,255
Exchange movement on pension liability	433	(141)
Increases/(decrease) in pension liability	2,637	(1,700)
Actuarial loss on pension scheme	(4,676)	712
(Profit)/loss on disposal of fixed assets	(2)	29
Donations in kind	(4,195)	(4,170)
Decrease/(increase) in stock	446	(16)
Decrease in receivables from donors	2,044	324
(Increase) in receivables from associations	(125)	(542)
(Increase)/decrease in receivables from others (excluding interest)	(90)	597
(Increase)/decrease in prepayments	(5)	32
Increase/(decrease) in accounts payable	91	(2,248)
(Decrease)/increase in payable to associations	(3,419)	4,911
Increase in accruals and other creditors	210	1,148
(Decrease)/increase in deferred income	(1,249)	2,822
Increase/(decrease) in provisions	96	(227)
Exchange movement on net funds	–	(322)
Net cash inflow from operating activities	(18,575)	5,380

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

	Note	2014 US\$'000	2013 US\$'000
Increase in cash in the year		37,843	2,899
Movement on foreign exchange		(236)	504
Movement in net funds for the period		37,607	3,403
Net funds at 1 January		56,540	53,137
Net funds at 31 December	C	94,147	56,540

Note C: Analysis of changes in net funds

	At 1 Jan 2014 US\$'000	Cash flows US\$'000	Exchange movements US\$'000	At 31 Dec 2014 US\$'000
Cash at bank	56,540	37,843	(236)	94,147

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. For 2014 the cash flow statement is further distorted as IPPF is no longer holding short term deposits due to an agreement with its bankers to receive preferential interest rates on instant access deposits.

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 South East 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 dormant trading subsidiary, International Contraceptive and SRH Marketing Limited (trading as ICON). Up until 31 August 2013 this engaged in commodity supply services and social marketing of contraceptives in conjunction with Member Associations. In the comparative results from 2013, 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.

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 measurable 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 and 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\$5,000 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 the balance sheet date. 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 five years 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)	2014 LC'000	2013 LC'000	2014 US\$'000	2013 US\$'000
Unrestricted					
Australia	Australian \$	–	6,000	–	5,977
People's Republic of China	US\$	202	200	202	200
Denmark	Danish Krone	40,000	40,000	7,409	6,911
Finland	Euro	1,750	1,500	2,356	1,992
Germany	Euro	6,000	5,000	7,839	6,697
India	US\$	–	10	–	10
Japan	US\$	8,814	9,202	8,814	9,202
South Korea	US\$	87	87	87	87
Malaysia	US\$	15	29	15	29
New Zealand	New Zealand \$	2,500	2,500	2,137	2,106
Norway	Norwegian Krone	44,078	40,000	7,004	6,597
Sweden	Swedish Krona	120,000	110,000	17,518	16,568
Switzerland	Swiss Franc	2,000	2,000	2,202	2,218
Thailand	US\$	2	2	2	2
United Kingdom	£ Sterling	8,600	8,575	14,235	13,377
Unrestricted				69,820	71,973
Restricted					
Australia	Australian \$	4,395	6,108	4,395	6,112
Canada	Canadian \$	1,822	2,878	1,668	2,780
Denmark	Danish Krone	10,868	11,146	1,814	1,992
Finland	Euro	1,256	498	926	661
Germany	Euro	780	1,215	949	1,616
Ireland	Euro	–	21	–	28
Japan	US\$	784	819	784	819
The Netherlands	Euro	5,043	5,654	6,584	7,531
New Zealand	Australian \$	–	510	–	525
Norway	Norwegian Krone	7,500	19,277	1,128	3,134
United Kingdom	£ Sterling	1,000	2,235	1,632	3,508
United States of America	US\$	875	75	875	75
Restricted				20,755	28,781
Total restricted and unrestricted grants from governments				90,575	100,754

3 Income from multilaterals and other sources

Note A: Grants from multilaterals and other sources

	Unrestricted US\$'000	Restricted US\$'000	2014 Total US\$'000	2013 Total US\$'000
Abundance Foundation	—	13	13	20
Bayer	—	106	106	—
Bep Earthwise Foundation	15	—	15	—
Erik E. and Edith H. Bergstrom Foundation	—	469	469	303
Beyond our Borders	—	10	10	—
Braus Family Foundation	11	—	11	—
Brodsky Family Foundation	—	10	10	10
Marguerite Casey Foundation	5	—	5	—
Catapult	—	—	—	78
Comic Relief	—	—	—	112
Lau Bea Christensen Charitable Foundation	10	—	10	—
CIES	—	129	129	—
Danish Family Planning Association	—	(60)	(60)	94
Del Mar Global Trust	15	—	15	—
The Dopplet Foundation	15	—	15	—
Eco Trust	15	—	15	—
EuroNGOs	59	(45)	14	13
European Commission (EC)	—	1,369	1,369	860
Flora Family Foundation	—	45	45	108
Ford Foundation	—	510	510	621
Forthcoming Fund	—	—	—	10
Futures Group International, LLC	—	—	—	147
Bill & Melinda Gates Foundation	—	1,950	1,950	3,462
Gesellschaft für Internationale Zusammenarbeit (GIZ)	—	393	393	206
Gynuity Health Project	—	83	83	21
William & Flora Hewlett Foundation	1,000	946	1,946	2,605
IIIE	—	15	15	—
James Starr Moore Memorial Foundation	3	—	3	—
Libra Foundation	50	—	50	50
Liz Clairborne and Art Ortenberg Foundation	25	—	25	25
The John D & Catherine T MacArthur Foundation	—	200	200	200
Management Sciences For Health (MSH)	—	254	254	202
Nirvana Mañana Institute	15	—	15	10
Novo Foundation	—	167	167	—
Overbrook Foundation	40	—	40	30
David & Lucile Packard Foundation	—	725	725	150
Palatin Foundation	—	—	—	27
PATH Foundation	—	13	13	—
Pathfinder International	—	2	2	—
Philip and Lynn Straus Foundation	5	—	5	—
Plumeria Family Foundation	—	—	—	10
The Population Council	—	118	118	10
Population Services International (PSI)	—	91	91	—
RFSU (The Swedish Association for Sexuality Education)	—	919	919	362

Rutgers WFP	—	24	24	—
Waterloo Foundation	—	—	—	81
William J & Sally R. Siegel Foundation	7	—	7	6
Smith & Sandford Foundation	8	—	8	—
Smith Family Legacy Foundation	6	—	6	13
Summit Foundation	—	130	130	185
Virginia B Toulmin Foundation	—	400	400	250
United Nations Programme on HIV/AIDS (UNAIDS)	—	2,111	2,111	1,286
United Nations Fund for Population Activities (UNFPA)	—	1,335	1,335	914
UN Women (UNIFEM)	—	—	—	(1)
WestWind Foundation	100	75	175	175
Wildflower Foundation	40	—	40	40
World Health Organization (WHO)	—	100	100	18
Anonymous (at donors' request)	3	12,560	12,563	11,633
Legacies	934	11	945	940
Other <US\$5,000 or individuals not wishing to be disclosed	4,034	80	4,114	3,943
Total	6,415	25,258	31,673	29,229

Note B: Donations in kind from multilaterals and other sources

	Unrestricted US\$'000	Restricted US\$'000	2014 Total US\$'000	2013 Total US\$'000
United Nations Fund for Population Activities (UNFPA)	1,322	—	1,322	3,478
Total	1,322	—	1,322	3,478

4 Investment income and interest

	Unrestricted US\$'000	Restricted US\$'000	2014 Total US\$'000	2013 Total US\$'000
Interest receivable from cash deposits	287	63	350	410
Dividends and similar income from US listed securities	7	204	211	7
Total	294	267	561	417

5 Grants to Member Associations and partner organizations

	Unrestricted			Restricted			2014 US\$'000	2013 US\$'000
	2014 US\$'000	2014 US\$'000	2014 US\$'000	2014 US\$'000	2014 US\$'000	2014 US\$'000		
	Cash grants	Commodity grants	Technical assistance	Cash grants	Commodity grants	Endowment cash grants		
Africa	16,400	1,626	1,979	9,992	29	—	30,026	28,771
Arab World	2,652	111	377	1,298	89	—	4,527	3,628
E, SE Asia & Oceania	4,749	151	—	2,058	—	—	6,958	8,016
Europe	1,431	—	—	1,512	—	—	2,943	4,498
South Asia	6,859	—	—	7,996	—	—	14,855	14,999
Western Hemisphere	8,432	830	—	5,970	2	—	15,234	20,177
Total 2014	40,523	2,718	2,356	28,826	120	—	74,543	80,089
Total 2013	35,574	4,413	3,772	35,761	569	—	80,089	

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

	2014 US\$'000 Unrestricted	2014 US\$'000 Restricted	2014 US\$'000 Total	2013 US\$'000 Total
Strategic Priorities				
Adolescents	4,142	3,735	7,877	7,729
HIV and AIDS	2,584	800	3,384	4,065
Access	20,563	5,441	26,004	27,938
Abortion	2,228	13,498	15,726	16,179
Advocacy	2,149	1,789	3,938	6,136
Sub-total	31,666	25,263	56,929	62,047
Supporting Strategies				
Accreditation & Governance	3,886	19	3,905	1,942
Resource Mobilization	1,678	—	1,678	1,843
Capacity Building	5,739	3,664	9,403	12,429
Evaluation	2,628	—	2,628	1,828
Sub-total	13,931	3,683	17,614	18,042
Total	45,597	28,946	74,543	80,089

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 and AIDS prevention will generally classify this as 'access'. This can lead to figures for 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	Unrestricted \$	Restricted \$	Total \$
1	Ethiopia	Family Guidance Association of Ethiopia	2,241,425	949,626	3,191,051
2	Pakistan	Rahnuma – Family Planning Association of Pakistan	1,844,816	1,280,169	3,124,985
3	India	Family Planning Association of India	1,728,378	1,703,067	3,431,445
4	Nepal	Family Planning Association of Nepal	1,434,103	1,166,452	2,600,555
5	Nigeria	Planned Parenthood Federation of Nigeria	1,272,167	619,540	1,891,707
6	Uganda	Reproductive Health Uganda	1,177,428	930,036	2,107,464
7	Tanzania	Uzazi na Malezi Bora Tanzania	1,075,396	545,153	1,620,549
8	Bangladesh	Family Planning Association of Bangladesh	956,518	1,819,331	2,775,849
9	Bolivia	Centro de Investigación, Educación y Servicios	842,090	1,185,788	2,027,878
10	Burkina Faso	Association Burkinabé pour le Bien-Etre Familial	742,560	159,816	902,376
11	Ghana	Planned Parenthood Association of Ghana	734,170	352,089	1,086,259
12	Kenya	Family Health Options Kenya	732,627	1,186,604	1,919,231
13		Caribbean Family Planning Affiliation Ltd	228,733	14,000	242,733
	Antigua	Antigua Planned Parenthood Association	54,939	—	54,939
	Aruba	Foundation for the Promotion of Responsible Parenthood (Aruba)	31,245	—	31,245
	Bahamas	Bahamas Family Planning Association	648	—	648
	Curaçao	Foundation for the Promotion of Responsible Parenthood (FPRP)	45,091	—	45,091
	Dominica	Dominica Planned Parenthood Association	66,597	—	66,597
	Grenada	Grenada Planned Parenthood Association	82,938	1,000	83,938
	St. Lucia	Saint Lucia Planned Parenthood Association	169,779	53,070	222,849

Rank	Country	Name of Member Association/partner organization	Unrestricted \$	Restricted \$	Total \$
	St. Vincent	St. Vincent Planned Parenthood Association	36,879	1,000	37,879
14	Colombia	Asociación Pro-Bienestar de la Familia Colombiana	711,992	204,560	916,552
15	Zambia	Planned Parenthood Association of Zambia	617,779	133,729	751,508
16	Peru	Instituto Peruano de Paternidad Responsable	613,189	171,072	784,261
17	Guatemala	Asociación Pro-Bienestar de la Familia de Guatemala	589,988	155,986	745,974
18	Egypt	Egyptian Family Planning Association	583,366	97,051	680,417
19	Togo	Association Togolaise pour le Bien-Etre Familial	560,982	30,970	591,952
20	Côte d'Ivoire	Association Ivoirienne pour le Bien-Etre Familial	546,999	462,362	1,009,361
21	Benin	Association Béninoise pour la Promotion de la Famille	528,391	180,529	708,920
22	Congo, Dem. Republic	Association pour le Bien-Etre Familial/Naissances Désirables	522,610	—	522,610
23	Mozambique	Associação Moçambicana para Desenvolvimento da Família	521,357	—	521,357
24	Senegal	Association Sénégalaise pour le Bien-Étre Familial	514,223	602,029	1,116,252
25	Dominican Republic	Asociación Dominicana Pro-Bienestar de la Familia	494,063	479,704	973,767
26	Haiti	Association pour la Promotion de la Famille Haïtienne	481,477	52,000	533,477
27	Madagascar	Fianakaviana Sambatra	479,687	31,500	511,187
28	Sierra Leone	Planned Parenthood Association of Sierra Leone	477,776	—	477,776
29	Honduras	Asociación Hondureña de Planificación de Familia	471,920	25,000	496,920
30	Cameroon	Cameroon National Association for Family Welfare	463,698	198,166	661,864
31	Burundi	Association Burundaise pour le Bien-Etre Familial	460,850	22,461	483,311
32	El Salvador	Asociación Demográfica Salvadoreña	449,226	27,027	476,253
33	Guinea-Conakry	Association Guinéenne pour le Bien-Etre Familial	441,502	—	441,502
34	Central African Republic	Association Centrafricaine pour le Bien-Etre Familial	430,324	13,308	443,632
35	Republic of Congo	Association Congolaise pour le Bien-Etre Familial	425,740	83,060	508,800
36	Niger	Association Nigérienne pour le Bien-Etre Familial	424,752	71,358	496,110
37	Lesotho	Lesotho Planned Parenthood Association	424,238	5,000	429,238
38	Philippines	The Family Planning Organization of the Philippines, Inc.	418,951	151,351	570,302
39	Palestine	Palestinian Family Planning and Protection Association	390,241	110,423	500,664
40	Malawi	Family Planning Association of Malawi	389,194	(4,176)	385,018
41	Venezuela	Asociación Civil de Planificación Familiar	384,627	78,284	462,911
42	Afghanistan	Afghan Family Guidance Association	372,872	337,145	710,017
43	Chad	Association Tchadienne pour le Bien-Etre Familial	360,238	—	360,238
44	Liberia	Planned Parenthood Association of Liberia	354,030	526,654	880,684
45	Angola	Associação Angolana para o Bem Estar da Família	328,413	—	328,413
46	Morocco	Association Marocaine de Planification Familiale	319,440	—	319,440
47	Mali	Association Malienne pour la Protection et la Promotion de la Famille	310,700	321,540	632,240
48	Paraguay	El Centro Paraguayo de Estudios de Población	302,467	—	302,467
49	Mexico	Fundación Mexicana para la Planeación Familiar, A.C.	300,871	148,500	449,371
50	Indonesia	The Indonesian Planned Parenthood Association	292,062	593,572	885,634
51	People's Republic of China	China Family Planning Association	285,934	—	285,934
52	Cambodia	Reproductive Health Association of Cambodia	280,929	128,395	409,324
53	Guinea-Bissau	Associação Guineense para o Bem Estar Familiar	260,726	51,585	312,311
54	Swaziland	Family Life Association of Swaziland	250,413	139,251	389,664
55	Syria	Syrian Family Planning Association	246,000	153,624	399,624
56	Botswana	Botswana Family Welfare Association	245,500	75,406	320,906
57	Vietnam	Vietnam Family Planning Association	244,616	188,612	433,228
58	Solomon Islands	Solomon Islands Planned Parenthood Association	243,701	59,099	302,800

Rank	Country	Name of Member Association/partner organization	Unrestricted \$	Restricted \$	Total \$
59	Gabon	Mouvement Gabonais pour le Bien-Etre Familial	240,772	—	240,772
60	Yemen	Yemeni Association for Reproductive Health	240,751	5,000	245,751
61	Mauritania	Association Mauritanienne pour la Promotion de la Famille	227,898	167,696	395,594
62	Namibia	Namibia Planned Parenthood Association	223,766	—	223,766
63	Sri Lanka	Family Planning Association of Sri Lanka	222,956	478,598	701,554
64	Comoros	Association Comorienne pour le Bien-Etre de la Famille	219,904	—	219,904
65	Thailand	Planned Parenthood Association of Thailand	216,017	—	216,017
66	Suriname	Stichting Lobi	205,904	—	205,904
67	Korea, Dem. People's Rep of	Korean Family Planning & Maternal Child Health Association of DPRK	201,664	—	201,664
68	Sudan	Sudan Family Planning Association	197,072	589,628	786,700
69	Argentina	FUSA Para la Salud Integral con Perspectiva de Genero y Derechos, Asociacion Civil	195,327	256,391	451,718
70	Cape Verde	Associação Caboverdiana para a Proteção da Família	192,730	—	192,730
71	Belize	Belize Family Life Association	188,361	57,500	245,861
72	Vanuatu	Vanuatu Family Health Association	183,246	99,039	282,285
73	Tunisia	Association Tunisienne de la Santé de la Reproduction	180,742	—	180,742
74	Lebanon	Association Libanaise pour une Famille Moderne	178,729	—	178,729
75	Algeria	Association Algérienne pour la Planification Familiale	176,361	—	176,361
76	Samoa	Samoa Family Health Association	175,927	—	175,927
77	Ecuador	Centro Ecuatoriano para la Promoción y Acción de la Mujer de Guayaquil, Ecuador	175,853	108,085	283,938
78	Guyana	Guyana Responsible Parenthood Association	172,644	13,000	185,644
79	Trinidad and Tobago	Family Planning Association of Trinidad and Tobago	167,400	—	167,400
80	Kiribati	Kiribati Family Health Association	165,109	—	165,109
81	Panama	Asociación Panameña para el Planeamiento de la Familia	164,172	1,196	165,368
82	Djibouti	Association Djiboutienne pour l'Equilibre et la Promotion de la Famille	163,881	—	163,881
83	Iran	Family Health Association of Iran	151,382	(10,131)	141,251
84	Mongolia	Mongolian Family Welfare Association	138,195	72,432	210,627
85	Tuvalu	Tuvalu Family Health Association	131,989	—	131,989
86	Tonga	Tonga Family Health Association	130,834	—	130,834
87	Fiji	Reproductive & Family Health Association of Fiji	128,225	5,000	133,225
88	Chile	Asociación Chilena de Protección de la Familia	119,537	—	119,537
89	Russia	Russian Association for Population and Development	118,901	—	118,901
90	Kazakhstan	Kazakhstan Association on Sexual and Reproductive Health	116,762	155,453	272,215
91	Bosnia and Herzegovina	Association for Sexual and Reproductive Health XY	116,531	113,366	229,897
92	Bulgaria	Bulgarian Family Planning and Sexual Health Association	113,061	1,994	115,055
93	Cook Islands	Cook Islands Family Welfare Association	111,418	—	111,418
94	Maldives	Society for Health Education	111,345	136,349	247,694
95	Somaliland	Somaliland Family Health Association	111,238	—	111,238
96	Albania	Qêndra pêr Popullsinë dhe Zhvillimin (Center for Population and Development)	107,003	105,620	212,623
97	Puerto Rico	Asociación Puertorriqueña Pro-Bienestar de la Familia	102,711	11,000	113,711
98	Jamaica	Jamaica Family Planning Association	98,330	—	98,330
99	Costa Rica	Asociación Demográfica Costarricense	97,518	26,383	123,901
100	Uruguay	Iniciativas Sanitarias	97,406	349,100	446,506
101	Georgia	Association HERA XXI	96,788	26,895	123,683
102	Mauritius	Mauritius Family Planning & Welfare Association	96,477	—	96,477

Rank	Country	Name of Member Association/partner organization	Unrestricted \$	Restricted \$	Total \$
103	Uzbekistan	Uzbek Association on Reproductive Health	91,840	(43,937)	47,903
104	Kyrgyzstan	Reproductive Health Alliance of Kyrgyzstan	89,677	169,018	258,695
105	Republic of Macedonia	Health Education and Research Association	89,258	5,871	95,129
106	Tajikistan	Tajik Family Planning Alliance	80,974	119,237	200,211
107	Malaysia	Federation of Reproductive Health Associations, Malaysia	79,166	3,657	82,823
108	Bahrain	Bahrain Reproductive Health and Family Planning Association	62,870	—	62,870
109	Malaysia Sarawak	Federation of Reproductive Health Associations, Malaysia Sarawak	62,572	—	62,572
110	Lithuania	Seimos Planavimo ir Seksualines Sveikatos Asociacija	60,304	2,835	63,139
111	Latvia	Latvijas Gimenes Planošanas un Seksualas Veselības Asociacija	59,359	13,927	73,286
112	Armenia	Family Health Care Network Public Charitable NGO	50,145	7,065	57,210
113	Republic of Serbia	Serbian Association for Sexual and Reproductive Rights	49,895	7,793	57,688
114	Barbados	The Barbados Family Planning Association	48,930	—	48,930
115	Ukraine	NGO Women Health and Family Planning	48,378	1,910	50,288
116	Romania	Societatea de Educatie Contraceptiva si Sexuala	45,543	12,958	58,501
117	Bhutan	Respect Educate Nurture Empower Women	37,115	—	37,115
118	Moldova	Societatea de Planificare a Familiei din Moldova	35,813	—	35,813
119	Rwanda	Association Rwandaise pour le Bien-Etre Familial	31,312	(20,642)	10,670
120	Malaysia Sabah	Federation of Reproductive Health Associations, Malaysia Sabah	18,712	—	18,712
121	Northern Ireland	The Family Planning Association of Northern Ireland	11,070	—	11,070
122	Sweden	Riksförbundet för Sexuell Upplysning	—	86,436	86,436
123	Denmark	Sex & Samfund – The Danish Family Planning Association	—	75,673	75,673
124	Finland	Väestöliitto	—	73,635	73,635
125	France	Mouvement Français pour le Planning Familial	—	63,013	63,013
126	Norway	Sex og Politikk	—	63,013	63,013
127	Netherlands	RutgersWPF	—	51,465	51,465
128	Ireland	Irish Family Planning Association	—	45,546	45,546
129	Spain	Federación de Planificación Familiar de España	—	40,917	40,917
130	Switzerland	SANTÉ SEXUELLE Suisse	—	32,877	32,877
131	Cyprus	Cyprus Family Planning Association	—	17,936	17,936
132	Various	Grants below US\$10,000 and adjustments	4,611	23,471	28,082
Total grants to Member Associations			42,346,962	21,696,146	64,043,108

Grants to other organizations

The following organizations received cash and commodity grants as shown below. This list includes organizations where IPPF are 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	Unrestricted \$	Restricted \$	Total \$
1	Various	Japanese Organization for International Cooperation in Family Planning (JOICFP)	995,000	—	995,000
2	United States of America	White Ribbon Alliance for Safe Motherhood	500,000	—	500,000
3	Brazil	GESTOS – Soropositividade, Comunicação e Gênero	210,241	—	210,241
4	South Sudan	Reproductive Health Association of South Sudan	195,268	—	195,268
5	Brazil	CEPIA – Cidadania, Estudo, Pesquisa, Informação e Ação	180,000	—	180,000
6	Cuba	Sociedad Cientifica Cubana Para el Desarrollo de la Familia	167,183	—	167,183
7	Zimbabwe	Zimbabwe National Family Planning Council	155,641	—	155,641
8	Papua New Guinea	Papua New Guinea Family Health Association	151,125	30,000	181,125
9	Laos	Lao Promotion of Family Health Association	136,261	—	136,261

Rank	Country	Name of Member Association/partner organization	Unrestricted \$	Restricted \$	Total \$
10	Sao Tome & Principe	Associação Santomense para Promoção Familiar	116,342	—	116,342
11	Japan	Asian Population and Development Association	100,000	—	100,000
12	Seychelles	Alliance of Solidarity for the Family	87,371	—	87,371
13	Republic of South Africa	Partners in Sexual Health	75,000	—	75,000
14	Tunisia	Center of Arab Woman for Training and Research – CAWTAR	60,500	—	60,500
15	Republic of South Africa	Sexual Health and Rights Initiative in South Africa	52,500	—	52,500
16	Belgium	European Parliamentary Forum	30,000	—	30,000
17	United Kingdom	All-Party Parliamentary Group on Population, Development and Reproductive Health	20,000	—	20,000
18	United States of America	Center for Reproductive Rights	—	278,500	278,500
19	Argentina	Asociación Católicas por el Derecho a Decidir Argentina	—	244,320	244,320
20	Various	Women Refugee Commission	—	172,855	172,855
21	Haiti	YWCA – Haiti	—	170,660	170,660
22	United States of America	Guttmacher Institute	—	165,266	165,266
23	Colombia	Católicas por el Derecho a Decidir – Colombia	—	150,000	150,000
24	Mexico	Católicas por el Derecho a Decidir México	—	145,000	145,000
25	Haiti	Initiative Pour Un Developpement Equitable En Haiti (Ideh)	—	143,780	143,780
26	Tanzania	Marie Stopes Tanzania	—	134,812	134,812
27	Bolivia	Asociación Católicas por el Derecho a Decidir Bolivia	—	102,191	102,191
28	Peru	Centro De La Mujer Peruana Flora Tristan	—	100,028	100,028
29	Kenya	Kisumu Medical & Education Trust (KMET)	—	99,960	99,960
30	Bolivia	Asociación Médica Privada Voluntaria (Wiñay)	—	97,786	97,786
31	Philippines	Women's Global Network for Reproductive Rights	—	92,776	92,776
32	Vietnam	The Institute for Reproductive and Family Health (RAFH)	—	91,915	91,915
33	Bolivia	Asociación Colectivo Rebeldia	—	89,524	89,524
34	Nigeria	Generation Initiative for Women and Youth Network	—	89,244	89,244
35	Ethiopia	Save Your Generation Ethiopia	—	86,081	86,081
36	India	Asia Safe Abortion Partnership	—	85,624	85,624
37	Nepal	Sunaulo Parivar Nepal	—	85,603	85,603
38	Peru	Asociación Familia Sana	—	83,133	83,133
39	Bangladesh	Bangladesh Association for Prevention of Septic Abortion	—	82,008	82,008
40	Nepal	Action Works Nepal	—	81,784	81,784
41	Uganda	Kyetume Community Based Healthcare Programme	—	78,905	78,905
42	Tanzania	Women's Promotion Centre	—	78,355	78,355
43	Bangladesh	Marie Stopes Bangladesh	—	76,904	76,904
44	Guatemala	Centro de Investigación Epidemiologica en Salud Sexual y Reproductiva	—	76,491	76,491
45	Mozambique	Women in Law in Southern Africa	—	75,616	75,616
46	Uganda	Center for Health, Human Rights and Development	—	75,523	75,523
47	Colombia	Fundación Educación Para La Salud Reproductiva Esar	—	75,194	75,194
48	Vietnam	Center for Community Reproductive Health in Vietnam	—	74,913	74,913
49	Peru	Consorcio Latinoamericano Contra el Aborto Inseguro (CLACAI)	—	73,732	73,732
50	Nepal	Healthy Society and Environmental Protection Centre	—	73,679	73,679
51	Thailand	Concept Foundation	—	73,258	73,258
52	South Africa	Women's Health Research Unit University of Cape Town	—	73,208	73,208
53	Uruguay	Centro De Comunicación Virginia Woolf (Cotidiano Mujer)	—	73,070	73,070
54	Indonesia	Indonesian Planned Parenthood Association (IPPA) Yogyakarta Chapter	—	71,927	71,927

Rank	Country	Name of Member Association/partner organization	Unrestricted \$	Restricted \$	Total \$
55	Dem Rep Of Congo	Comité d'Echange et d'Information sur la Femme et pour le Delevopment (CEIFD)	–	71,498	71,498
56	Mexico	Semillas – Sociedad Mexicana Pro Derechos de la Mujer	–	70,499	70,499
57	Pakistan	Shirkat Gah	–	70,254	70,254
58	Uganda	Tusitukirewamu Group	–	70,150	70,150
59	Argentina	Centro De Estudios De Estado Y Sociedad	–	67,834	67,834
60	Myanmar	Myanmar Maternal and Child Welfare Association	–	67,417	67,417
61	Mexico	Balance Promoción para el Desarrollo y Juventud	–	66,066	66,066
62	Bangladesh	Bangladesh Women's Health Coalition	–	65,524	65,524
63	Uganda	Action for Development in Underserved Areas	–	65,136	65,136
64	Kenya	National Nurses Association of Kenya	–	64,744	64,744
65	Dem Rep Of Congo	Sos Femme et Enfant en Catastrophe	–	64,113	64,113
66	Burundi	Solidarité des Femmes Burundaises pour la Lutte contre le Sida et le Paludisme au Burundi	–	62,391	62,391
67	Kenya	African Network for Medical Abortion	–	61,926	61,926
68	Pakistan	Aware Girls	–	59,501	59,501
69	Kenya	Youth Alliance for Leadership and Development in Africa	–	58,706	58,706
70	Kenya	African Network for Medical Abortion – Kenya Chapter	–	57,395	57,395
71	Bangladesh	Reproductive Health Services Training & Education Program	–	56,606	56,606
72	Bangladesh	Research, Training And Management International	–	54,476	54,476
73	Australia	Institute for Economics and Peace Ltd.	–	53,404	53,404
74	India	Creating Resources for Empowerment in Action	–	53,085	53,085
75	Ghana	Sustainable Aid Through Voluntary Establishment (SAVE-Ghana)	–	50,925	50,925
76	Peru	Católicas por el Derecho a Decidir – Peru	–	50,000	50,000
77	Pakistan	Peace Foundation	–	49,881	49,881
78	Chile	Fundación Colectivo Alquimia – Fondo Para Mujeres	–	49,722	49,722
79	Uganda	Volunteers for Development Association in Uganda	–	49,245	49,245
80	Bangladesh	Shimantik	–	47,803	47,803
81	Colombia	Fundación Unidad de Orientación y Asistencia Materna – Oriéntame	–	45,914	45,914
82	Argentina	Asociación Civil Pro Amnistía	–	44,850	44,850
83	El Salvador	El Salvador, Colectiva de Mujeres para el Desarrollo Local	–	43,894	43,894
84	Uruguay	Mujer y Salud en Uruguay	–	43,533	43,533
85	Ghana	African Women's Development Fund	–	43,459	43,459
86	Nepal	Center for Research on Environment Health and Population Activities	–	43,248	43,248
87	Indonesia	Samsara	–	41,225	41,225
88	Kenya	African Population & Health Research Center	–	40,532	40,532
89	Moldova, Republic Of	Reproductive Health Training Center From Moldoca (RHTC)	–	39,989	39,989
90	Uganda	Support for Integrated Health Care Initiative (SIHCI)	–	39,589	39,589
91	Pakistan	Aahung	–	39,544	39,544
92	Uganda	Lady Mermaid's Bureau	–	38,635	38,635
93	Ghana	Global Media Foundation	–	36,929	36,929
94	Thailand	Mae Tao Clinic	–	36,825	36,825
95	Ghana	Integrated Social Development Centre (ISODEC)	–	35,832	35,832
96	Belgium	SENOA VZW	–	33,841	33,841
97	Argentina	Centro de Estudios Legales y Sociales (CELS)	–	32,500	32,500
98	Malaysia	Reproductive Rights Advocacy Alliance Malaysia	–	30,670	30,670
99	Australia	Youth Empowerment Against HIV/AIDS (YEAH)	–	30,000	30,000

Rank	Country	Name of Member Association/partner organization	Unrestricted \$	Restricted \$	Total \$
100	Argentina	Fundación Universidad de Palermo	–	30,000	30,000
101	Senegal	Action & Développement	–	22,500	22,500
102	United Kingdom	Commonwealth Medical Trust	–	22,500	22,500
103	Ghana	CYIB Curious Minds	–	22,390	22,390
104	South Africa	Ibis Reproductive Health, South Africa Office	–	19,543	19,543
105	Algeria	Association AIDS Algérie	–	15,350	15,350
106	Peru	Centro de Promoción y Defensa de los Derechos Sexuales y Reproductivos – PROMSEX	–	12,000	12,000
107	United Kingdom	Marie Stopes International	–	63,013	63,013
108	United Kingdom	Plan UK	–	50,979	50,979
109	Various	Grants below US\$10,000, anonymous grantees, and adjustments	17,959	738,701	756,660
Total grants to partner organizations			3,250,391	7,249,911	10,500,302
Total grants to Member and partner organizations			45,597,353	28,946,057	74,543,410

6 Regional activities

Regional activities – 2014

	Unrestricted					
	(1) Programme activities US\$'000	(2) Support costs US\$'000	Charitable activities Sub total US\$'000	(3) Regional fundraising US\$'000	Restricted programme activities US\$'000	Total US\$'000
Personnel costs	7,437	2,138	9,575	1,164	7,282	18,021
Consultancies	1,239	210	1,449	268	3,258	4,975
Travel	2,882	245	3,127	29	5,346	8,502
Occupancy	211	1,360	1,571	25	764	2,360
Communications	209	165	374	520	419	1,313
Other costs	441	312	753	28	1,004	1,785
Total 2014	12,419	4,430	16,849	2,034	18,073	36,956

- 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 and 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 – 2014

	Total Support costs US\$'000	Programme activities US\$'000	Regional fundraising US\$'000	Total US\$'000
Strategic Priorities				
Adolescents	281	2,050	–	2,331
HIV and AIDS	282	2,942	–	3,224
Access	491	3,142	–	3,633
Abortion	438	3,106	–	3,544
Advocacy	819	9,509	–	10,328
Supporting Strategies				
Accreditation & Governance	380	2,113	–	2,493
Resource Mobilization	378	1,062	2,034	3,474
Capacity Building	1,095	4,950	–	6,045
Evaluation	266	1,618	–	1,884
Total 2014	4,430	30,492	2,034	36,956

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

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 and 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

7 Central activities

Central activities – 2014

	Unrestricted					Total US\$'000
	(1) Programme activities US\$'000	(2) Support costs US\$'000	Charitable activities Sub total US\$'000	(3) Central fundraising US\$'000	Restricted Programme activities US\$'000	
Personnel costs	4,294	2,094	6,388	1,406	2,360	10,154
Consultancies	647	568	1,215	735	941	2,891
Travel	1,246	48	1,294	360	1,230	2,884
Occupancy	1	332	333	–	1	334
Communications	33	91	124	11	23	158
Other costs	2,067	2,894	4,961	497	1,580	7,038
Total 2014	8,288	6,027	14,315	3,009	6,135	23,459

- 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.
- 4) The large increase in unrestricted other costs between 2013 and 2014 is due to the exchange loss incurred in 2014 of US\$3.6 million (2013: US\$nil) and the incorporation of the activities previously carried out by ICON that were previously shown separately on the face of the Statement of Financial Activities.

Central activities by IPPF strategic priorities and supporting strategies – 2014

	Support costs US\$'000	Programme activities & support US\$'000	Central fundraising US\$'000	Total US\$'000
Strategic Priorities				
Adolescents	416	950	–	1,366
HIV and AIDS	242	1,081	–	1,323
Access	982	3,453	–	4,435
Abortion	725	2,017	–	2,742
Advocacy	1,259	2,940	–	4,199
Supporting Strategies				
Accreditation & Governance	349	1,764	–	2,113
Resource Mobilization	1,166	–	3,009	4,175
Capacity Building	219	549	–	768
Evaluation	669	1,669	–	2,338
Total 2014	6,027	14,423	3,009	23,459

7 Central activities – 2013

	Unrestricted				Restricted	
	(1) Programme activities US\$'000	(2) Support costs US\$'000	Charitable activities Sub total US\$'000	(3) Central fundraising US\$'000	Programme activities US\$'000	Total 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

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 and 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

8 Governance costs

	Unrestricted US\$'000	Restricted US\$'000	2014 Total US\$'000	2013 Total US\$'000
External audit fees	159	90	249	292
Other fees paid to external auditor (individual donor grant certificates)	6	–	6	19
Other audit/accountancy fees	106	28	134	131
Publishing financial statements	3	–	3	4
Cost of trustee meetings	1,924	–	1,924	1,695
Total	2,198	118	2,316	2,141

Cost of trustee meetings by expense type

	2014 Total US\$'000	2013 Total US\$'000
Air fares	553	465
Hotels	440	369
Per diems	117	91
Personnel	11	92
Other	803	678
Total	1,924	1,695

Cost of trustee meetings by meeting type

	Frequency	Volunteers Attending	2014 Total US\$'000	2013 Total US\$'000
Governing Council	Twice per annum	24	361	429
Audit Committee	Twice per annum	5	38	54
Membership Committee	Twice per annum	7	49	54
Regional Councils	Once per annum	289	920	703
Regional Executive Committees	Twice per annum	85	481	431
Other	Ad hoc	28	75	24
Total			1,924	1,695

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 2014	Regional Offices 2014	Total 2014	Total 2013
Technical knowledge and support	39	102	141	141
Strategic planning, external affairs, advocacy & communications	9	26	35	34
Management, governance, accreditation and policy	16	34	50	42
Resource mobilization	8	17	25	21
Support services – finance, information technology, human resources & administration	30	71	101	96
Trading subsidiary (ICON)	–	–	–	5
Total 2014	102	250	352	339
Total 2013	87	252	332	–

The cost of employing these staff was:

	2014 US\$'000	2013 US\$'000
Gross salaries of individuals on IPPF payroll	21,138	18,420
Social security costs	2,005	1,809
Pension	1,614	1,440
Temporary staff employed through third party agencies	665	452
Other employee benefits	2,752	2,651
Redundancy costs	–	343
Staff employed through trading subsidiary	–	283
Total	28,174	25,398

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

	2014	2013
US\$100,000 to US\$110,000	13	12
US\$110,000 to US\$120,000	8	11
US\$120,000 to US\$130,000	6	6
US\$130,000 to US\$140,000	3	4
US\$140,000 to US\$150,000	1	1
US\$150,000 to US\$160,000	4	2
US\$160,000 to US\$170,000	3	2
US\$170,000 to US\$180,000	1	–
US\$180,000 to US\$190,000	2	1
US\$200,000 to US\$210,000	–	1
US\$210,000 to US\$220,000	1	–
US\$220,000 to US\$230,000	–	1
US\$230,000 to US\$240,000	2	–
US\$320,000 to US\$330,000	–	1
US\$330,000 to US\$340,000	1	–
US\$340,000 to US\$350,000	–	1
US\$380,000 to US\$390,000	1	–

Contributions amounting to US\$654,087 (2013: US\$535,569) were made to defined contribution schemes on behalf of 46 higher paid employees (2013: 37).

No ex-gratia payments were made during the year (2013: Nil). No trustee received remuneration during the year (2013: Nil).

10 Tangible fixed assets (group and charity)

	Freehold property US\$'000	Leasehold property & improvements US\$'000	Fixtures, fittings, equipment & computers US\$'000	Total US\$'000
Cost or valuation				
At 1 January 2014	13,708	9,378	5,478	28,564
Exchange adjustments	–	(9)	(62)	(71)
Additions	–	–	252	252
Disposals	–	–	(45)	(45)
At 31 December 2014	13,708	9,369	5,623	28,700
Depreciation and amortization				
At 1 January 2014	4,648	155	4,284	9,087
Exchange adjustments	–	(9)	(60)	(69)
Charge for the year	767	8	524	1,299
Released on disposal	–	–	(44)	(44)
At 31 December 2014	5,415	154	4,704	10,273
Net book values				
At 31 December 2014	8,293	9,215	919	18,427
At 31 December 2013	9,060	9,223	1,194	19,477

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 Wooton, 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
Shares and securities at market value:				
At 1 January 2014	26,031	10,524	1,255	37,810
Additions	4,524	9,192	–	13,716
Disposal proceeds	(4,218)	(11,097)	–	(15,315)
Unrealized/realized gains for the year	777	(164)	17	630
Shares and securities at 31 December 2014	27,114	8,455	1,272	36,841
Investment property at market value:				
At 1 January 2014	1,131	–	–	1,131
Additions	–	–	–	–
Investment property at 31 December 2014	1,131	–	–	1,131
Investments at 31 December 2014	28,245	8,455	1,272	37,972
Investments at 31 December 2013	27,162	10,524	1,255	38,941
Shares and securities at historical cost:				
At 31 December 2014	17,477	21,659	–	39,136
At 31 December 2013	29,666	10,523	1,255	41,444

The above figures include no cash held as part of the investment portfolio (2013: 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 dormant trading subsidiary incorporated and registered in England and Wales. The principal activity of the subsidiary was the supply of commodity services and social marketing of contraceptives in conjunction with Member Associations.

The last year that financial statements were prepared was for the year ended 31 December 2013. Whilst it was active the company transferred its profits to IPPF via gift aid. A summary of ICON's turnover and expenditure 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 for 2013 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. Subsequently, 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.

	2014 US\$'000	2013 US\$'000
Turnover	–	3,609
Cost of sales	–	(2,824)
Gross profit	–	785
Total expenses	–	(568)
Profit on ordinary activities before taxation	–	217
Gift Aid to IPPF	–	(217)
Retained profit for the year	–	–

The aggregate amount of assets, liabilities and funds was:

	2014 US\$'000	2013 US\$'000
Assets	–	–
Liabilities	–	–
Funds	–	–

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

12 Long term loans (group and charity)

	Unrestricted US\$'000	Restricted US\$'000	2014 Total US\$'000	2013 Total US\$'000
Loans to Member Associations	133	741	874	661
Total	133	741	874	661

All loans to Member Associations are interest bearing.

13 Receivable from donors (group and charity)

	Unrestricted US\$'000	Restricted US\$'000	2014 Total US\$'000	2013 Total US\$'000
Compton Foundation	–	10	10	10
Government of United Kingdom	–	–	–	15
Government of Switzerland	–	–	–	2,187
The John D & Catherine T MacArthur Foundation	–	150	150	150
Population Services International (PSI)	–	11	11	11
Eric E & Edith H Bergstrom Foundation	–	101	101	101
MSH – Leadership Management Governance	–	179	179	94
Other (various)	621	28	649	577
Anonymous donors	–	152	152	152
Total	621	631	1,252	3,297

14 Deferred income (group and charity)

	Unrestricted US\$'000	Restricted US\$'000	2014 Total US\$'000	2013 Total US\$'000
Deferred income balances brought forward	3,477	2,067	5,544	2,722
Recognition of prior year's deferred income	(3,477)	(2,067)	(5,544)	(2,722)
Income received for activities in future periods	3,451	844	4,295	5,544
Deferred income balances carried forward	3,451	844	4,295	5,544

15 Provisions (group and charity)

	2014 US\$'000	2013 US\$'000
Opening balance	186	413
Utilized in year	–	(227)
Arising in year	96	–
Closing balance	282	186

Following an investigation by the Kenya Revenue Authority in relation to unpaid employment taxes, IPPF has provided US\$173,834. This balance is carried over from 2013. During the year a US\$46,000 provision has been made of to cover potential staff gratuity costs incurred by the IPPF Regional Office in India. A further provision of US\$50,000 has been made in relation to a disputed balance owed by a donor to the Africa Regional Office.

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 2014 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2014 US\$'000
Government				
Australia				
SPRINT	1,258	2,514	1,938	1,834
Capacity Building in the Pacific	449	—	301	148
South Asia Strategic Plan	1,839	1,883	2,945	777
Canada				
Delivering the Muskoka Promise	581	1,668	1,945	304
Denmark				
Adolescents & Advocacy for SRH (A+)	(4)	(17)	(52)	31
Rio+20 Side Event	11	—	—	11
High Level Task Force	—	349	—	349
Finland				
Meeting Young People's Sexual & Reproductive Health Needs (Nepal)	12	—	—	12
High Level Task Force	—	926	—	926
Germany				
Improving access for young people in SRH services in Kyrgyzstan	226	(36)	176	14
Increasing access to comprehensive SRH services in Sierra Leone	(82)	—	(176)	94
Promoting Integrated SRH/HIV Services for Girls at Risk and Persons with Disabilities in Liberia	176	454	515	115
Enhancement of sexual and reproductive health services to displaced populations in western Côte d'Ivoire	—	413	321	92
Providing assistance to internally displaced populations in Syria	—	—	154	(154)
High Level Task Force	—	119	119	—
Ireland				
Irish Aid 2013–2015	7	—	7	—
Japan – HIV/STI/AIDS Trust Fund	2,326	786	683	2,429
Netherlands				
Youth Incentive Fund	15	—	4	11
Choices and Opportunities Fund for Youth	546	2,732	3,819	(541)
Civil Society and ICPD	(393)	1,084	1,084	(393)
High Level Task Force	—	294	1,569	(1,275)
ASK	902	2,502	2,138	1,266
New Zealand – Reproductive Health Facility for the Pacific	165	—	155	10
Norway				
HIV Integration Activities	7	—	—	7
Next Generation of Leadership	7	—	7	—
UN Resources Databases	231	56	281	6
Expanding and Improving Access to Safe Abortion Services	960	314	692	582
South Korea				
Emergency Reproductive Health Services in Banda Aceh (post Tsunami)	33	—	—	33
Reinforcing SRH on PLHIV: A Way Out	12	—	—	12
Access to RH in Burkina Faso, Lesotho and Uganda	123	—	—	123

	Balance at 1 Jan 2014 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2014 US\$'000
Sweden				
SIDA funds for ARO	1,006	–	814	192
United Kingdom				
Improving the Sexual and Reproductive Health and Rights for Young Women in Nepal	19	–	5	14
GPAF Supporting Vulnerable People Global Economic Downturn	3	–	3	–
United States of America				
Western Hemisphere Region Sustainability Fund	1,842	59	198	1,703
MSH – Leadership, Management & Governance	47	254	183	118
PSI – CA & Mexico HIV/AIDS	–	71	71	–
PSI – Caribbean	–	20	20	–
Population Council – The Evidence Project	(18)	206	227	(39)
Sustainable Networks	–	637	1,079	(442)
Multi-donor Fund – Safe Abortion Action Fund	9,721	4,634	7,947	6,408
Total government restricted funds	22,027	21,922	29,172	14,777

	Balance at 1 Jan 2014 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2014 US\$'000
Multilateral and other sources				
Arab Gulf Fund – Youth Health Protection	146	–	–	146
Bayer – Bayer Barometer 2013	96	106	176	26
Erik E & Edith Bergstrom Foundation				
WHR Clinic Services (Bolivia)	135	269	267	137
Expanding Regional Effort in UP and UA	(34)	–	–	(34)
CIES and Potosi Clinic Construction	–	329	500	(171)
Comic Relief – Give Stigma the Index Finger: Understanding and Responding to Stigma	32	–	42	(10)
Danish Family Planning Association – Family Planning for Gender Equality and Development in the Eastern African Region	63	(60)	–	3
Development and Public Affairs (formerly DEVCOM) – Donor Cultivation	13	7	3	17
European Commission				
EC Safe Motherhood Bangladesh	30	–	–	30
ECOWAS: Ownership to Donorship	(14)	–	(14)	–
EC V2F Project	395	(111)	–	284
SARO Advocacy Project	(613)	974	288	73
Keep Me Safe	143	–	167	(24)
Capacities/Partnership/Change	33	–	(78)	111
Strengthening MDG 5a and 5b in South Asia	–	506	340	166
The Ford Foundation				
Declaration of Sexual Rights	154	150	186	118
International Advocacy 2012–2014	245	160	246	159
High Level Task Force	–	200	–	200
Futures Group International LLC – Women's Leadership for FP & RH Workshop	20	–	20	–
Bill & Melinda Gates Foundation				
Assessing Benefits of integrated HIV and Reproductive Health – Africa	65	–	106	(41)
Leadership Transition Fund	2	–	–	2
Marie Stopes International – Cervical Cancer Screening & Preventative Therapy	14	873	1,275	(388)
Advance Family Planning	118	545	624	39

	Balance at 1 Jan 2014 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2014 US\$'000
Joining Voices	2,464	—	1,982	482
Planning grant to activate PPFN network to spread FP behaviors and practices	—	432	310	122
Gesellschaft für Internationale Zusammenarbeit (GIZ)				
GIZ Berlin Follow up Flexi Fund	18	—	18	—
Shadows and Light	134	218	229	123
Civil Society and Beyond 2014	—	77	76	1
Africa Rising Project	—	98	—	98
Gynuity Health Projects – Simplifying Menstrual Regulation in Pakistan	—	83	63	20
William and Flora Hewlett Foundation				
Global Advocacy Umbrella grant	190	—	—	190
Multi-donor Fund – EuroNGOs	16	—	16	—
Leadership Transition Fund	10	—	—	10
To Assess Budget Transparency for SRHR	7	—	7	—
ARO Performance Based Funding	3	100	103	—
General Support and Advocacy	222	—	222	—
Setting Africa's Agenda on SRH Post-2015	157	400	523	34
General Operating Support	—	250	127	123
International Federation of the Red Cross – Self assessment tools – HIV/AIDS	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	81	200	9	272
Building capacity of MA's to enhance governance, Management	20	—	7	13
Global NGO Forum	20	—	20	—
ICPD 2012–2015	117	—	146	(29)
The MAC Foundation – MAC AIDS Europe & East, Southeast Asia & Oceania	2	—	—	2
Make A Difference Trust – Positive? Awareness and Attitudes to HIV in the UK	2	—	—	2
New Venture Fund – Building Strategic Alliances with BRICS Countries	6	100	106	—
NoVo Foundation – A Future of Empowerment: Creating Supportive, Enriching Environment for Haitian Girls	—	167	244	(77)
Overbrook Foundation – Building Stronger Community with SRH Voices	80	—	—	80
Sir David Owen Memorial – University Bursary Fund	36	—	—	36
The David and Lucile Packard Foundation				
Country Global Pathways III	51	—	—	51
Country Global Pathways IV	20	(3)	16	1
Women's Leadership ARO	305	350	85	570
Conferences in Population and Reproductive Health in Sub-Saharan Africa	5	—	5	—
Strengthening the Monitoring and Evaluation of Advocacy	8	—	—	8
Multi-donor Fund – Leadership Transition Fund	(1)	—	—	(1)
EuroNGOs	280	—	280	—
Abortion Stigma	—	375	192	183
Population Action International – Resource Mobilization Awareness	29	—	—	29
Helen Seymour Fund – University Bursary Fund	79	—	—	79
Summit Foundation				
Youth Friendly Services Belize	8	—	—	8
Youth Friendly SRHS 2013–2014	59	—	59	—
Youth Friendly SRHS 2014–2015	—	130	98	32

	Balance at 1 Jan 2014 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2014 US\$'000
Swedish Association for Sexuality Education (RFSU)				
Sexual Rights are Human Rights	47	(26)	11	10
International Program for SRHR	–	945	1,842	(897)
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
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
Joint Project on Adolescent Health (SROP)	8	–	–	8
SRH and HIV linkages website 2013	2	(2)	–	–
Support for SARYN meeting / APPC	(5)	12	–	7
Strengthening SRH/HIV Linkages Part VI	(444)	444	–	–
Systems strengthening for RHCS	278	16	286	8
Africa Parliamentary Forum for Population Development	36	258	264	30
SRHR in East and Southern Africa	29	(22)	–	7
Strengthening National Systems for RHCS	–	53	2	51
Support to IPPF Africa Region	–	50	33	17
Support to IGAD	–	88	–	88
Strengthening SRH/HIV Linkages Part VII	–	115	258	(143)
Increased availability and use of integrated SRH services	–	275	275	–
SRH and HIV linkages website 2014	–	30	20	10
United Nations Programme on HIV/AIDS (UNAIDS)				
PLWA Index Briefing Pack	(15)	–	–	(15)
PLHIV	(80)	–	(73)	(7)
Ireland MA	73	–	73	–
Technical Support Facility ESEAOR	896	2,157	1,538	1,515
Report Cards Young Women & Girls	6	–	–	6
Technical Support Facility ESEAOR Phase III	–	59	764	(705)
UNIFEM – Promoting an integrated response to and prevention of VAW through a SRHR mechanism in Africa	(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	30	–	–	30
The Virginia B.Toulmin Foundation				
MHU in Dominican Republic and Bolivia	115	250	91	274
Cancer Prevention in Bolivia	–	150	127	23
Waterloo Foundation – Integration of Family Planning Services into Outreach Work in Tanzania	81	–	65	16
Westwind Foundation				
Advocacy India	65	–	–	65
UC Foundation, Trust and Gov't	–	75	75	–

	Balance at 1 Jan 2014 US\$'000	Income US\$'000	Expenditure US\$'000	Balance at 31 Dec 2014 US\$'000
World Health Organisation				
Linkages Evidence Review	2	–	–	2
Rapid Assessment Tool Findings	2	24	32	(6)
PMNCH	–	76	–	76
Multi-donor Fund – EuroNGOs	(6)	170	12	152
Anonymous donors (not disclosed at their request)	(2,473)	11,815	8,175	1,167
Other (various)	7,388	362	1,178	6,572
Total multilateral and other sources	11,711	24,299	24,136	11,874
Total restricted funds	33,738	46,221	53,308	26,651

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 252	–	–	–	–	–	(252)	–
Transfer into the Director-General's Contingency and Emergency Funds	b –	–	350	–	–	–	(350)	–
Transfer into the Designated Regional Fund	c –	–	2,567	–	–	–	(2,567)	–
Transfer out of WHR Sustainability Fund	–	–	–	(80)	–	–	80	–
Transfer out of WHR Innovation Fund	–	–	–	–	(13)	–	13	–
Transfer into Volunteer Study Fund	–	–	127	–	–	–	(127)	–
Transfer into Other Designated Funds	–	–	68	–	–	–	(68)	–
Transfers between funds	252	–	3,112	(80)	(13)	0	(3,271)	–
Balance as at 1 January 2014	19,477	787	44,901	21,808	5,004	(9,403)	23,525	106,099
Net incoming/(outgoing) resources	(1,302)	–	(7,796)	(751)	(164)	1,606	3,821	(4,586)
Net gains/(losses) on investment assets	–	–	–	646	–	–	131	777
Actuarial gains/(losses) on defined benefit pension scheme	–	–	–	–	–	(4,676)	–	(4,676)
Foreign exchange movements on pension liability	–	–	–	–	–	433	–	433
Foreign currency translation	–	–	–	–	–	–	(236)	(236)
Balance as at 31 December 2014	18,427	787	40,217	21,623	4,827	(12,040)	23,970	97,811

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 The Director-General's Contingency and Emergency Funds have been allocated US\$0.35 million to fund unforeseen events and emergency situations respectively.
- c During the year regions made savings of US\$2.6 million. These funds are allocated to the Designated Regional Fund for utilization on projects being undertaken in 2015.

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

	2014 US\$'000	2013 US\$'000
Orders for contraceptives and services due within one year	—	563

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:

Epiring		
In the next 1–2 years	411	88
Between 2–5 years	701	500

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 2014 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 2014 was US\$585,156. 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 2014, IPPF held funds on behalf of the member association of Guatemala (Asociación Pro Bienestar de la Familia de Guatemala) amounting to US\$14,525,453 (2013: US\$14,337,779). 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\$1.8 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 (2013: 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 2014 pension charge for this scheme is US\$576,133 (2013: US\$384,833).

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 2014 pension charge for this scheme is US\$533,990 (2013: US\$514,223).

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 2014 pension charge for this scheme is US\$226,241 (2013: US\$215,144).

At 31 December 2014 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 2014 by a qualified independent actuary.

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

	2014 US\$'000	2013 US\$'000
	1,823	1,668

There were no outstanding or prepaid contributions at the year-end (2013: nil).

The major assumptions used in the FRS 17 valuation were:

	2014 Per annum	2013 Per annum	2012 Per annum
Inflation – RPI	3.30%	3.65%	2.85%
Inflation – CPI	2.60%	2.95%	2.15%
% rate of discount	3.75%	4.65%	4.4%
Pension increases:			
Pre 88 GMP	Nil	Nil	Nil
Post 88 GMP	2.6%	2.95%	2.15%
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%	6.0%	5.5%
Excess over GMP accrued between 1.8.2002 and 5.4.2005	3.3%	3.65%	2.85%
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:

	2014	2013
Pre retirement mortality (male/female)	S1PA / S1PA	S1PA / S1PA
Post retirement mortality for non pensioner members (male/female)	S1PA / S1PA	S1PA / S1PA
Post retirement mortality for pensioner members (male/female)	S1PA / S1PA	S1PA / S1PA

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

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

Scheme assets

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

	2014 US\$'000	2013 US\$'000	2012 US\$'000
Equities	12,544	10,940	4,906
Bonds	16,768	24,012	35,019
Cash	8,437	8,333	1,888
Property	7,486	1,063	486
Total market value of assets	45,235	44,348	42,299
Present value of scheme liability	57,275	53,751	53,402
Deficit in scheme – Net pension liability	(12,040)	(9,403)	(11,103)

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

	Long-term rate of return expected at 31/12/2014	Long-term rate of return expected at 31/12/2013	Long-term rate of return expected at 31/12/2012
Equities	5.40%	6.60%	5.70%
Bonds	3.75%	5.60%	4.70%
Cash	2.40%	3.60%	2.70%
Gilts	2.40%	3.60%	2.70%
Property	5.40%	6.60%	5.70%

Movement in pension fund liability during the year

	2014 US\$'000	2013 US\$'000
Deficit in scheme at 1 January	(9,403)	(11,103)
Employer's contributions	1,823	1,668
Other finance charge	(217)	(539)
Actuarial (loss)/gain	(4,676)	712
Exchange rate movement	433	(141)
Deficit in scheme at 31 December	(12,040)	(9,403)

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 2013 and 2014.

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\$12.0 million does not exceed the unrestricted funds balance.

Charge to the Statement of Financial Activities over the financial year

	2014 US\$'000	2013 US\$'000
Employer's current service cost	—	—
Curtailment gain	—	—
Total operating charge	—	—
Expected return on pension fund assets	(2,103)	(1,815)
Interest on pension funds liabilities	2,320	2,354
Net return	217	539
Total charge to the Statement of Financial Activities	217	539

History of experience gains and losses

	2014	2013	2012	2011	2010
Difference between the actual and expected return on scheme assets					
Amount (US\$'000)	1,092	(392)	1001	(1,422)	1,725
Percentage of year end scheme assets	2%	(1%)	2%	(4%)	5%
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)	(4,676)	712	(1,139)	(5,175)	(533)
Percentage of year end present value of scheme liabilities	(8%)	1%	(2%)	(11%)	(1%)

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 indicates a conflict of interest. There are no other related party interests or transactions that require disclosure.

Members of the Governing Council up to May 2014

Africa Region

Mr Kweku Brenu	Ghana
Ms Aya Eleonore Kouakou	Côte d'Ivoire
Ms Eliane Berthe Mokodopo	Central African Republic
Dr Naomi Seboni (President)	Botswana

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Ms Linda Penno	New Zealand
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Mr Deniz Deralla	Albania
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Ms Andrea Cohen Barrack	Canada
Dr Esther Vicente	Puerto Rico
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Ms Deandra Walker	Guyana
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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/Graeme Robertson/Nepal

IPPF Financial Statements 2014

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