

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

Report of the statutory auditor
to the Council

on the consolidated financial statements 2021

Report of the statutory auditor

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

Gland

Report of the statutory auditor on the consolidated financial statements

As statutory auditor, we have audited the accompanying consolidated financial statements of IUCN, International Union for Conservation of Nature and Natural Resources, which comprise the consolidated balance sheet, consolidated income and expenditure statement, consolidated funds and reserve statement, consolidated cash flow statement and notes, for the year ended 31 December 2021.

Management's responsibility

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

Auditor's responsibility

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

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

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2021 comply with Swiss law, IUCN Statutes, as well as with the consolidation and valuation principles described in the notes.

Report on other legal requirements

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

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

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

PricewaterhouseCoopers SA



Marcello Stimato
Audit expert
Auditor in charge



Hamza Benhlal

Geneva, 19 May 2022

Enclosure:

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

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IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2021

Report Currency: CHF ('000)

	Notes	31.12.2021	31.12.2020
ASSETS			
Current assets			
Cash and short term bank deposits	III	74,316	63,098
Financial assets	IV	16,034	16,020
Membership dues receivables (net)	V	611	1,072
Staff receivables	VI	273	234
Receivables from partner organisations	VII	135	61
Advances to implementing partners and grantees	VIII	17,610	12,285
Prepayments		1,083	2,812
Donor funds receivable	IX	8,584	6,154
Project agreement receivables	X	9,885	14,716
Framework agreements receivables	XI	640	201
Other account receivables		1,892	1,197
Total Current assets		131,063	117,850
Non-current assets			
Fixed assets (net)	XII	24,607	25,794
Intangible assets (net)	XIII	251	276
Total Non-current assets		24,858	26,070
TOTAL ASSETS		155,921	143,920
LIABILITIES AND FUND BALANCES			
Current liabilities			
Membership dues paid in advance		2,705	2,257
Accounts payable and accrued liabilities	XIV	13,180	11,184
Social charges payable		726	225
Project agreement advances	X	82,707	72,929
Deferred unrestricted income	XVIII	3,132	4,977
Deferred income buildings	XVIII	467	467
New building loan	XIX	252	246
Advances from hosted organisations	XVI	220	102
Miscellaneous current liabilities		253	398
Total Current liabilities		103,642	92,785
Provisions			
Projects in deficit	XVII	1,065	4,686
Staff leave and repatriation		2,306	2,292
Staff termination	XVII	1,971	1,690
Total Provisions		5,342	8,668
Non-current liabilities			
Long-term deferred income	XVIII	12,154	12,776
New building loan	XIX	11,799	12,048
Total Non-current liabilities		23,953	24,824
Funds and Unrestricted Reserves			
Designated reserves	XX	2,380	2,578
Unrestricted reserves	XX	20,604	15,065
Total Funds and Unrestricted Reserves		22,984	17,643
TOTAL LIABILITIES AND FUND BALANCES		155,921	143,920

IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

Report Currency: CHF ('000)

		2021			2020		
	Notes	Secretariat Unrestricted	Project Agreements	Total	Secretariat Unrestricted	Project Agreements	Total
EXTERNAL OPERATING INCOME							
Membership dues		12,549	-	12,549	12,653	-	12,653
Retention of staff income tax	XXI	1,700	-	1,700	1,666	-	1,666
Agreements income		596	98,144	98,740	-	77,363	77,363
Framework income	XXII	13,647	-	13,647	12,104	-	12,104
Other operating income	XXIII	4,790	5,549	10,339	5,004	205	5,209
TOTAL EXTERNAL OPERATING INCOME		33,282	103,693	136,975	31,427	77,568	108,995
INTERNAL ALLOCATIONS							
Cross charges from projects		38,108	(38,108)	-	34,234	(34,234)	-
Other internal allocations		1,176	(1,176)	-	287	(287)	-
TOTAL INTERNAL ALLOCATIONS		39,284	(39,284)	-	34,521	(34,521)	-
OPERATING EXPENDITURE							
Staff costs		57,310	8,458	65,768	53,637	5,725	59,362
Consultants		1,572	22,057	23,629	1,598	16,581	18,179
Grants to partners		306	4,138	4,444	430	3,766	4,196
Travel		1,135	8,157	9,292	651	3,946	4,597
Workshops and conferences		257	2,793	3,050	182	963	1,145
Publications and printing costs		347	2,072	2,419	253	1,419	1,672
Office and general administrative costs		3,155	5,191	8,346	3,345	2,905	6,250
Vehicles & equipment – costs & maintenance		957	8,301	9,258	940	5,594	6,534
Professional fees or costs		682	1,601	2,283	544	675	1,219
Depreciation and amortisation		2,068	1	2,069	2,161	5	2,166
TOTAL OPERATING EXPENDITURE		67,789	62,769	130,558	63,741	41,579	105,320
NET OPERATING SURPLUS		4,777	1,640	6,417	2,207	1,468	3,675
OTHER INCOME – EXPENDITURE							
Interest income	XIX	206	45	251	335	74	409
Financial charges	XIX	(415)	(261)	(676)	(385)	(102)	(487)
Capital gains (losses)	IV	308	-	308	84	-	84
Net gains/(losses) on foreign exchange		(43)	(1,281)	(1,324)	(484)	(724)	(1,208)
Exchange differences on revaluation of project balances	XXIV	-	208	208	-	(1,004)	(1,004)
Net movements in provision and write-offs		(2,018)	849	(1,169)	(1,695)	288	(1,407)
2021 Congress	XXVII	2,873	(1,200)	1,673	(1,673)	-	(1,673)
TOTAL OTHER INCOME – EXPENDITURE		911	(1,640)	(729)	(3,818)	(1,468)	(5,286)
NET SURPLUS/ (DEFICIT) FOR THE YEAR		5,688	-	5,688	(1,611)	-	(1,611)
Allocation and appropriations to designated reserves							
Allocations to designated reserves		(1,320)	-	(1,320)	(1,048)	-	(1,048)
Appropriations from designated reserves		322	-	322	282	-	282
Net allocations/appropriations to designated reserves		(998)	-	(998)	(766)	-	(766)
RESULTS FOR THE YEAR AFTER CHANGES IN DESIGNATED RESERVES		4,690	-	4,690	(2,377)	-	(2,377)

CONSOLIDATED FUNDS AND RESERVE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

Report Currency: CHF ('000)

	Balance at 1 January	Allocations	Appropriations	Other movements	Results for the year	Balance at 31 December
2021						
Designated reserves						
Reserve for statutory meetings	93	235	-	-	-	328
Other designated reserves	1,590	1,075	(322)	(1,196)	-	1,147
Renovation Fund	895	10	-	-	-	905
Total designated reserves	2,578	1,320	(322)	(1,196)	-	2,380
Unrestricted reserves						
Currency Translation Reserve	347	-	-	(347)	-	-
IUCN Fund	8,621	-	-	-	-	8,621
Retained surpluses	6,097	-	-	1,196	4,690	11,983
Total unrestricted reserves	15,065	-	-	849	4,690	20,604
Total reserves	17,643	1,320	(322)	(347)	4,690	22,984
2020						
Designated reserves						
Reserve for statutory meetings	-	93	-	-	-	93
Other designated reserves	926	946	(282)	-	-	1,590
Renovation Fund	886	9	-	-	-	895
Total designated reserves	1,812	1,048	(282)	-	-	2,578
Unrestricted reserves						
Currency Translation Reserve	500	-	-	(153)	-	347
IUCN Fund	8,621	-	-	-	-	8,621
Retained surpluses	8,474	-	-	-	(2,377)	6,097
Total unrestricted reserves	17,595	-	-	(153)	(2,377)	15,065
Total reserves	19,407	1,048	(282)	(153)	(2,377)	17,643

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

Report Currency: CHF ('000)

	Notes	2021	2020
Cash flow from operations			
Surplus/(deficit) from operations		5,688	(1,611)
Effect of exchange rate	XX	(347)	(153)
Net balance from operations		5,341	(1,764)
Depreciation of fixed assets	XII	1,892	2,006
Amortisation and write-down of intangible assets	XIII	178	175
Increase / (decrease) in provisions for projects in deficit	XVII	(3,621)	2,311
Increase / (decrease) in staff leave and repatriation liabilities		14	362
Increase / (decrease) in the provision for staff termination	XVII	281	113
Increase / (decrease) in other provisions		-	(30)
(Increase) / decrease in membership dues receivables (net)	V	461	(61)
(Increase) / decrease in staff receivables	VI	(39)	42
(Increase) / decrease in receivables from partner organisations	VII	(74)	306
(Increase) / decrease in advances to implementing partners	VIII	(5,325)	(2,460)
(Increase) / decrease in prepayments		1,729	(1,406)
(Increase) / decrease in donor funds receivable	IX	(2,430)	(1,657)
(Increase) / decrease in project agreement receivables	X	4,831	3,392
(Increase) / decrease in framework agreements receivable	XI	(439)	1,216
(Increase) / decrease in other accounts receivable		(695)	472
Increase / (decrease) in membership dues paid in advance		448	(426)
Increase / (decrease) in accounts payable and accrued liabilities	XIV	1,996	402
Increase / (decrease) in social charges payable		501	(170)
Increase / (decrease) in project agreement advances	X	9,778	(384)
Increase / (decrease) in miscellaneous current liabilities		(145)	70
Increase / (decrease) in hosted organisations advances	XVI	118	409
(Increase) / decrease in financial assets		(14)	-
Increase / (decrease) in current deferred income	XVIII	(1,844)	3,523
Increase / (decrease) in deferred income	XVIII	(467)	(468)
(Gain) / loss on disposal of fixed assets	XII	(6)	(5)
Total cash flow from operations		12,469	5,968
Cash flow from investing activities			
Purchase of fixed assets	XII	(709)	(512)
Proceeds on disposal of fixed assets		12	19
Purchase of intangible assets	XIII	(153)	(205)
Total cash flow from investing activities		(850)	(698)
Cash flow from financing activities			
Loan repayment	XIX	(401)	(401)
Total cash flow from financing activities		(401)	(401)
Net cash inflow for the year		11,218	4,869
Cash and short term deposits at the beginning of the year	III	63,098	58,229
Cash and short term deposits at the end of the year	III	74,316	63,098

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2021

All amounts in CHF ('000) unless otherwise stated

I. ORGANISATION AND ACTIVITY

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

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

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

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

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DEFINITIONS

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

1. Accounting convention

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

2. Basis of consolidation

The consolidated financial statements include all offices of IUCN and those entities over which IUCN has the power to govern the financial and operating policies so as to obtain benefits from their activities. In certain countries, multiple project offices may exist.

Branches:

- Asia Region
 - Asia Regional Office (Thailand)
 - Bangladesh Country Office
 - Cambodia Country Office
 - China Country Office
 - India Country Office
 - Lao PDR Country Office
 - Maldives Project Office
 - Myanmar Country Office
 - Nepal Country Office
 - Pakistan Country Office
 - Sri Lanka Country Office
 - Thailand Country Office
 - Vietnam Country Office

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2021

All amounts in CHF ('000) unless otherwise stated

- Eastern and Southern Africa Region
 - Eastern and Southern Africa Regional Office (Kenya)
 - Ethiopia Project Office
 - Kenya Country Office
 - Malawi Project Office
 - Mozambique Country Office
 - Rwanda Country Office
 - South Africa Country Office
 - Tanzania Country Office
 - Uganda Country Office
- Eastern Europe and Central Asia Regional Office (Serbia)
- Environmental Law Centre (Germany)
- Mediterranean Regional Office (Spain)
- North America Regional Office
 - North America Regional Office (USA)
 - Permanent Mission to the UN Representation Office (New York)
- Oceania Regional Office
 - Oceania Regional Office (Fiji)
 - Samoa Project Office
 - Solomon Islands Project Office
 - Tonga Project Office
 - Vanuatu Project Office
- Mexico, Central America and the Caribbean Region
 - Regional Office for Mexico, Central America and the Caribbean (Costa Rica)
 - Barbados Project Office
 - El Salvador Country Office
 - Guatemala Country Office
 - Honduras Country Office
 - Mexico Project Office
 - Saint Kitts and Nevis Project Office
- South America Regional Office (Ecuador)
- Species Programme Office (United Kingdom)
- Western and Central Africa Region
 - Western and Central Africa Regional Office (Senegal)
 - Burkina Faso Country Office
 - Cameroon Country Office
 - Chad Project Office
 - Democratic Republic of the Congo Country Office
 - Ghana Project Office
 - Guinea Project Office
 - Guinea Bissau Country Office
 - Mali Country Office
 - Mauritania Country Office
 - Niger Country Office
 - Senegal Country Office
- West Asia Regional Office
 - West Asia Regional Office (Jordan)
 - Lebanon Project Office

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2021

All amounts in CHF ('000) unless otherwise stated

Other entities:

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

3. Currency of accounts

a) Reporting currency

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

b) Functional currency

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

4. Foreign exchange

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

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

5. Income

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

a) Membership dues

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

b) Voluntary donations

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

Framework agreements income

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

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

Staff in-kind contributions

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

Project agreements income

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

c) Retention of staff income tax

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

6. Expenditure

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

7. Cross charges from projects

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

Staff time charges

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

Indirect cost recoveries

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

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2021

All amounts in CHF ('000) unless otherwise stated

8. Financial assets

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

9. Fixed assets

a) Purchased assets

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

b) In-kind assets

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

c) Donations for the purchase of fixed assets

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

d) Depreciation

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

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

10. Intangible assets

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

Software is depreciated over its estimated useful life on a straight line basis over 2 to 7 years.

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

11. Provisions

a) Provision for membership dues receivable

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

Membership dues outstanding for:

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

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2021

All amounts in CHF ('000) unless otherwise stated

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

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

b) Provision for projects in deficit

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

c) Staff terminations

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

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

d) Staff leave and repatriation

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

12. Loans at below market rate of interest

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

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

13. Hosted organisations

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

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

14. Reserves

IUCN maintains the following reserves:

a) Unrestricted reserves

IUCN Fund

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

Currency translation reserves

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

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Retained surpluses

The Retained surpluses represent other unrestricted reserves.

b) Designated reserves

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

Reserve for statutory meetings

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

Renovation Fund

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

Other Designated reserves

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

III. CASH AND SHORT TERM BANK DEPOSITS

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

REGION OR OFFICE	2021	2020
Asia	5,605	2,933
Eastern and Southern Africa	2,471	2,001
Eastern Europe and Central Asia	156	358
Europe	4,179	3,706
Environmental Law Centre, Bonn	175	377
Headquarters	52,121	44,415
Mediterranean	576	320
Mexico, Central America and the Caribbean	2,043	2,189
Oceania	1,477	485
South America	413	370
United Kingdom	448	971
United States	1,201	1,138
Western and Central Africa	3,171	3,142
West Asia	280	693
Balance at 31 December	74,316	63,098

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IV. FINANCIAL ASSETS

	2021	2020
Bonds	8,881	11,917
Structured Products	316	1,109
Equities	3,469	950
Microfinance	1,380	864
Convertibles	688	738
Other Investments	1,300	442
Balance at 31 December	16,034	16,020

At 31 December 2021, an unrealized foreign exchange loss of CHF 39 (2020 – CHF 29 loss) was recognised on the investment portfolio.

During the year, the investment portfolio recorded a capital gain of CHF 308 (2020 – CHF 84 gain).

At 31 December 2021, the investment portfolio included bank balances of CHF 686 (2020 – CHF 500). These are included under cash and short-term bank deposits.

V. MEMBERSHIP DUES RECEIVABLE AND PROVISION

	2021	2020
Gross membership dues receivable	2,150	2,898
Provision for dues in arrears	(1,539)	(1,826)
Net membership dues receivable at 31 December	611	1,072

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

2021

	2019 and prior	2020	2021	Total
State member	448	322	356	1,126
Government agencies	228	134	233	595
Indigenous peoples	0	1	5	6
International NGOs	15	9	31	55
National NGOs	81	74	172	327
Affiliates	22	5	14	41
Total membership dues receivable	794	545	811	2,150
Provision for membership dues	(794)	(478)	(267)	(1,539)
Net membership dues receivable	0	67	544	611

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2020

	2018 and prior	2019	2020	Total
Total membership dues receivable	493	404	2,001	2,898
Provision for membership dues	(493)	(398)	(935)	(1,826)
Net membership dues receivable	-	6	1,066	1,072

Movement in provision for membership dues

	2021	2020
Balance at 1 January	1,826	1,249
Addition to/(release from) provision	(287)	577
Write off of deficits against provision	-	-
Balance at 31 December	1,539	1,826

VI. STAFF RECEIVABLES

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

	2021	2020
Travel advances	262	210
Payroll advances and staff loans	11	24
Balance at 31 December	273	234

VII. RECEIVABLES FROM PARTNER ORGANISATIONS

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

	2021	2020
RAMSAR Convention Secretariat	135	61

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VIII. ADVANCES TO IMPLEMENTING PARTNERS

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

	2021	2020
Asia	1,207	1,253
Eastern and Southern Africa	1,625	786
Europe	122	97
Headquarters	6,920	5,237
Mediterranean	102	5
Mexico, Central America and the Caribbean	486	505
Oceania	849	305
South America	-	139
United Kingdom	49	123
United States	128	85
West Asia	1,532	388
Western and Central Africa	4,590	3,362
Balance at 31 December	17,610	12,285

Headquarters manages a significant number of grant making programmes. Although the programmes are managed by Headquarters, the grants themselves are made to organisations globally. Grants are recorded as advances to implementing partners until the expenditure incurred by the grantees is reported as spent to IUCN.

IX. DONOR FUNDS RECEIVABLES

Donor funds receivables represents funds requests sent to donor. The receivable is net of provisions for amounts IUCN considers may not be settled.

	2021	2020
Donor funds receivables	9,647	6,154
Provision for doubtful receivables	(1,063)	-
Balance at 31 December	8,584	6,154

Provision for doubtful receivables was in previous year classified as projects in deficit. The 2020 comparatives for provisions for doubtful receivables have not been restated.

X. PROJECT AGREEMENTS RECEIVABLES AND ADVANCES

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

	2021	2020
Project agreement receivables	9,885	14,716
Project agreement advances	(82,707)	(72,929)
Balance at 31 December	(72,822)	(58,213)

The project agreement receivables are presented in 2021 net of provisions for amounts IUCN has assessed to be doubtful from donors to cover expenditures already incurred. In previous years, provision for doubtful receivables were presented in projects in deficit. The 2020 comparatives for provisions for doubtful receivables related to project agreement receivables were not restated.

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	2021	2020
Project agreement receivables	12,136	14,716
Provision for doubtful receivables	(2,251)	-
Balance at 31 December	9,885	14,716

XI. FRAMEWORK AGREEMENTS RECEIVABLES

Framework agreements receivables represent framework agreements income due but not received as at the end of the year. As at 31 December 2021 there was CHF 640 receivable compared to CHF 201 receivable at 31 December 2020.

XII. FIXED ASSETS

1. Movement in fixed assets

	Building Infrastructur es	Building Installatio ns	Other Land and Building s	Vehicles, Equipmen t, Furniture & Fixtures	Total
Purchase value:					
Balance as at 31 December, 2019	27,178	13,775	5,338	9,934	56,225
Additions	-	-	123	389	512
Disposals	-	-	-	(221)	(221)
Balance as at 31 December, 2020	27,178	13,775	5,461	10,102	56,516
Additions	-	-	396	313	709
Disposals	-	-	0	(218)	(218)
Balance as at 31 December, 2021	27,178	13,775	5,857	10,197	57,007
Depreciation:					
Balance as at 31 December, 2019	(10,642)	(7,885)	(1,988)	(8,408)	(28,923)
Charge for the year	(544)	(575)	(241)	(646)	(2,006)
Disposals	0	0		207	207
Balance as at 31 December, 2020	(11,186)	(8,460)	(2,229)	(8,847)	(30,722)
Charge for the year	(544)	(575)	(268)	(505)	(1,892)
Disposals				214	214
Balance as at 31 December, 2021	(11,730)	(9,035)	(2,497)	(9,138)	(32,400)
Net book value:					
Balance as at 31 December, 2020	15,992	5,315	3,232	1,255	25,794
Balance as at 31 December, 2021	15,448	4,740	3,360	1,059	24,607

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

2. Land

In 1990, the commune of Gland gave IUCN the right to use a plot of land for the purpose of building the IUCN Secretariat Headquarters. The right was granted at no cost for a period of 50 years, i.e. until August 2040. In 2008, the commune of Gland gave IUCN the right of use of an adjacent piece of land to the original plot for a period of 50 years, with the permission to construct an extension to the existing IUCN Headquarters building.

3. IUCN Headquarters building

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

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a) Original building

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

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

b) Building extension

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

XIII. INTANGIBLE ASSETS

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

Movement in Intangible assets

	2021	2020
Purchase value:		
Balance at 1 January	4,946	4,741
Additions	153	205
Balance at 31 December	5,099	4,946
Amortisation:		
Balance as of 1 January	(4,670)	(4,495)
Charge for the year	(178)	(175)
Balance at 31 December	(4,848)	(4,670)
Net Book Value at 31 December	251	276

XIV. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities represent amounts owed to creditors and suppliers as at the end of the year. Of the total outstanding balance of CHF 13,180 as at 31 December 2021 (2020 – CHF 11,184), CHF 6,691 (2020 – CHF 6023) is related to Headquarters and the balance to regional and country offices.

	2021	2020
Accounts payable and supplier accruals	6,215	5,585
Accruals for implementing partners	6,965	5,599
Balance at 31 December	13,180	11,184

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XV. PENSION FUND OBLIGATIONS

IUCN operates different pension plans in different countries, each conforming to the legal regulations in the respective country. On 31 December 2021, the liability to the pension schemes amounted to CHF 3 (2020 – CHF nil).

XVI. ADVANCES FROM HOSTED ORGANISATIONS

At 31 December 2021 IUCN held funds advanced from hosted organisations of CHF 220 (2020 – CHF 102) advanced to hosted organisations).

	2021	2020
Balance at 1 January	102	(307)
Income	-	233
Expenditure	(10)	(21)
	92	(95)
Movement on funds held	128	197
Balance at 31 December	220	102

XVII. PROVISIONS

1. Projects in deficit

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

Movement in project deficit provision

	2021	2020
Balance at 1 January	4,686	2,375
Additions to provision	2,258	2,753
Utilisation of provision	(892)	(442)
Reversal of Congress provision	(1,673)	-
Reclassified doubtful receivables	(3,314)	-
Balance at 31 December	1,065	4,686
Region	2021	2020
Asia	118	596
Eastern and Southern Africa Region	426	1,021
Europe	3	34
Headquarters	43	2,100
Mediterranean	45	92
Oceania	12	321
United States	26	108
Western and Central Africa	392	172
West Asia	-	242
Balance at 31 December	1,065	4,686

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In 2021, provisions of CHF 3,314 were reclassified and netted off donor funds receivable (CHF 1,063 – note IX) and project funds receivable (CHF 2,251 – note X).

2. Staff termination

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

Movement in provision for staff termination

	2021	2020
Balance at 1 January	1,690	1,577
Additions to provision	1,026	678
Utilization of provision	(745)	(565)
Balance at 31 December	1,971	1,690

XVIII. DEFERRED INCOME

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

	2021	2020
Deferred unrestricted income	3,132	4,977
Donations for construction of HQ building extension		
Donations in cash	2,449	2,550
Donations in kind	195	221
Donation in cash for renovation of original building	372	434
	3,016	3,174
Headquarters original building	6,475	6,784
Interest free government loan	3,130	3,285
Total	15,753	18,220
Current		
Deferred unrestricted income	3,132	4,977
Buildings:		
Original building	339	339
Building extension	128	128
Total buildings	467	467
Total current deferred income	3,599	5,444
Non-current		
Original building	6,167	6,301
Building extension	5,987	6,475
Total long term deferred income	12,154	12,776
Total deferred income	15,753	18,220

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

The deferred income on the government loan represents the difference between the fair value of the loan CHF 12,048 (2020 – CHF 12,294) and the outstanding cash value of the loan CHF 15,178 (2020 – CHF 15,579) (see Note XVIII). This difference represents the fair value of the interest saved on the interest free loan granted by the Swiss Government and is recognised over the period of the loan.

XIX. NEW BUILDING LOAN

Headquarters building extension loan

	2021	2020
Current	249	246
Non-current	11,799	12,048
Balance at 31 December	12,048	12,294

The Swiss Government provided an interest free loan of CHF 20,000 to finance the headquarters building extension. The loan is repayable in 50 annual instalments of CHF 400. The first instalment was paid in December 2010.

The fair value of the loan is estimated at CHF 12,048 (2020 – CHF 12,294). The outstanding cash value of the loan has been discounted at a rate of 1.25% (2020 – 1.25%) which represents the market interest rate for a 10-year loan based on current market conditions. The difference of CHF 3,130 (2020 – CHF 3,285) between the outstanding cash value and the fair value of the loan is the benefit derived from the interest-free loan and is recorded as deferred income (see Note XVII).

The value of the interest that would have been paid on an equivalent commercial loan of 1.25% is estimated at CHF 190 (2020 – CHF 195). This has been recorded in the income and expenditure statement under Interest income to recognise the benefit of the interest free loan and under financial charges to recognise the interest that would have been paid.

XX. FUNDS AND UNRESTRICTED RESERVES

1. Unrestricted reserves

Currency translation adjustments & foreign exchange gains and losses

Exchange gains and losses at the individual ledger levels are dealt with in the income statement. The net unrestricted loss on exchange for the year amounted to CHF 43 loss (2020 – loss of CHF 484).

Exchange gains and losses on consolidation and translation of ledgers maintained in other currencies to CHF are taken to the currency translation adjustment reserve. In 2021, the translation of balances to reporting currency resulted in a currency loss of CHF 874 (2020 – loss of CHF 153), which exceeded the balance on the currency translation adjustment reserve by CHF 527. This amount has been recognised in the income and expenditure statement as part of net gains/losses on foreign exchange.

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2. Designated reserves

The following allocations and appropriations were made to designated reserves:

	2021		2020	
	Allocations	Appropriations	Allocations	Appropriations
Commission operating funds	-	(322)	946	-
External review	75	-	-	(102)
System investments	-	-	-	(180)
Regional conservation fora	235	-	93	-
Renovation fund	10	-	9	-
Institutional strengthening	1,000	-	-	-
Total	1,320	(322)	1,048	(282)

Additionally, at the end of 2021, the balance on the designated reserve for the IUCN Commission Operating Funds of CHF 1,196 was transferred to unrestricted reserves in line with IUCN reserves policy.

XXI. RETENTION OF STAFF INCOME TAX

Swiss Government tax rebates amounted to CHF 1,700 (2020 – CHF 1,666) and represents the value of taxes that would have been paid by non-Swiss staff in the absence of the Fiscal Agreement between IUCN and the Swiss Government which exempts non-Swiss staff from payroll taxes and which entered into effect on 1 January 1987.

XXII. FRAMEWORK INCOME

Annex A lists Framework Agreements income by donor and details income allocations to the IUCN Programme and operational units. Framework income includes in-kind contributions of CHF 635 (2020 – CHF 661).

XXIII. OTHER OPERATING INCOME

Other operating income of CHF 4,790 (2020 – CHF 5,004) shown under Secretariat unrestricted funds includes overhead and management fees from Ramsar Convention Secretariat of CHF 513 (2020 – CHF 529), rental income of CHF 987 (2020 – CHF 975), recognition of deferred income of donations for the headquarters original building and building extension CHF 467 (2020 – CHF 467), and in-kind contributions of staff other than Framework staff in-kind of CHF 872 (2020 – CHF 730). The balance of other operating income is made up of miscellaneous external income received by IUCN at both Headquarters and other offices around the world.

XXIV. EXCHANGE DIFFERENCES ON REVALUATION OF PROJECT BALANCES

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

XXV. AUDIT FEE

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

	2021	2020
Consolidated financial statement audit	196	181
Other audits	48	61

XXVI. RELATED PARTIES**1. Identity of related parties****a) The Commissions**

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

b) The National and Regional Committees

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

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

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

d) TRAFFIC International

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

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

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

2. Transactions with related parties

During the course of the year IUCN made contributions of CHF 1,300 to the Commissions (2020 – CHF 1,671). The amount is distributed across the expenditure headings that reflect the nature of the expenses incurred by the Commissions. Unspent allocations are included under Other Designated Reserves

During the year and as part of the services IUCN provides to Ramsar, IUCN received funds of CHF 5,545 (2020 – CHF 5,030) and incurred payments of CHF 4,937 (2020 – CHF 4,360) on behalf of Ramsar. At year-end the balance held in trust for Ramsar amounted to CHF 6,946 (2020 – CHF 5,634). These transactions are recorded in Ramsar accounts and financial statements and are therefore not presented in the financial statements of IUCN. During the year, IUCN received fees of CHF 513 (2020 – CHF 529) for the services provided to Ramsar and which are included in Other operating income.

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During the year IUCN made contributions of CHF 276 to TRAFFIC International (2020 – CHF 412) and received fees of CHF 88 (2020 – CHF 98) for hosting TRAFFIC operations.

During the year, IUCN received funds from the International Union for Conservation of Nature and Natural Resources – US of USD 98 for projects (CHF 90) and USD for Patrons of Nature 333 (CHF 304). In 2020, USD 647 (CHF 594) was received for projects and USD 641 (CHF 588) for Patrons of Nature.

Summary of legally controlled entities:

Company	Year-end closing	Currency	Capital	Share of capital	
				2021	2020
The International Union for the Conservation of Nature and Natural Resources, Registered Trustees, (WASAA Trust Fund, Nairobi)	31.12	KES	233,446	100%	100%
UICN, Bureau de Représentation auprès de l'Union Européenne asbl	31.12	EUR	472	100%	100%
Associação UICN	31.12	BLR	(150)	20%	20%
IUCN UK (A Company Limited by Guarantee)	31.12	GBP	110	NA	NA
IUCN Maldives	31.12	USD	-	100%	100%
IUCN PNG "Mangrove Rehabilitation and Management Project Association	dormant				

XXVII. 2021 WORLD CONSERVATION CONGRESS

The IUCN World Congress is IUCN's highest governing body. It comprises the duly accredited delegates of the Members of IUCN and takes place every four years.

The 2021 Congress – initially scheduled to be held in 2020 - was postponed to September 2021 due to the COVID-19 pandemic. In the 2020 financial statements, a provision of CHF 1,673 was made for projected Congress losses based on estimated income and expenditure, taking into consideration the expected evolution of the pandemic. This provision was not utilised as the Congress ended with a net surplus of CHF 662. The net surplus comprises a surplus of CHF 1,200 realised in 2021 less deficits recognised in previous years of CHF 538. The surplus realised in 2021, together with the reversal of the provision made in 2020 have been recognised in the income statement and have been allocated to unrestricted reserves.

XXVIII. STAFF HEADCOUNT

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

	2021	2020
Average employees during the year	915	832

XXIX. OPERATING LEASES

At 31 December 2021, IUCN has future minimum office rental commitments amounting to CHF 3'760 (2020 – CHF 4,197) relating to expected rental fees until the end of the lease contracts, all of which expires in 1 to 5 years.

IUCN has leasing contracts for office equipment and maintenance amounting to CHF 49 (2020 – CHF 104) expiring in 1 to 2 years.

XXX. BANK GUARANTEES

At 31 December 2021, IUCN had bank guarantees in Euro 30 (2020 – EUR nil) and Kuwaiti Dinar 19 (2019 – KWD 19), for a total value CHF 88 (2020 – CHF 80) in favour of IUCN donors. The bank guarantee existing in Ugandan Shilling at the end of 2020 was not maintained. Cash for an equivalent amount is pledged at corresponding banks.

XXXI. SUBSEQUENT EVENTS

The armed conflict between Ukraine and Russia has currently seen approximately five million refugees leave Ukraine with international donors directing more Overseas Development Assistance (ODA) to support the refugees. IUCN relies on ODA funding with approximately 80% of funds from this source. This includes membership dues from some State Members, Framework agreements and restricted funding for project implementation or execution. IUCN has assessed the impact of the Ukraine crisis on its income streams. Existing commitments from ODA for restricted funding are not expected to be impacted. Unrestricted income in the form of membership dues and Framework agreements are for the most part confirmed for the 2022 year. As a result, we do not expect the Ukraine crisis to have a negative impact on IUCN's financial result in 2022.

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ANNEX A – CORE FUNDS UNDER FRAMEWORK AGREEMENTS

All amounts in CHF ('000)

	2021	2021	2020	2020
	Secretariat expenditure	Framework core allocation	Secretariat expenditure	Framework core allocation
Central and West Africa Region	3,338	666	2,772	584
Eastern and Southern Africa Region	5,644	752	4,644	535
Asia Region	6,354	948	6,099	715
Meso America and Caribbean	3,796	548	3,429	514
South America and Brazil	989	275	1,117	268
European Regional Office, Brussels	1,088	-	1,048	-
Eastern Europe and Central Asia Regional Office	550	76	528	37
West Asia Region	1,019	298	991	195
Mediterranean Cooperation Centre	1,450	184	1,390	-
Oceania	1,466	286	1,390	190
North America Regional Office	824	-	869	-
Sub Total Regional Components	26,518	4,033	24,277	3,038
Director's Office, Biodiversity Conservation Group	301	356	356	338
Species Programme	3,019	290	3,285	427
Protected Areas Programme	2,149	285	1,902	390
World Heritage Programme	1,064	333	1,091	316
Traffic International	276	-	412	212
Sub Total Biodiversity Conservation Group	6,809	1,264	7,046	1,683
Director's Office, Nature-based Solutions Group	448	381	436	338
Ecosystem Management Programme	1,838	544	1,567	971
Forest & Climate Change Programme	1,933	237	1,960	294
Marine & Polar Programme	1,543	238	1,826	226
Water & Food Security Programme	748	238	727	226
Business & Biodiversity Programme	1,175	240	1,193	229
Governance and Rights Programme	1,010	285	1,242	943
Sub Total Nature-based Solutions Group	8,695	2,163	8,951	3,227
Director's Office, Programme & Policy Group	57	57	390	406
Economic Knowledge	877	427	982	480
Science and Knowledge Unit	888	687	828	614
Global Policy Unit	-	-	713	525
Environmental Law Programme	1,189	285	1,044	316
GEF Coordination Unit	480	152	545	119
Sub Total PPG – Programme & Policy Group	3,491	1,608	4,502	2,460
Commission on Education and Communication	214	-	180	-
Commission on Ecosystem Management	152	-	93	-
World Commission on Environmental Law	383	-	65	-
World Commission on Protected Areas	161	-	55	-
Species Survival Commission	295	-	240	-
Commission on Environment, Economics and Social Policy	291	-	92	-
Sub Total Commissions	1,496	-	725	-
Director's office, Union Development Group	2,223	3	2,302	-
Governance	484	-	615	-
Sub Total Union Development	2,707	3	2,917	-
Directorate	1,909	660	1,062	-
IUCN Academy	4	-	-	-
International Policy Centre	817	560	-	-
Office of the Legal Adviser	623	-	573	-
Oversight Unit	232	-	236	-
Planning, Monitoring & Evaluation Unit	676	594	548	299
External Review	-	75	-	-
Global Communications Unit	1,258	593	1,188	-
Finance Group	1,658	-	1,689	-
Global Programme Operations Unit	1,733	592	1,715	594
Human Resources Management Group	1,039	-	1,014	-
Strategic Partnerships Unit	1,050	1,267	844	554
General Services Unit	2,817	-	2,991	-
Information Systems Group	3,835	205	3,662	-
Sub Total Corporate Support Units	17,651	4,546	15,522	1,447
OVERALL TOTAL	67,367	13,617	63,940	11,855
Other operating expenditure	423	-	(199)	-
Operating expenses as per the Income & Expenditure Statement	67,790	13,617	63,741	11,855
Reconciliation of Framework Income to the Financial Statements		2021		2020
Overall Total allocations as above		13,617		11,855
Realised foreign exchange losses on cash contributions		30		(2)
Framework funding allocated to projects		-		463
Surplus/(Deficit) at year-end transferred to unrestricted reserve		-		(212)
Total Funding Framework Agreements				12,104

IUCN – International Union for Conservation of Nature and Natural Resources

ANNEX A – CORE FUNDS UNDER FRAMEWORK AGREEMENTS

All amounts in CHF ('000)

	2021	2020
Framework Agreement Partners	TOTAL	TOTAL
Agence Française de Développement (AFD), Ministry for Europe and Foreign Affairs (MEAE), Ministry of Ecological and Inclusive Transition (MTES), Ministry of Agriculture and Food (MAA); Ministry of Overseas Territories (MOM) – France	1,010	1,344
Ministry of Environment, Republic of Korea (MOE) – Korea	742	762
Ministry of Foreign Affairs – Finland	752	378
Ministry of Foreign Affairs of Denmark	2,807	-
Norwegian Agency for Development Cooperation (NORAD) – Norway	2,160	2,141
Swedish International Development Agency (Sida) – Sweden	4,219	4,974
Swiss Agency for Development and Cooperation (SDC) – Switzerland	1,500	1,800
U.S. Department of State	457	705
Total Funding Framework Agreements	13,647	12,104

Note:

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

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

Report of the statutory auditor
to the Council

on the consolidated financial statements 2022

Report of the statutory auditor

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

Gland

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of IUCN, International Union for Conservation of Nature and Natural Resources and its subsidiaries (the organization), which comprise consolidated balance sheet, consolidated income and expenditure statement, consolidated funds and reserve statement, consolidated cash flow statement and notes, including a summary of significant accounting policies, for the year ended 31 December 2022.

In our opinion, the accompanying consolidated financial statements comply with Swiss law and the consolidation and valuation principles described in the notes.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the organization in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Council is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Council's responsibilities for the consolidated financial statements

The Council is responsible for the preparation of the consolidated financial statements in accordance with the provisions of Swiss law, and for such internal control as the Council determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Council is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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Auditor's responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the organization audit. We remain solely responsible for our audit opinion.

We communicate with the Council or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

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

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

PricewaterhouseCoopers SA



Marcello Stimato
Licensed audit expert
Auditor in charge



Hamza Benhlal

Genève, 26 May 2023

Enclosure:

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

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IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2022

Report Currency: CHF ('000)

	Notes	31.12.2022	31.12.2021
ASSETS			
Current assets			
Cash and short term bank deposits	III	91,414	74,316
Financial assets	IV	13,498	16,034
Membership dues receivables (net)	VI	907	611
Staff receivables	VII	466	273
Receivables from partner organisations	VIII	-	135
Advances to implementing partners and grantees	IX	26,575	17,610
Prepayments		968	1,083
Donor funds receivable	X	8,812	8,584
Project agreement receivables	XI	13,594	9,885
Framework agreements receivables	XII	-	640
Other account receivables		2,342	1,892
Total Current assets		158,576	131,063
Non-current assets			
Fixed assets (net)	XIII	23,784	24,607
Intangible assets (net)	XIV	365	251
Total Non-current assets		24,149	24,858
TOTAL ASSETS		182,725	155,921
LIABILITIES AND FUND BALANCES			
Current liabilities			
Membership dues paid in advance		2,341	2,705
Accounts payable and accrued liabilities	XV	15,994	13,180
Social charges payable		426	726
Payable to partner organisations	VIII	105	-
Project agreement advances	XI	104,149	82,707
Deferred unrestricted income	XIX	6,758	3,132
Deferred income buildings	XIX	471	467
New building loan	XX	175	252
Advances from hosted organisations	XVII	184	220
Miscellaneous current liabilities		824	253
Total Current liabilities		131,427	103,642
Provisions			
Projects in deficit	XVIII	765	1,065
Staff leave and repatriation		2,001	2,306
Staff termination	XVIII	2,018	1,971
Other provisions		380	-
Total Provisions		5,164	5,342
Non-current liabilities			
Long-term deferred income	XIX	13,367	12,154
New building loan	XX	9,799	11,799
Total Non-current liabilities		23,166	23,953
Funds and Unrestricted Reserves			
Designated reserves	XXI	2,942	2,380
Unrestricted reserves	XXI	20,026	20,604
Total Funds and Unrestricted Reserves		22,968	22,984
TOTAL LIABILITIES AND FUND BALANCES		182,725	155,921

IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

Report Currency: CHF ('000)

		2022			2021		
	Notes	Secretariat Unrestricted	Project Agreements	Total	Secretariat Unrestricted	Project Agreements	Total
EXTERNAL OPERATING INCOME							
Membership dues		13,463	-	13,463	12,549	-	12,549
Retention of staff income tax	XXIII	1,671	-	1,671	1,700	-	1,700
Agreements income		200	124,262	124,462	596	98,144	98,740
Framework income	XXIV	12,430	1,317	13,747	13,647	-	13,647
Other operating income	XXV	4,426	1,854	6,280	4,790	5,549	10,339
TOTAL EXTERNAL OPERATING INCOME		32,190	127,433	159,623	33,282	103,693	136,975
INTERNAL ALLOCATIONS							
Unrestricted allocations to projects		(2,292)	2,292	-			
Cross charges from projects		42,667	(42,667)	-	38,108	(38,108)	-
Other internal allocations		1,797	(1,797)	-	1,176	(1,176)	-
TOTAL INTERNAL ALLOCATIONS		42,172	(42,172)	-	39,284	(39,284)	-
OPERATING EXPENDITURE							
Staff costs		58,684	9,800	68,484	57,310	8,458	65,768
Consultants		1,726	22,135	23,861	1,572	22,057	23,629
Grants to partners		323	14,167	14,490	306	4,138	4,444
Travel		2,134	11,848	13,982	1,135	8,157	9,292
Workshops and conferences		301	3,651	3,952	257	2,793	3,050
Publications and printing costs		365	2,710	3,075	347	2,072	2,419
Office and general administrative costs		3,140	5,722	8,862	3,155	5,191	8,346
Vehicles & equipment – costs & maintenance		1,070	10,570	11,640	957	8,301	9,258
Professional fees or costs		489	1,703	2,192	682	1,601	2,283
Depreciation and amortisation		2,050	63	2,113	2,068	1	2,069
TOTAL OPERATING EXPENDITURE		70,282	82,369	152,651	67,789	62,769	130,558
NET OPERATING SURPLUS		4,080	2,892	6,972	4,777	1,640	6,417
OTHER INCOME – EXPENDITURE							
Interest income	XX	440	10	450	206	45	251
Financial charges	XX	(567)	(190)	(757)	(415)	(261)	(676)
Capital gains (losses)	IV	(1,663)	-	(1,663)	308	-	308
Net (losses) on foreign exchange		(1,294)	(2,600)	(3,894)	(43)	(1,281)	(1,324)
Exchange differences on revaluation of project balances	XXV	-	(369)	(369)	-	208	208
Net movements in provision and write-offs		(1,012)	257	(755)	(2,018)	849	(1,169)
2021 Congress	XXVIII	-	-	-	2,873	(1,200)	1,673
TOTAL OTHER INCOME – EXPENDITURE		(4,096)	(2,892)	(6,988)	911	(1,640)	(729)
NET SURPLUS/ (DEFICIT) FOR THE YEAR		(16)	-	(16)	5,688	-	5,688
Allocation and appropriations to designated reserves							
Allocations to designated reserves		(826)	-	(826)	(1,320)	-	(1,320)
Appropriations from designated reserves		1,045	-	1,045	322	-	322
Appropriations from unrestricted reserves		800		800			
Net allocations/appropriations to reserves		1,019	-	1,019	(998)	-	(998)
RESULTS FOR THE YEAR AFTER CHANGES IN RESERVES		1,003	-	1,003	4,690	-	4,690

CONSOLIDATED FUNDS AND RESERVE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

Report Currency: CHF ('000)

	Balance at 1 January	Allocations	Appropriations	Other movements	Results for the year	Balance at 31 December
2022						
Designated reserves						
Reserve for statutory meetings	328	500	-	-	-	828
Other designated reserves	1,147	326	(1,045)	781	-	1,209
Renovation Fund	905	-	-	-	-	905
Total designated reserves	2,380	826	(1,045)	781		2,942
Unrestricted reserves						
Currency Translation Reserve	-	-	-	-	-	-
IUCN Fund	8,621	-	-	-	-	8,621
Retained surpluses	11,983	-	(800)	(781)	1,003	11,405
Total unrestricted reserves	20,604	-	(800)	(781)	1,003	20,026
Total reserves	22,984	826	(1,845)	-	1,003	22,968
2021						
Designated reserves						
Reserve for statutory meetings	93	235	-	-	-	328
Other designated reserves	1,590	1,075	(322)	(1,196)	-	1,147
Renovation Fund	895	10	-	-	-	905
Total designated reserves	2,578	1,320	(322)	(1,196)	-	2,380
Unrestricted reserves						
Currency Translation Reserve	347	-	-	(347)	-	-
IUCN Fund	8,621	-	-	-	-	8,621
Retained surpluses	6,097	-	-	1,196	4,690	11,983
Total unrestricted reserves	15,065	-	-	849	4,690	20,604
Total reserves	17,643	1,320	(322)	(347)	4,690	22,984

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

Report Currency: CHF ('000)

	Notes	2022	2021
Cash flow from operations			
Surplus/(deficit) from operations		(16)	5,688
Effect of exchange rate	XXI	-	(347)
Net balance from operations		(16)	5,341
Depreciation of fixed assets	XIII	1,940	1,892
Amortisation and write-down of intangible assets	XIV	113	178
Increase / (decrease) in provisions for projects in deficit	XVIII	(300)	(3,621)
Increase / (decrease) in staff leave and repatriation liabilities		(305)	14
Increase / (decrease) in the provision for staff termination	XVIII	47	281
Increase / (decrease) in other provisions		380	-
(Increase) / decrease in membership dues receivables (net)	VI	(296)	461
(Increase) / decrease in staff receivables	VII	(193)	(39)
(Increase) / decrease in receivables from partner organisations	VIII	240	(74)
(Increase) / decrease in advances to implementing partners	IX	(8,965)	(5,325)
(Increase) / decrease in prepayments		115	1,729
(Increase) / decrease in donor funds receivable	X	(228)	(2,430)
(Increase) / decrease in project agreement receivables	XI	(3,709)	4,831
(Increase) / decrease in framework agreements receivable	XII	640	(439)
(Increase) / decrease in other accounts receivable		(453)	(695)
Increase / (decrease) in membership dues paid in advance		(364)	448
Increase / (decrease) in accounts payable and accrued liabilities	XV	2,814	1,996
Increase / (decrease) in social charges payable		(300)	501
Increase / (decrease) in project agreement advances	XI	21,442	9,778
Increase / (decrease) in miscellaneous current liabilities		572	(145)
Increase / (decrease) in hosted organisations advances	XVII	(37)	118
(Increase) / decrease in financial assets		2,536	(14)
Increase / (decrease) in current deferred income	XIX	3,626	(1,844)
Increase / (decrease) in deferred income	XIX	(456)	(467)
(Gain) / loss on disposal of fixed assets	XIII	4	(6)
Total cash flow from operations		18,847	12,469
Cash flow from investing activities			
Purchase of fixed assets	XIII	(1,132)	(709)
Proceeds on disposal of fixed assets		11	12
Purchase of intangible assets	XIV	(227)	(153)
Total cash flow from investing activities		(1,348)	(850)
Cash flow from financing activities			
Loan repayment	XX	(401)	(401)
Total cash flow from financing activities		(401)	(401)
Net cash inflow for the year		17,098	11,218
Cash and short term deposits at the beginning of the year	III	74,316	63,098
Cash and short term deposits at the end of the year	III	91,414	74,316

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2022

All amounts in CHF ('000) unless otherwise stated

I. ORGANISATION AND ACTIVITY

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

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

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

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

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DEFINITIONS

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

1. Accounting convention

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

2. Basis of consolidation

The consolidated financial statements include all offices of IUCN and those entities over which IUCN has the power to govern the financial and operating policies so as to obtain benefits from their activities. In certain countries, multiple project offices may exist.

Branches:

- Asia Region
 - Asia Regional Office (Thailand)
 - Bangladesh Country Office
 - Cambodia Country Office
 - China Country Office
 - India Country Office
 - Lao PDR Country Office
 - Maldives Project Office
 - Myanmar Country Office
 - Nepal Country Office
 - Pakistan Country Office
 - Sri Lanka Country Office
 - Thailand Country Office
 - Vietnam Country Office

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2022

All amounts in CHF ('000) unless otherwise stated

- Eastern and Southern Africa Region
 - Eastern and Southern Africa Regional Office (Kenya)
 - Ethiopia Project Office
 - Kenya Country Office
 - Malawi Project Office
 - Mozambique Country Office
 - Rwanda Country Office
 - South Africa Country Office
 - Tanzania Country Office
 - Uganda Country Office
 - Zimbabwe Project Office
- Eastern Europe and Central Asia Regional Office (Serbia)
- Europe Regional Office (Germany)
- Centre for Mediterranean Cooperation (Spain)
- North America Regional Office
 - North America Regional Office (USA)
 - Permanent Mission to the UN Representation Office (New York)
- Oceania Regional Office
 - Oceania Regional Office (Fiji)
 - Samoa Project Office
 - Solomon Islands Project Office
 - Vanuatu Project Office
- Mexico, Central America and the Caribbean Region
 - Regional Office for Mexico, Central America and the Caribbean (Costa Rica)
 - Barbados Project Office
 - El Salvador Country Office
 - Guatemala Country Office
 - Honduras Country Office
 - Mexico Project Office
 - Saint Kitts and Nevis Project Office
- South America Regional Office (Ecuador)
- Cambridge Office (United Kingdom)
- West and Central Africa Region
 - West and Central Africa Regional Office (Senegal)
 - Burkina Faso Country Office
 - Cameroon Country Office
 - Chad Project Office
 - Ghana Project Office
 - Guinea Project Office
 - Guinea Bissau Country Office
 - Mali Country Office
 - Mauritania Country Office
 - Niger Country Office
 - Senegal Country Office
- West Asia Regional Office
 - West Asia Regional Office (Jordan)
 - Saudi Arabia Project Office

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2022

All amounts in CHF ('000) unless otherwise stated

Other entities:

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

3. Currency of accounts

a) Reporting currency

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

b) Functional currency

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

4. Foreign exchange

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

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

5. Income

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

a) Membership dues

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

b) Voluntary donations

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

Framework agreements income

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

Unrestricted Framework agreements income is recognised in the income statement once the agreement has been signed and in accordance with the amounts specified in the agreement for each calendar year. In the event that the framework income is not fully utilised in the calendar year, it is recorded as deferred income.

Restricted Framework agreements income is recorded as Projects agreements income and is recognised as expenditure is incurred and the conditions fulfilled.

Framework agreements income received in advance of the period to which it relates is recorded as deferred unrestricted income.

Staff in-kind contributions

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

Project agreements income

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

c) Retention of staff income tax

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

6. Expenditure

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

7. Cross charges from projects

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

Staff time charges

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

Indirect cost recoveries

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

8. Financial assets

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

9. Fixed assets**a) Purchased assets**

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

b) In-kind assets

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

c) Donations for the purchase of fixed assets

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

d) Depreciation

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

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

10. Intangible assets

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

Software is depreciated over its estimated useful life on a straight line basis over 2 to 7 years.

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

11. Provisions**a) Provision for membership dues receivable**

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

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Membership dues outstanding for:

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

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

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

b) Provision for projects in deficit

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

c) Staff terminations

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

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

d) Staff leave and repatriation

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

12. Loans at below market rate of interest

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

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

13. Hosted organisations

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

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

14. Reserves

IUCN maintains the following reserves:

a) Unrestricted reserves

IUCN Fund

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

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Currency translation reserves

The Currency translation reserve represents changes in the value of the net assets of IUCN at the consolidation level as a result of movements of functional currencies against the Swiss franc. If the translation of balances in ledger currency exceeds the balance on the currency translation reserve the amount is recognised as part of net gains/losses on foreign exchange on the income and expenditure statement.

Retained surpluses

The Retained surpluses represent other unrestricted reserves.

b) Designated reserves

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

Reserve for statutory meetings

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

Renovation Fund

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

Other Designated reserves

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

III. CASH AND SHORT TERM BANK DEPOSITS

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

REGION OR OFFICE	2022	2021
Asia	3,555	5,605
Eastern and Southern Africa	3,693	2,471
Eastern Europe and Central Asia	190	156
Europe	13,537	4,179
Environmental Law Centre, Bonn	156	175
Headquarters	57,468	52,121
Mediterranean	1,098	576
Mexico, Central America and the Caribbean	2,439	2,043
Oceania	3,383	1,477
South America	493	413
United Kingdom	242	448
United States	813	1,201
Western and Central Africa	3,096	3,171
West Asia	1,251	280
Balance at 31 December	91,414	74,316

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IV. FINANCIAL ASSETS

	2022	2021
Bonds	7,497	8,881
Structured Products	285	316
Equities	2,562	3,469
Microfinance	1,514	1,380
Convertibles	-	688
Other Investments	1,640	1,300
Balance at 31 December	13,498	16,034

At 31 December 2022, an unrealized foreign exchange loss of CHF 86 (2021 – CHF 39 loss) was recognised on the investment portfolio.

During the year, the investment portfolio recorded a capital loss of CHF 1,663 (2021 – CHF 308 gain).

At 31 December 2022, the investment portfolio included bank balances of CHF 1,459 (2021 – CHF 686). These are included under cash and short-term bank deposits.

V. DERIVATIVE FINANCIAL INSTRUMENTS

The following forward currency contract commitments existed at 31 December 2022:

	Other currency	CHF	Maturity date
Conversion of USD to CHF	1,260	1,232	10.02.2023
Conversion of EUR to CHF	1,450	1,380	20.01.2023

The contracts for the conversions of USD and EUR to CHF are all forward currency contracts.

VI. MEMBERSHIP DUES RECEIVABLE AND PROVISION

	2022	2021
Gross membership dues receivable	1,922	2,150
Provision for dues in arrears	(1,015)	(1,539)
Net membership dues receivable at 31 December	907	611

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

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2022

	2020 and prior	2021	2022	Total
State member	111	171	500	782
Government agencies	33	138	183	354
Subnational Governments	0	0	21	21
Indigenous peoples	1	1	10	12
International NGOs	3	21	93	117
National NGOs	23	104	441	568
Affiliates	0	6	62	68
Total membership dues receivable	171	441	1,310	1,922
Provision for membership dues	(171)	(304)	(540)	(1,015)
Net membership dues receivable	0	137	770	907

2021

	2019 and prior	2020	2021	Total
Total membership dues receivable	794	545	811	2,150
Provision for membership dues	(794)	(478)	(267)	(1,539)
Net membership dues receivable	0	67	544	611

Movement in provision for membership dues

	2022	2021
Balance at 1 January	1,539	1,826
Addition to/(release from) provision	574	(287)
Write off of deficits against provision	(1,098)	-
Balance at 31 December	1,015	1,539

VII. STAFF RECEIVABLES

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

	2022	2021
Travel advances	435	262
Payroll advances and staff loans	31	11
Balance at 31 December	466	273

VIII. RECEIVABLES FROM/PAYABLE TO PARTNER ORGANISATIONS

This balance represents balances due or from partner organisations associated with IUCN that are outstanding as at 31 December. The balance at the end of December 2022 represents a payable to Ramsar of CHF 105 (2021 - CHF 135 receivable).

	2022	2021
RAMSAR Convention Secretariat	(105)	135

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IX. ADVANCES TO IMPLEMENTING PARTNERS

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

	2022	2021
Asia	3,338	1,207
Eastern and Southern Africa	5,304	1,625
Europe	46	122
Headquarters	8,236	6,920
Mediterranean	60	102
Mexico, Central America and the Caribbean	879	486
Oceania	918	849
United Kingdom	(13)	49
United States	679	128
West Asia	1,115	1,532
Western and Central Africa	6,013	4,590
Balance at 31 December	26,575	17,610

Headquarters manages a significant number of grant making programmes. Although the programmes are managed by Headquarters, the grants themselves are made to organisations globally. Grants are recorded as advances to implementing partners until the expenditure incurred by the grantees is reported as spent to IUCN.

X. DONOR FUNDS RECEIVABLES

Donor funds receivables represents funds requests sent to donor. The receivable is net of provisions for amounts IUCN considers may not be settled.

	2022	2021
Donor funds receivables	9,214	9,647
Provision for doubtful receivables	(402)	(1,063)
Balance at 31 December	8,812	8,584

XI. PROJECT AGREEMENTS RECEIVABLES AND ADVANCES

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

	2022	2021
Project agreement receivables	13,594	9,885
Project agreement advances	(104,149)	(82,707)
Balance at 31 December	(90,555)	(72,822)

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The project agreement receivables are presented net of provisions for amounts IUCN has assessed to be doubtful from donors to cover expenditures already incurred.

	2022	2021
Project agreement receivables	16,354	12,136
Provision for doubtful receivables	(2,760)	(2,251)
Balance at 31 December	13,594	9,885

XII. FRAMEWORK AGREEMENTS RECEIVABLES

Framework agreements receivables represent framework agreements income due but not received as at the end of the year. As at 31 December 2022 there was CHF nil receivable compared to CHF 640 receivable at 31 December 2021.

XIII. FIXED ASSETS

1. Movement in fixed assets

	Building Infrastructures	Building Installations	Other Land and Buildings	Vehicles, Equipment, Furniture & Fixtures	Total
Purchase value:					
Balance as at 31 December, 2020	27,178	13,775	5,461	10,102	56,516
Additions	-	-	396	313	709
Disposals	-	-	0	(218)	(218)
Balance as at 31 December, 2021	27,178	13,775	5,857	10,197	57,007
Additions	-	-	112	1,020	1,132
Disposals	-	-	-	(213)	(213)
Balance as at 31 December, 2022	27,178	13,775	5,969	11,004	57,926
Depreciation:					
Balance as at 31 December, 2020	(11,186)	(8,460)	(2,229)	(8,847)	(30,722)
Charge for the year	(544)	(575)	(268)	(505)	(1,892)
Disposals	-	-	-	214	214
Balance as at 31 December, 2021	(11,730)	(9,035)	(2,497)	(9,138)	(32,400)
Charge for the year	(544)	(575)	(280)	(541)	(1,940)
Disposals	-	-	-	198	198
Balance as at 31 December, 2022	(12,274)	(9,610)	(2,777)	(9,481)	(34,142)
Net book value:					
Balance as at 31 December, 2021	15,448	4,740	3,360	1,059	24,607
Balance as at 31 December, 2022	14,904	4,165	3,192	1,523	23,784

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

2. Land

In 1990, the commune of Gland gave IUCN the right to use a plot of land for the purpose of building the IUCN Secretariat Headquarters. The right was granted at no cost for a period of 50 years, i.e. until August 2040. In 2008, the commune of Gland gave IUCN the right of use of an adjacent piece of land to the original plot for a period of 50 years, with the permission to construct an extension to the existing IUCN Headquarters building.

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3. IUCN Headquarters building

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

a) Original building

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

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

b) Building extension

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

XIV. INTANGIBLE ASSETS

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

Movement in Intangible assets

	2022	2021
Purchase value:		
Balance at 1 January	5,099	4,946
Additions	227	153
Balance at 31 December	5,326	5,099
Amortisation:		
Balance as of 1 January	(4,848)	(4,670)
Charge for the year	(113)	(178)
Balance at 31 December	(4,961)	(4,848)
Net Book Value at 31 December	365	251

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XV. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities represent amounts owed to creditors and suppliers as at the end of the year. Of the total outstanding balance of CHF 15,994 as at 31 December 2022 (2021 – CHF 13,180), CHF 6,908 (2021 – CHF 6,691) is related to Headquarters and the balance to regional and country offices.

	2022	2021
Accounts payable and supplier accruals	7,505	6,215
Year-end accruals for implementing partners	8,489	6,965
Balance at 31 December	15,994	13,180

XVI. PENSION FUND OBLIGATIONS

IUCN operates different pension plans in different countries, each conforming to the legal regulations in the respective country. On 31 December 2022, the liability to the pension schemes amounted to CHF nil (2021 – CHF 3).

XVII. ADVANCES FROM HOSTED ORGANISATIONS

At 31 December 2022 IUCN held funds advanced from hosted organisations of CHF 184 (2021 – CHF 220) advanced to hosted organisations).

XVIII. PROVISIONS

1. Projects in deficit

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

Movement in project deficit provision

	2022	2021
Balance at 1 January	1,065	4,686
Additions to provision	383	2,258
Utilisation of provision	(835)	(892)
Reversal of Congress provision	-	(1,673)
Movement on reclassified doubtful receivables	152	(3,314)
Balance at 31 December	765	1,065
Region	2022	2021
Asia	-	118
Eastern and Southern Africa Region	142	426
Europe	5	3
Headquarters	87	43
Mediterranean	43	45
Oceania	25	12
United States	-	26
Western and Central Africa	463	392
West Asia	-	-
Balance at 31 December	765	1,065

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In 2022, provisions of CHF 2,223 (2021 – CHF 3,314) were reclassified and netted off donor funds receivable CHF 251 (2021 – CHF 1,063 – Note X) and project funds receivable CHF 2,172 (2021 – CHF 2,251 – Note XI).

2. Staff termination

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

Movement in provision for staff termination

	2022	2021
Balance at 1 January	1,971	1,690
Additions to provision	1,046	1,026
Utilization of provision	(999)	(745)
Balance at 31 December	2,018	1,971

XIX. DEFERRED INCOME

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

	2022	2021
Deferred unrestricted income	6,758	3,132
Donations for construction of HQ building extension		
Donations in cash	2,347	2,449
Donations in kind	169	195
Donation in cash for renovation of original building	356	372
	2,872	3,016
Headquarters original building	6,167	6,475
Interest free government loan	4,799	3,130
Total	20,596	15,753
Current		
Deferred unrestricted income	6,758	3,132
Buildings:		
Original building	308	339
Building extension	162	128
Total buildings	471	467
Total current deferred income	471	3,599
Non-current		
Original building	5,859	6,167
Building extension	7,508	5,987
Total long term deferred income	13,367	12,154
Total deferred income	20,596	15,753

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

The deferred income on the government loan represents the difference between the fair value of the loan CHF 9,974 (2021 – CHF 12,048) and the outstanding cash value of the loan CHF 14,773 (2021 – CHF 15,178) (see Note XX). This difference represents the fair value of the interest saved on the interest free loan granted by the Swiss Government and is recognised over the period of the loan.

XX. NEW BUILDING LOAN

Headquarters building extension loan

	2022	2021
Current	175	249
Non-current	9,799	11,799
Balance at 31 December	9,974	12,048

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

The loan is repayable in 50 annual instalments of CHF 400. The first instalment was paid in December 2010. The fair value of the loan is estimated at CHF 9,974 (2021 – CHF 12,048). The outstanding cash value of the loan has been discounted at a rate of 2.25% (2021 – 1.25%) which represents the market interest rate for a 10-year loan based on current market conditions. The difference of CHF 4,799 (2021 – CHF 3,130) between the outstanding cash value and the fair value of the loan is the benefit derived from the interest-free loan and is recorded as deferred income (see Note XIX).

The impact of changing the discount rate from 1.25% to 2.25% in 2022 was a decrease in the fair value of the loan of CHF 1,822 and a corresponding increase in deferred income. This adjustment has not been passed through the income and expenditure statement as it has no impact on the result for the year.

The value of the interest that would have been paid on an equivalent commercial loan of 2.25% is estimated at CHF 333 (2021 – CHF 190). This has been recorded in the income and expenditure statement under Interest income to recognise the benefit of the interest free loan and under financial charges to recognise the interest that would have been paid.

XXI. FUNDS AND UNRESTRICTED RESERVES

1. Unrestricted reserves

Currency translation adjustments & foreign exchange gains and losses

Exchange gains and losses at the individual ledger levels are dealt with in the income statement. The net unrestricted loss on exchange for the year amounted to CHF 1,294 loss (2021 – loss of CHF 43).

Exchange gains and losses on consolidation and translation of ledgers maintained in other currencies to CHF are taken to the currency translation adjustment reserve. In 2022, the translation of balances to reporting currency resulted in a currency loss of CHF 1,357 (2021 – loss of CHF 874). This amount has been recognised in the income and expenditure statement as part of net gains/losses on foreign exchange as at the end of 2021 the balance on the currency translation adjustment reserve was nil.

Retained surpluses

In accordance with Council decision C107/10 of 18-19 May 2022, CHF 800k was allocated from unrestricted reserves to fund 2022 expenditure to fund Commission events (CHF 0.4m), development of a digital member platform (CHF 0.2m) and The Red List of Threatened Species™ (CHF 0.2m).

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2. Designated reserves

The following allocations and appropriations were made to designated reserves:

	2022		2021	
	Allocations	Appropriations	Allocations	Appropriations
Commission operating funds	251		-	(322)
External review	75		75	-
Regional conservation fora	250		235	-
Renovation fund	250		10	-
IUCN 20 year strategic vision		45	-	-
Institutional strengthening		1,000	1,000	-
Total	826	1,045	1,320	(322)

In accordance with Bureau of Council decision B6/3 of 29 June 2022, CHF 781k was allocated from unrestricted reserves to fund the IUCN 20-year strategic vision.

XXII. The Coalition for Private Investment in Conservation (CPIC)

In 2022, IUCN received CHF 9,561 (USD 9,950) from two donors for a project titled “The Coalition for Private Investment in Conservation (CPIC)”. The purpose of the project is to scale-up of private investment in conservation. The project involves the creation of an investment fund that will invest in conservation projects. IUCN sits on the investment committee and also provides technical support and advice to the investment managers. In 2022, IUCN transferred CHF 9,561 (USD 9,950) to the investment fund. The transfer has been included in the income statement under the expenditure category “Grants to partners”. The fund provides first loss financing for identified projects.

The duration of the fund is ten years. The balance of the investment fund at the end of its duration, including reflows from projects financed by the fund, will be returned to IUCN and then to the original donors.

XXIII. RETENTION OF STAFF INCOME TAX

Swiss Government tax rebates amounted to CHF 1,671 (2021 – CHF 1,700) and represents the value of taxes that would have been paid by non-Swiss staff in the absence of the Fiscal Agreement between IUCN and the Swiss Government which exempts non-Swiss staff from payroll taxes and which entered into effect on 1 January 1987.

XXIV. FRAMEWORK INCOME

Annex A lists Framework Agreements income by donor and details income allocations to the IUCN Programme and operational units. Framework income includes in-kind contributions of CHF 1,088 (2021 – CHF 635).

XXV. OTHER OPERATING INCOME

Other operating income of CHF 4,426 (2021 – CHF 4,790) shown under Secretariat unrestricted funds includes overhead and management fees from Ramsar Convention Secretariat of CHF 526 (2021 – CHF 513), rental income of CHF 1,005 (2021 – CHF 987), recognition of deferred income of donations for the headquarters original building and building extension CHF 467 (2021 – CHF 467), and in-kind contributions of staff other than Framework staff in-kind of CHF 569 (2021 – CHF 872). The balance of other operating income is made up of miscellaneous external income received by IUCN at both Headquarters and other offices around the world.

XXVI. EXCHANGE DIFFERENCES ON REVALUATION OF PROJECT BALANCES

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

XXVII. AUDIT FEE

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

	2022	2021
Consolidated financial statement audit	216	196
Other audits	105	48

XXVIII. RELATED PARTIES**1. Identity of related parties****a) The Commissions**

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

b) The National and Regional Committees

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

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

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

d) TRAFFIC International

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

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

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

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2022

All amounts in CHF ('000) unless otherwise stated

2. Transactions with related parties

During the course of the year IUCN made contributions of CHF 1,300 to the Commissions (2021 – CHF 1,300). The amount is distributed across the expenditure headings that reflect the nature of the expenses incurred by the Commissions. Unspent allocations are included under Other Designated Reserves

During the year and as part of the services IUCN provides to Ramsar, IUCN received funds of CHF 6,935 (2021 – CHF 5,545) and incurred payments of CHF 6,840 (2021 – CHF 4,937) on behalf of Ramsar. At year-end the balance held in trust for Ramsar amounted to CHF 6,377 (2021 – CHF 6,946). These transactions are recorded in Ramsar accounts and financial statements and are therefore not presented in the financial statements of IUCN. During the year, IUCN received fees of CHF 526 (2021 – CHF 513) for the services provided to Ramsar, which are included in Other operating income.

During the year IUCN made contributions of CHF 200 to TRAFFIC International (2021 – CHF 276) and received fees of CHF 94 (2021 – CHF 88) for hosting TRAFFIC operations.

During the year, IUCN received funds from the International Union for Conservation of Nature and Natural Resources – US of USD 2,241 for projects (CHF 2,069) and for Patrons of Nature USD nil (CHF nil). In 2021, USD 98 (CHF 90) was received for projects and USD 333 (CHF 304) for Patrons of Nature. At the end of 2022, USD 166 (CHF 154) was recorded as a receivable from IUCN-US for Patrons of Nature. In December 2021, the Patrons of Nature receivable was USD nil (CHF nil).

Summary of legally controlled entities:

Company	Year-end closing	Currency	Capital	Share of capital 2022	Share of capital 2021
The International Union for the Conservation of Nature and Natural Resources, Registered Trustees, (WASAA Trust Fund, Nairobi)	31.12	KES	232,117	100%	100%
IUCN, Bureau de Représentation auprès de l'Union Européenne asbl	31.12	EUR	707	100%	100%
Associação IUCN	31.12	BLR	1,007	20%	20%
IUCN UK (A Company Limited by Guarantee)	31.12	GBP	86	NA	NA
IUCN Maldives	31.12	MVR	-	100%	100%
IUCN PNG "Mangrove Rehabilitation and Management Project Association	dormant				

XXIX. 2021 WORLD CONSERVATION CONGRESS

The IUCN World Congress is IUCN's highest governing body. It comprises the duly accredited delegates of the Members of IUCN and takes place every four years.

The 2021 Congress was held in September 2021. The financial result of the Congress was recognised in the income statement in 2021 and allocated to unrestricted reserves.

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2022

All amounts in CHF ('000) unless otherwise stated

XXX. STAFF HEADCOUNT

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

	2022	2021
Average employees during the year	967	915

XXXI. OPERATING LEASES

At 31 December 2022, IUCN has future minimum office rental commitments amounting to CHF 3,668 (2021 – CHF 3,760) relating to expected rental fees until the end of the lease contracts, all of which expires in 1 to 5 years.

IUCN has leasing contracts for office equipment and maintenance amounting to CHF 54 (2021 – CHF 49) expiring in 1 to 5 years.

XXXII. BANK GUARANTEES

The following are the IUCN bank guarantees in place at 31 December 2022, (2021 – CHF 88) in favour of IUCN donors:

Country	Currency	Amount	Amount in CHF
India	INR	238	3
Germany	USD	25	23
Uganda	UGX	639,216	158
Germany	EUR	30	30
Saudi Arabia	USD	249	230
			444

Cash for an equivalent amount is pledged at corresponding banks.

XXXIII. SUBSEQUENT EVENTS

There were no subsequent events.

IUCN – International Union for Conservation of Nature and Natural Resources

ANNEX A – CORE FUNDS UNDER FRAMEWORK AGREEMENTS

All amounts in CHF ('000)

	2022 Secretariat expenditure - unrestricted	2022 Framework allocation - unrestricted	2021 Secretariat expenditure - unrestricted	2021 Framework allocation - unrestricted
West and Central Africa Region	3,316	252	3,338	666
Eastern and Southern Africa Region	6,605	259	5,644	752
Asia Region	6,043	480	6,354	948
Mexico, Central America and the Caribbean Region	4,337	275	3,796	548
South America Region	1,340	143	989	275
Eastern Europe and Central Asia Region	554	55	550	76
West Asia Region	1,239	137	1,019	298
Centre for Mediterranean Cooperation	1,486	126	1,450	184
Oceania Region	1,402	94	1,466	286
North America Region	1,043	202	824	-
IUCN Europe Regional Office	1,045	413	1,088	-
Sub Total Regional Components	28,410	2,436	26,518	4,033
Nature-based Solutions (NbS) Coordination Hub	-	-	448	381
Sub Total Nature-based Solutions (NbS) Coordination Hub	-	-	448	381
Centre for Economy and Finance - Directorate	311	214	-	-
Economics	996	212	877	427
Enterprise and investment	837	-	1,175	240
Multilateral finance and business development	681	-	480	152
Climate change	932	-	786	89
Sub Total Centre for Economy and Finance	3,757	426	3,318	908
Centre for Society and Governance - Directorate	317	214	-	-
Water and land	795	212	748	238
Environmental law	452	-	1,189	285
Human rights in conservation	809	-	1,01,	285
Heritage, culture and youth	942	231	1,064	333
Sub Total Centre for Society and Governance	3,315	657	4,011	1,141
Conservation Action Centre - Directorate	321	214	-	-
Protected and conserved areas	1,634	-	2,149	285
Ocean	1,323	10	1,543	238
Forest and grassland	747	-	1,933	237
Species conservation action	840	-	1,318	147
Traffic	217	200	276	-
Sub Total Conservation Action Centre	5,082	424	7,219	907
Science and Data Centre - Directorate	243	364	301	356
Science	680	212	888	687
Biodiversity assessment and knowledge	1,985	200	1,701	143
Conservation management and assurance	86	-	1,051	455
Knowledge management	1,610	350	-	-
Sub Total Science and Data Centre	4,604	1,126	3,941	1,641
Commission on Education and Communication	248	-	214	-
Commission on Ecosystem Management	136	-	152	-
World Commission on Environmental Law	282	-	383	-
World Commission on Protected Areas	160	-	161	-
Species Survival Commission	239	-	295	-
Commission on Environment, Economics & Social Policy	181	-	291	-
Sub Total Commissions	1,246	-	1,496	-
Director General	2,555	-	1,909	660
International Policy Centre	991	320	874	617
Governance	717	-	484	-
IUCN Academy	368	-	4	-
IUCN 20-year strategic vision	34	-	-	-
Finance for Nature Unit	129	125	-	-
Human Resources Management Group	1,277	225	1,039	-
Global Communications	1,201	-	1,258	593
Strategic Partnerships	1,649	1,695	1,050	1,267
Programme Performance, Monitoring & Evaluation	842	900	676	594
External Review	-	75	-	75
Legal Adviser Office	701	135	623	-
Oversight Unit	153	170	232	-
Global Information Systems	3,698	400	3,835	205
Convenings	740	-	1,055	3
Membership and Commission Support	1,081	775	1,169	-
Corporates Bonn	269	-	-	-
Global Finance Group	1,934	-	1,658	-
Global Programme Operations Unit	2,100	200	1,733	592
General Services Unit	2,918	-	2,817	-
Sub Total Directorate and Support Units	23,357	5,020	20,416	4,606
Other operating expenditure	511	-	423	-
Operating expenses as per the Income & Expenditure Statement	70,282	10,089	67,790	13,617
Allocations to Projects				
Innovation projects		3,120		
Strengthening regional performance management capacity		500		
Total Allocation to Projects		3,620		
Total Allocations		13,709		
Reconciliation of Framework Income to the Financial Statements		2022		2021
Overall Total allocations as above		13,709		13,617
Realised foreign exchange losses on cash contributions		38		30
Total Funding Framework Agreements		13,747		13,617

IUCN – International Union for Conservation of Nature and Natural Resources

ANNEX A – CORE FUNDS UNDER FRAMEWORK AGREEMENTS

All amounts in CHF ('000)

	2022	2021
Framework Agreement Partners	TOTAL	TOTAL
Agence Française de Développement (AFD), Ministry for Europe and Foreign Affairs (MEAE), Ministry of Ecological and Inclusive Transition (MTES), Ministry of Agriculture and Food (MAA); Ministry of Overseas Territories (MOM) – France	1,219	1,010
Ministry of Environment, Republic of Korea (MOE) – Korea	697	742
Ministry of Foreign Affairs – Finland	620	752
Ministry of Foreign Affairs of Denmark	2,430	2,807
Norwegian Agency for Development Cooperation (NORAD) – Norway	1,866	2,160
Swedish International Development Agency (Sida) – Sweden	4,039	4,219
Swiss Agency for Development and Cooperation (SDC) – Switzerland	1,876	1,500
U.S. Department of State	549	457
Ministry of Environment, Climate and Sustainable Development of the Grand Duchy of Luxembourg	451	-
Total Funding Framework Agreements	13,747	13,647

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

*Consolidated Financial Statements for the year
ended 31 December 2023 and Report of the
Statutory Auditor*

Report of the Statutory Auditor

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of IUCN, International Union for Conservation of Nature and Natural Resources (the Association) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023 and the consolidated income and expenditure statement, consolidated funds and reserve statement and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements comply with Swiss law and the consolidation and valuation principles as set out in the notes.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor's Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2022 were audited by another auditor whose report, dated 26 May 2023, expressed an unqualified opinion on those consolidated financial statements.

Other Information

The Council is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Council's Responsibilities for the Consolidated Financial Statements

The Council is responsible for the preparation of the consolidated financial statements in accordance with the provisions of Swiss law, and for such internal control as the Council determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Council is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Council either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Council.

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

Deloitte SA

Fabien Bryois
Licensed Audit Expert
Auditor in Charge



Lisa Watson
Licensed Audit Expert

Geneva, 15 May 2024
FBR/LWA/rex

Enclosures

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

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IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2023

Report Currency: CHF ('000)

	Notes	31.12.2023	31.12.2022
ASSETS			
Current assets			
Cash and short-term bank deposits	III	91,858	91,414
Financial assets	IV	15,274	13,498
Membership dues receivables (net)	VI	1,133	907
Staff receivables	VII	581	466
Receivables from partner organisations	VIII	230	-
Advances to implementing partners and grantees	IX	33,977	26,575
Prepayments		1,008	968
Donor funds receivable	X	7,041	8,812
Project agreement receivables	XI	16,256	13,594
Framework agreements receivables	XII	509	-
Other account receivables		2,011	2,342
Total Current assets		169,878	158,576
Non-current assets			
Fixed assets (net)	XIII	22,407	23,784
Intangible assets (net)	XIV	296	365
Total Non-current assets		22,703	24,149
TOTAL ASSETS		192,581	182,725
LIABILITIES AND FUND BALANCES			
Current liabilities			
Membership dues paid in advance		3,021	2,341
Accounts payable and accrued liabilities	XV	14,310	15,994
Social charges payable		898	426
Payable to partner organisations	VIII	-	105
Project agreement advances	XI	118,295	104,149
Deferred unrestricted income	XIX	3,373	6,758
Deferred income buildings	XIX	470	471
New building loan	XX	179	175
Advances from hosted organisations	XVII	269	184
Miscellaneous current liabilities		849	824
Total Current liabilities		141,664	131,427
Provisions			
Staff leave and repatriation		2,200	2,001
Staff termination	XVIII	1,536	2,018
Other provisions		829	1,145
Total Provisions		4,565	5,164
Non-current liabilities			
Long-term deferred income	XIX	12,670	13,367
New building loan	XX	9,628	9,799
Total Non-current liabilities		22,298	23,166
Funds and Unrestricted Reserves			
Designated reserves	XXI	3,410	2,942
Unrestricted reserves	XXI	20,644	20,026
Total Funds and Unrestricted Reserves		24,054	22,968
TOTAL LIABILITIES AND FUND BALANCES		192,581	182,725

IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

Report Currency: CHF ('000)

		2023			2022		
	Notes	Secretariat Unrestricted	Project Agreements	Total	Secretariat Unrestricted	Project Agreements	Total
EXTERNAL OPERATING INCOME							
Membership dues		13,425	-	13,425	13,463	-	13,463
Retention of staff income tax		1,806	-	1,806	1,671	-	1,671
Agreements income		1,130	127,808	128,938	200	124,262	124,462
Framework income	Annex A	13,132	1,996	15,128	12,430	1,317	13,747
Other operating income	XXII	4,830	323	5,153	4,426	1,854	6,280
TOTAL EXTERNAL OPERATING INCOME		34,323	130,127	164,450	32,190	127,433	159,623
INTERNAL ALLOCATIONS							
Unrestricted allocations to projects		(2,679)	2,679	-	(2,292)	2,292	
Cross charges from projects		48,593	(48,593)	-	42,667	(42,667)	-
Other internal allocations		125	(125)	-	1,797	(1,797)	-
TOTAL INTERNAL ALLOCATIONS		46,037	(46,037)	-	42,172	(42,172)	-
OPERATING EXPENDITURE							
Staff costs		62,943	10,749	73,692	58,684	9,800	68,484
Consultants		2,336	21,803	24,139	1,726	22,135	23,861
Grants to partners		452	9,670	10,121	323	14,167	14,490
Travel		2,734	12,834	15,569	2,134	11,848	13,982
Workshops and conferences		307	3,463	3,770	301	3,651	3,952
Publications and printing costs		503	2,054	2,558	365	2,710	3,075
Office and general administrative costs		3,207	5,609	8,815	3,140	5,722	8,862
Vehicles & equipment – costs & maintenance		1,048	11,263	12,311	1,070	10,570	11,640
Professional fees or costs		476	2,569	3,045	489	1,703	2,192
Depreciation and amortisation		2,133	3	2,136	2,050	63	2,113
TOTAL OPERATING EXPENDITURE		76,139	80,017	156,156	70,282	82,369	152,651
NET OPERATING SURPLUS		4,223	4,071	8,294	4,080	2,892	6,972
OTHER INCOME – EXPENDITURE							
Interest income	XX	745	550	1,295	440	10	450
Financial charges	XX	(449)	(213)	(662)	(567)	(190)	(757)
Gains (losses) on financial assets	IV	331	-	331	(1,663)	-	(1,663)
Net gains (losses) on foreign exchange		(2,332)	(5,268)	(7,600)	(1,294)	(2,600)	(3,894)
Exchange differences on revaluation of project balances		-	(1,730)	(1,730)	-	(369)	(369)
Net movements in provision and write-offs		(1,432)	2,590	1,158	(1,012)	257	(755)
TOTAL OTHER INCOME – EXPENDITURE		(3,137)	(4,071)	(7,208)	(4,096)	(2,892)	(6,988)
NET SURPLUS/ (DEFICIT) FOR THE YEAR		1,086	-	1,086	(16)	-	(16)

IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED FUNDS AND RESERVE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

Report Currency: CHF ('000)

	Balance at 1 January	Results for the year	Allocations	Appropriations	Other movements	Balance at 31 December
2023						
Designated reserves						
Reserve for statutory meetings	828	-	515	-	-	1,343
Other designated reserves	1,209	-	187	(234)	-	1,162
Renovation Fund	905	-	-	-	-	905
Total designated reserves	2,942	-	702	(234)	-	3,410
Unrestricted reserves						
IUCN Fund	8,621	-	-	-	-	8,621
Retained surpluses	11,405	1,086	(702)	234	-	12,023
Total unrestricted reserves	20,026	1,086	(702)	234	-	20,644
Total reserves	22,968	1,086	-	-	-	24,054
2022						
Designated reserves						
Reserve for statutory meetings	328	-	500	-	-	828
Other designated reserves	1,147	-	326	(1,045)	781	1,209
Renovation Fund	905	-	-	-	-	905
Total designated reserves	2,380	-	826	(1,045)	781	2,942
Unrestricted reserves						
Currency Translation Reserve	-	-	-	-	-	-
IUCN Fund	8,621	-	-	-	-	8,621
Retained surpluses	11,983	(16)	(826)	1,045	(781)	11,405
Total unrestricted reserves	20,604	(16)	(826)	1,045	(781)	20,026
Total reserves	22,984	(16)	-	-	-	22,968

IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

Report Currency: CHF ('000)

	Notes	2023	2022
Cash flow from operations			
Surplus/(deficit) from operations		1,086	(16)
Depreciation of fixed assets	XIII	2,000	1,940
Amortisation and write-down of intangible assets	XIV	151	113
Increase / (decrease) in staff leave and repatriation liabilities		199	(305)
Increase / (decrease) in the provision for staff termination	XVIII	(482)	47
Increase / (decrease) in other provisions		(316)	80
(Increase) / decrease in membership dues receivables (net)	VI	(226)	(296)
(Increase) / decrease in staff receivables	VII	(115)	(193)
(Increase) / decrease in receivables from partner organisations	VIII	(335)	240
(Increase) / decrease in advances to implementing partners	IX	(7,402)	(8,965)
(Increase) / decrease in prepayments		(40)	115
(Increase) / decrease in donor funds receivable	X	1,771	(228)
(Increase) / decrease in project agreement receivables	XI	(2,662)	(3,709)
(Increase) / decrease in framework agreements receivable	XII	(509)	640
(Increase) / decrease in other accounts receivable		331	(453)
Increase / (decrease) in membership dues paid in advance		680	(364)
Increase / (decrease) in accounts payable and accrued liabilities	XV	(1,684)	2,814
Increase / (decrease) in social charges payable		472	(300)
Increase / (decrease) in project agreement advances	XI	14,146	21,442
Increase / (decrease) in miscellaneous current liabilities		25	572
Increase / (decrease) in hosted organisations advances	XVII	85	(37)
(Increase) / decrease in financial assets		(1,776)	2,536
Increase / (decrease) in current deferred income	XIX	(3,385)	3,626
Increase / (decrease) in deferred income	XIX	(462)	(456)
(Gain) / loss on disposal of fixed assets	XIII	(17)	4
Total cash flow from operations		1,535	18,847
Cash flow from investing activities			
Purchase of fixed assets	XIII	(629)	(1,132)
Proceeds on disposal of fixed assets		22	11
Purchase of intangible assets	XIV	(82)	(227)
Total cash flow from investing activities		(689)	(1,348)
Cash flow from financing activities			
Loan repayment	XX	(401)	(401)
Total cash flow from financing activities		(401)	(401)
Net cash inflow for the year		445	17,098
Cash and short-term deposits at the beginning of the year	III	91,413	74,316
Cash and short-term deposits at the end of the year	III	91,858	91,414

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

I. ORGANISATION AND ACTIVITY

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

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

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

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

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DEFINITIONS

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

1. Accounting convention

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

2. Basis of consolidation

The consolidated financial statements include all offices of IUCN and those entities over which IUCN has the power to govern the financial and operating policies so as to obtain benefits from their activities. In certain countries, multiple project offices may exist.

Branches:

- Asia Region
 - Asia Regional Office (Thailand)
 - Bangladesh Country Office
 - Cambodia Country Office
 - China Country Office
 - India Country Office
 - Lao PDR Country Office
 - Maldives Project Office
 - Myanmar Country Office
 - Nepal Country Office
 - Pakistan Country Office
 - Sri Lanka Country Office
 - Thailand Country Office
 - Vietnam Country Office

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

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- Eastern and Southern Africa Region
 - Eastern and Southern Africa Regional Office (Kenya)
 - Ethiopia Project Office
 - Kenya Country Office
 - Malawi Project Office
 - Mozambique Country Office
 - Rwanda Country Office
 - South Africa Country Office
 - Tanzania Country Office
 - Uganda Country Office
 - Zimbabwe Project Office
- Eastern Europe and Central Asia Regional Office (Serbia)
- Europe Regional Office (Germany)
- Centre for Mediterranean Cooperation (Spain)
- North America Regional Office
 - North America Regional Office (USA)
 - Permanent Mission to the UN Representation Office (New York)
- Oceania Regional Office
 - Oceania Regional Office (Fiji)
- Mexico, Central America and the Caribbean Region
 - Regional Office for Mexico, Central America and the Caribbean (Costa Rica)
 - Barbados Project Office
 - Costa Rica Project Office
 - El Salvador Country Office
 - Guatemala Country Office
 - Honduras Country Office
 - Mexico Project Office
- South America Regional Office (Ecuador)
- Cambridge Office (United Kingdom)
- West and Central Africa Region
 - West and Central Africa Regional Office (Senegal)
 - Burkina Faso Country Office
 - Cameroon Country Office
 - Chad Project Office
 - Ghana Project Office
 - Guinea Project Office
 - Guinea Bissau Country Office
 - Mali Country Office
 - Mauritania Country Office
 - Niger Project Office
 - Senegal Country Office
- West Asia Regional Office
 - West Asia Regional Office (Jordan)
 - Saudi Arabia Project Office

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

Other entities:

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

3. Currency of accounts

a) Reporting currency

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

b) Functional currency

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

4. Foreign exchange

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

- Transactions denominated in currencies other than the office ledger currency are converted to the ledger currency and recorded on the basis of the exchange rate prevailing at the date of the transaction. At the end of the year all balances maintained in transaction currencies are translated to the currency of the office ledger at the year-end rate. The gains and losses incurred are recognised in the income statement of each office ledger.
- Project balances are expressed in the currency of the underlying donor contract. At the end of the year, project balances are translated to the currency of the office ledger in which they reside at the year-end rate. The gains and losses incurred are recognised in the income statement of each office ledger.
- Except for fixed assets which are stated at historical values, non-Swiss franc balances in the consolidated balance sheet are translated to CHF at the year-end exchange rate and the resulting net unrealised gain or loss included in the income statement as net gains and losses on foreign exchange.

5. Income

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

a) Membership dues

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

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

b) Voluntary donations

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

Framework agreements income

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

Unrestricted Framework agreements income is recognised in the income statement once the agreement has been signed and in accordance with the amounts specified in the agreement for each calendar year. In the event that the framework income is not fully utilised in the calendar year, it is recorded as deferred income.

Restricted Framework agreements income is recorded as Projects agreements income and is recognised as expenditure is incurred and the conditions fulfilled.

Framework agreements income received in advance of the period to which it relates is recorded as deferred unrestricted income.

Staff in-kind contributions

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

Project agreements income

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

c) Retention of staff income tax

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

6. Expenditure

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

Implementing Partners are contracted for specific project activities and expenditures are recorded:

- According to a financial report presenting expenditures incurred during the period
- If Implementing Partner financial reports are not available at the end of year, expenditure is accrued based on the estimate provided by the partner and included as accounts payable and accrued liabilities and the Implementing Partner balance reduced.

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Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

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7. Cross charges from projects

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

Staff time charges

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

Indirect cost recoveries

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

8. Financial assets

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

9. Fixed assets

a) Purchased assets

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

b) In-kind assets

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

c) Donations for the purchase of fixed assets

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

d) Depreciation

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

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

10. Intangible assets

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

Software is depreciated over its estimated useful life on a straight-line basis over 2 to 7 years.

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

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Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

11. Provisions

a) Provision for membership dues receivable

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

Membership dues outstanding for:

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

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

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

b) Provision for projects in deficit/allowance for doubtful receivable

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

c) Staff terminations

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

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

d) Staff leave and repatriation

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

12. Loans at below market rate of interest

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

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

13. Hosted organisations

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

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

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Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

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14. Reserves

IUCN maintains the following reserves:

a) Designated reserves

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

Reserve for statutory meetings

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

Renovation Fund

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

Other Designated reserves

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

b) Unrestricted reserves

IUCN Fund

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

Retained surpluses

The Retained surpluses represent other unrestricted reserves.

III. CASH AND SHORT-TERM BANK DEPOSITS

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

REGION OR OFFICE	2023	2022
Asia	1,942	3,555
Eastern and Southern Africa	3,500	3,693
Eastern Europe and Central Asia	63	190
Europe	605	13,693
Headquarters	72,414	57,468
Mediterranean	511	1,098
Mexico, Central America and the Caribbean	4,841	2,439
North America	2,164	813
Oceania	2,238	3,383
South America	314	493
United Kingdom	197	242
West and Central Africa	1,567	3,096
West Asia	1,502	1,251
Balance at 31 December	91,858	91,414

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Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

IV. FINANCIAL ASSETS

	2023	2022
Bonds	9,055	7,497
Structured Products	543	285
Equities	2,909	2,562
Microfinance	845	1,514
Other Investments	1,922	1,640
Balance at 31 December	15,274	13,498

During the year, the investment portfolio recorded a gain on financial assets of CHF 331 (2022 – CHF 1,663 loss).

At 31 December 2023, the investment portfolio included bank balances of CHF 42 (2022 – CHF 1,459). These are included under cash and short-term bank deposits.

V. DERIVATIVE FINANCIAL INSTRUMENTS

There were no forward currency contract commitments at 31 December 2023.

The following forward currency contract commitments existed at 31 December 2022:

	Other currency	CHF	Maturity date
Conversion of USD to CHF	1,260	1,232	10.02.2023
Conversion of EUR to CHF	1,450	1,380	20.01.2023

VI. MEMBERSHIP DUES RECEIVABLE AND PROVISION

	2023	2022
Gross membership dues receivable	2,965	1,922
Provision for dues in arrears	(1,832)	(1,015)
Net membership dues receivable at 31 December	1,133	907

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

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All amounts in CHF ('000) unless otherwise stated

2023

	2021 and prior	2022	2023	Total
State member	239	355	1,118	1,712
Government agencies	90	85	153	328
Subnational Governments	-	-	17	17
Indigenous peoples	-	9	12	21
International NGOs	7	51	111	169
National NGOs	74	200	307	581
Affiliates	5	69	63	137
Total membership dues receivable	415	769	1,781	2,965
Provision for membership dues	(415)	(618)	(799)	(1,832)
Net membership dues receivable	0	151	982	1,133

2022

	2020 and prior	2021	2022	Total
Total membership dues receivable	171	441	1,310	1,922
Provision for membership dues	(171)	(304)	(540)	(1,015)
Net membership dues receivable	0	137	770	907

Movement in provision for membership dues

	2023	2022
Balance at 1 January	1,015	1,539
Addition to/(release from) provision	821	574
Write off of deficits against provision	(4)	(1,098)
Balance at 31 December	1,832	1,015

VII. STAFF RECEIVABLES

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

	2023	2022
Travel advances	551	435
Payroll advances and staff loans	30	31
Balance at 31 December	581	466

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Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

VIII. RECEIVABLES FROM/PAYABLE TO PARTNER ORGANISATIONS

This balance represents balances due or from partner organisations associated with IUCN that are outstanding as at 31 December. The balance at the end of December 2023 represents a receivable from Ramsar of CHF 230 (2022 – CHF 105 payable).

	2023	2022
RAMSAR Convention Secretariat	230	(105)

IX. ADVANCES TO IMPLEMENTING PARTNERS

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

	2023	2022
Asia	4,951	3,338
Eastern and Southern Africa	7,669	5,304
Eastern Europe and Central Asia	114	46
Europe	1,356	-
Headquarters	7,925	8,236
Mediterranean	-	60
Mexico, Central America and the Caribbean	1,169	879
North America	1,016	679
Oceania	3,156	918
South America	118	-
United Kingdom	111	(13)
West Asia	601	1,115
Western and Central Africa	5,791	6,013
Balance at 31 December	33,977	26,575

Headquarters manages a significant number of grant-making programmes. Although the programmes are managed by Headquarters, the grants themselves are made to organisations globally. Grants are recorded as advances to implementing partners until the expenditure incurred by the grantees is reported as spent to IUCN.

X. DONOR FUNDS RECEIVABLES

Donor funds receivables represent funds requests sent to donor. The receivable is net of allowance for amounts IUCN considers may not be settled.

	2023	2022
Donor funds receivables	7,427	9,214
Allowance for doubtful receivables	(386)	(402)
Balance at 31 December	7,041	8,812

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XI. PROJECT AGREEMENTS RECEIVABLES AND ADVANCES

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

	2023	2022
Project agreement receivables	16,256	13,594
Project agreement advances	(118,295)	(104,149)
Balance at 31 December	(102,039)	(90,555)

The project agreement receivables are presented net of provisions for amounts IUCN has assessed to be doubtful from donors to cover expenditures already incurred.

	2023	2022
Project agreement receivables	16,958	16,354
Allowance for doubtful receivables	(702)	(2,760)
Balance at 31 December	16,256	13,594

Allowance for doubtful receivables

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

Movement in doubtful receivables

	Notes	2023	2022
Balance at 1 January			
Allowance for project fund receivable	XI	2,760	2,251
Allowance for donor fund receivable	X	402	1,063
		3,162	3,314
Additions to provision		975	683
Utilisation of provision		(3,049)	(835)
Balance at 31 December		1,088	3,162
Comprising			
Allowance for project fund receivable	XI	702	2,760
Allowance for donor fund receivable	X	386	402
		1,088	3,162
		2023	2022
Region			
Asia		89	997
Eastern and Southern Africa Region		413	360
Headquarters		209	1,116
North America		5	104
Oceania		273	279
West and Central Africa		99	300
West Asia		-	6
Balance at 31 December		1,088	3,162

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All amounts in CHF ('000) unless otherwise stated

XII. FRAMEWORK AGREEMENTS RECEIVABLES

Framework agreements receivables represent framework agreements income due but not received as at the end of the year. As at 31 December 2023 there was CHF 509 receivable compared to CHF nil receivable at 31 December 2022.

XIII. FIXED ASSETS

1. Movement in fixed assets

	Building Infrastructures	Building Installations	Other Land and Buildings	Vehicles, Equipment, Furniture & Fixtures	Total
Purchase value:					
Balance as at 31 December, 2021	27,178	13,775	5,857	10,197	57,007
Additions	-	-	112	1,020	1,132
Disposals	-	-	-	(213)	(213)
Balance as at 31 December, 2022	27,178	13,775	5,969	11,004	57,926
Additions	-	-	80	549	629
Disposals	-	-	0	(1,095)	(1,095)
Balance as at 31 December, 2023	27,178	13,775	6,049	10,458	57,460
Depreciation:					
Balance as at 31 December, 2021	(11,730)	(9,035)	(2,497)	(9,138)	(32,400)
Charge for the year	(544)	(575)	(280)	(541)	(1,940)
Disposals	-	-	-	198	198
Balance as at 31 December, 2022	(12,274)	(9,610)	(2,777)	(9,481)	(34,142)
Charge for the year	(544)	(575)	(304)	(577)	(2,000)
Disposals	-	-	0	1,089	1,089
Balance as at 31 December, 2023	(12,818)	(10,185)	(3,081)	(8,969)	(35,053)
Net book value:					
Balance as at 31 December, 2022	14,904	4,165	3,192	1,523	23,784
Balance as at 31 December, 2023	14,360	3,590	2,968	1,489	22,407

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

2. Land

In 1990, the commune of Gland gave IUCN the right to use a plot of land for the purpose of building the IUCN Secretariat Headquarters. The right was granted at no cost for a period of 50 years, i.e. until August 2040. In 2008, the commune of Gland gave IUCN the right of use of an adjacent piece of land to the original plot for a period of 50 years, with the permission to construct an extension to the existing IUCN Headquarters building.

3. IUCN Headquarters building

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

a) Original building

The original building was financed by donations received from the Swiss Confederation, the Canton of Vaud and the Commune of Gland. Although IUCN formally owns the Headquarters building, it enjoys a restricted use and cannot dispose of it or use it as collateral without the approval of the Swiss Government. If disposed of, the Swiss Government has the right to recuperate its initial outlay plus a percentage of the value added, if applicable. The cost of the building is included in fixed assets and the

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net book value is matched by a corresponding value of deferred income to recognise the restricted nature of the building. The deferred income is released over the estimated useful life of the building in line with the depreciation of the building.

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

b) Building extension

The building extension was financed by an interest free loan from the Swiss Government of CHF 20,000 payable in 50 equal yearly instalments of CHF 400, the first of which was paid in December 2010. In addition to the loan from the Swiss Government, IUCN received cash donations of CHF 4,707 and in-kind donations of CHF 1,815.

XIV. INTANGIBLE ASSETS

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

Movement in Intangible assets

	2023	2022
Purchase value:		
Balance at 1 January	5,326	5,099
Additions	81	227
Balance at 31 December	5,407	5,326
Amortisation:		
Balance as of 1 January	(4,961)	(4,848)
Charge for the year	(150)	(113)
Balance at 31 December	(5,111)	(4,961)
Net Book Value at 31 December	296	365

XV. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities represent amounts owed to creditors and suppliers as at the end of the year. Of the total outstanding balance of CHF 14,310 as at 31 December 2023 (2022 – CHF 15,994), CHF 5,352 (2022 – CHF 6,908) is related to Headquarters and the balance to regional and country offices.

	2023	2022
Accounts payable and supplier accruals	8,963	7,505
Year-end accruals for implementing partners	5,347	8,489
Balance at 31 December	14,310	15,994

XVI. PENSION FUND OBLIGATIONS

IUCN operates different pension plans in different countries, each conforming to the legal regulations in the respective country. On 31 December 2023, the liability to the pension schemes amounted to CHF 10 (2022 – CHF nil).

XVII. ADVANCES FROM HOSTED ORGANISATIONS

At 31 December 2023 IUCN held funds advanced from hosted organisations of CHF 269 (2022 – CHF 184).

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

XVIII. PROVISIONS

Staff termination

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

Movement in provision for staff termination

	2023	2022
Balance at 1 January	2,018	1,971
Additions to provision	1,030	1,046
Utilization of provision	(1,512)	(999)
Balance at 31 December	1,536	2,018

XIX. DEFERRED INCOME

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

	2023	2022
Deferred unrestricted income	3,373	6,758
Donations for construction of HQ building extension		
Donations in cash	2,246	2,347
Donations in kind	142	169
Donation in cash for renovation of original building	321	356
	2,709	2,872
Headquarters original building	5,859	6,167
Interest free government loan	4,572	4,799
Total	16,513	20,596
Current		
Deferred unrestricted income	3,373	6,758
Buildings:		
Original building	343	308
Building extension	127	162
Total buildings	470	471
Total current deferred income	3,843	7,229
Non-current		
Original building	5,550	5,859
Building extension	7,120	7,508
Total long term deferred income	12,670	13,367
Total deferred income	16,513	20,596

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

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

The deferred income on the government loan represents the difference between the fair value of the loan CHF 9,807 (2022 – CHF 9,974) and the outstanding cash value of the loan CHF 14,379 (2022 – CHF 14,773) (see Note XX). This difference represents the fair value of the interest saved on the interest free loan granted by the Swiss Government and is recognised over the period of the loan.

XX. BUILDING EXTENSION LOAN

Headquarters building extension loan

	2023	2022
Current	179	175
Non-current	9,628	9,799
Balance at 31 December	9,807	9,974

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

The loan is repayable in 50 annual instalments of CHF 400. The first instalment was paid in December 2010. The fair value of the loan is estimated at CHF 9,807 (2022 – CHF 9,974). The outstanding cash value of the loan has been discounted at a rate of 2.25% (2022 – 2.25%) which represents the market interest rate for a 10-year loan based on current market conditions. The difference of CHF 4,572 (2022 – CHF 4,799) between the outstanding cash value and the fair value of the loan is the benefit derived from the interest-free loan and is recorded as deferred income (see Note XIX).

The value of the interest that would have been paid on an equivalent commercial loan of 2.25% is estimated at CHF 324 (2022 – CHF 333). This has been recorded in the income and expenditure statement under Interest income to recognise the benefit of the interest free loan and under financial charges to recognise the interest that would have been paid.

XXI. FUNDS AND UNRESTRICTED RESERVES

Designated reserves

The following allocations and appropriations were made to designated reserves:

	2023		2022	
	Allocations	Appropriations	Allocations	Appropriations
Regional conservation fora	265	-	250	-
Congress	250	-	250	-
Commission operating funds	187	-	251	-
External review	-	10	75	-
IUCN 20-year strategic vision	-	224	-	45
Institutional strengthening	-	-	-	1,000
Total	702	234	826	1,045

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

XXII. OTHER OPERATING INCOME

Other operating income shown under Secretariat unrestricted funds comprises of:

	2023	2022
Rental income	930	1,005
Ramsar Convention Secretariat overhead and management fee	540	526
In-kind staff contributions other than Framework staff in kind	727	569
Recognition of deferred income of donations for IUCN buildings	471	467
Patrons of Nature	600	590
Other miscellaneous external income	1,562	1,269
Total	4,830	4,426

XXIII. AUDIT FEE

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

	2023	2022
Consolidated financial statement audit	210	216
Other audits	23	105

XXIV. RELATED PARTIES

1. Identity of related parties

a) The Commissions

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

b) The National and Regional Committees

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

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

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

d) TRAFFIC International

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

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

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

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

2. Transactions with related parties

During the course of the year IUCN made contributions of CHF 1,443 to the Commissions (2022 – CHF 1,300). The amount is distributed across the expenditure headings that reflect the nature of the expenses incurred by the Commissions. Unspent allocations are included under Other Designated Reserves

During the year and as part of the services IUCN provides to Ramsar, IUCN received funds of CHF 6,708 (2022 – CHF 6,935) and incurred payments of CHF 5,812 (2022 – CHF 6,840) on behalf of Ramsar. At year-end the balance held in trust for Ramsar amounted to CHF 7,176 (2022 – CHF 6,377). These transactions are recorded in Ramsar accounts and financial statements and are therefore not presented in the financial statements of IUCN. During the year, IUCN received fees of CHF 540 (2022 – CHF 526) for the services provided to Ramsar, which are included in Other operating income.

During the year IUCN made contributions of CHF 365 to TRAFFIC International (2022 – CHF 200) and received fees of CHF 81 (2022 – CHF 94) for hosting TRAFFIC operations.

During the year, IUCN received funds from the International Union for Conservation of Nature and Natural Resources – US of USD 1,647 for projects (CHF 1,385) and for Patrons of Nature USD 275 (CHF 231). In 2022, USD 2,241 (CHF 2,069) was received for projects and USD nil (CHF nil) for Patrons of Nature.

Summary of legally controlled entities:

Company	Year-end closing	Currency	Capital	Share of capital	
				2023	2022
The International Union for the Conservation of Nature and Natural Resources, Registered Trustees, (WASAA Trust Fund, Nairobi)	31.12	KES	232,175	100%	100%
UICN, Bureau de Représentation auprès de l'Union Européenne aisbl	31.12	EUR	722	100%	100%
Associação UICN	31.12	BLR	51	20%	20%
IUCN UK (A Company Limited by Guarantee)	31.12	GBP	67	NA	NA
IUCN Maldives	31.12	MVR	-	100%	100%
IUCN PNG "Mangrove Rehabilitation and Management Project Association	dormant				

XXV. STAFF HEADCOUNT

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

	2023	2022
Average employees during the year	1,007	967

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the Consolidated Financial Statements for the Year ended 31 December 2023

All amounts in CHF ('000) unless otherwise stated

XXVI. OPERATING LEASES

At 31 December 2023, IUCN has future minimum office rental commitments amounting to CHF 3.235 (2022 – CHF 3,668) relating to expected rental fees until the end of the lease contracts, all of which expires in 1 to 5 years.

IUCN has leasing contracts for office equipment and maintenance amounting to CHF 40 (2022 – CHF 54) expiring in 1 to 5 years.

XXVII. BANK GUARANTEES

The following are the IUCN bank guarantees in place at 31 December 2023, (2022 – CHF 444) in favour of IUCN donors:

Country	Currency	Amount	Amount in CHF
India	INR	238	2
Germany	USD	25	21
Uganda	UGX	639,216	141
Germany	EUR	30	28
Saudi Arabia	SAR	2,348	526
			718

Cash for an equivalent amount is pledged at corresponding banks.

XXVIII. SUBSEQUENT EVENTS

There were no subsequent events.

IUCN – International Union for Conservation of Nature and Natural Resources

ANNEX A – CORE FUNDS UNDER FRAMEWORK AGREEMENTS

All amounts in CHF ('000)	2023	2023	2022	2022
	Secretariat expenditure unrestricted	Framework unrestricted & in kind	Secretariat expenditure unrestricted	Total Framework unrestricted & in kind
Asia Region	6,071	518	6,043	480
Eastern and Southern Africa Region	6,782	276	6,605	259
Eastern Europe and Central Asia Region	521	60	554	55
Europe Regional Office	1,485	-	1,314	413
Mediterranean Cooperation Centre	1,389	121	1,486	126
Mexico, Central America and the Caribbean Region	5,333	248	4,337	275
North America Region	1,062	-	1,043	202
Oceania Region	1,163	96	1,402	94
South America Region	1,230	144	1,340	143
West Asia Region	1,908	123	1,239	137
West and Central Africa Region	3,507	227	3,316	252
Sub Total Regional Components	30,451	1,813	28,679	2,436
Global Programme Operations Unit	1,765	-	2,100	200
Monitoring Evaluation and Learning	135	55	-	-
Nature-based Solutions (NbS) Coordination Hub	251	250	-	-
Sub Total Programme & Finance Support to Centres	2,151	305	2,100	200
Centre for Economy and Finance – Directorate	211	196	311	214
Agriculture	756	200	-	-
Climate change	971	-	932	-
Economics	920	200	996	212
Enterprise and investment	793	-	837	-
Finance for Nature Unit	355	362	129	125
Sub Total Centre for Economy and Finance	4,006	958	3,205	551
Centre for Society and Governance – Directorate	279	196	317	214
Environmental law	353	-	452	-
Heritage, culture and youth	1,169	200	942	231
Human rights in conservation	1,025	-	809	-
Water and land	670	-	795	212
Sub Total Centre for Society and Governance	3,496	396	3,315	657
Centre for Conservation Action – Directorate	284	196	321	214
Forest and grassland	802	-	747	-
Ocean	1,339	9	1,323	10
Protected and conserved areas	2,014	-	1,634	-
Species conservation action	1,559	-	840	-
Traffic	363	365	217	200
Sub Total Centre for Conservation Action Centre	6,361	570	5,082	424
Centre for Science and Data – Directorate	289	296	243	364
Biodiversity assessment and knowledge	1,908	-	1,985	200
Conservation management and assurance	250	-	86	-
IUCN Academy	510	-	368	-
Knowledge Management, Learning and Library Services	1,107	400	1,610	350
Science	888	235	680	212
Sub Total Centre for Science and Data	4,952	931	4,972	1,126
Commission on Ecosystem Management	178	116	136	-
Commission on Education and Communication	264	116	248	-
Commission on Environmental, Economics & Social Policy	172	116	181	-
Species Survival Commission	253	130	239	-
World Commission on Environmental Law	164	122	282	-
World Commission on Protected Areas	221	121	160	-
Sub Total Commissions	1,252	721	1,246	-
Director General	2,616	100	2,555	-
International Policy Centre	1,176	450	991	320
IUCN 20-year Strategic Vision	220	-	34	-
Multilateral Finance Unit	856	-	681	-
Sub Total Directorate	4,868	550	4,261	320
Convenings	681	-	740	-
Governance	729	-	717	-
Membership and Commission Support	1,498	-	1,081	775
Sub Total Membership & Event Support	2,908	-	2,538	775
Business Engagement Unit	270	300	-	-
External Review	85	75	-	75
Global Communications	1,083	716	1,201	-
Global Information Systems	3,759	100	3,698	400
Human Resources Management Group	1,430	-	1,277	225
Institutional Performance Management & Evaluation	904	900	842	900
Legal Adviser Office	781	135	701	135
Oversight Unit	291	-	153	170
Strategic Partnerships	1,352	1,381	1,649	1,695
Sub Total Corporate Support to Programmes	9,955	3,607	9,521	3,600
Global Finance Group	2,158	588	1,934	-
General Services Unit	3,068	-	2,918	-
Sub Total Finance and Administrative Support Units	5,226	588	4,852	-
Other operating expenditure	513	-	511	-
Total Operating Expenditure & allocations	76,139	10,439	70,282	10,089
Allocations to Projects				
Innovation projects		2,921		3,120
Programmatic restricted funding		1,247		
Strengthening regional performance management capacity		500		500
Total Allocation to projects		4,668		3,620
Total Allocations		15,107		13,709
Reconciliation of Framework Income to the Financial Statements		2023		2022
Overall Total allocations as above		15,107		13,709
Realised foreign exchange losses on cash contributions		21		38
Total Funding Framework Agreements		15,128		13,747

IUCN – International Union for Conservation of Nature and Natural Resources

ANNEX A – CORE FUNDS UNDER FRAMEWORK AGREEMENTS

All amounts in CHF ('000)

Framework Agreement Partners	2023			2022		
	Framework cash contribution	Framework in-kind contribution	TOTAL	Framework cash contribution	Framework in-kind contribution	TOTAL
Agence française de développement (AFD), ministère de l'Europe et des Affaires étrangères (MEAE), ministère de la Transition écologique et la Cohésion des territoires (MTECT), ministère de l'Intérieur et des Outre-mer (MIOM), ministère de l'Agriculture et de la Souveraineté alimentaire (MASA)	543	757	1,300	373	846	1,219
Ministry of Environment, Republic of Korea (MOE) - Korea	542	199	741	459	238	697
Ministry for Foreign Affairs – Finland	741	-	741	620	-	620
Ministry of Foreign Affairs of Denmark	2,926	186	3,112	2,156	274	2,430
Norwegian Agency for Development Cooperation (Norad) - Norway	1,704	-	1,704	1,866	-	1,866
Swedish International Development Cooperation Agency (Sida) – Sweden	4,296	-	4,296	4,039	-	4,039
Swiss Agency for Development and Cooperation (SDC) – Switzerland	2,124	-	2,124	1,876	-	1,876
United States Department of State	589	-	589	549	-	549
Ministry of Environment, Climate and Sustainable Development of the Grand Duchy of Luxembourg	521	-	521	451	-	451
Total Funding Framework Agreements	13,986	1,142	15,128	12,389	1,358	13,747

NOTE: Contributions related to the Secondments from Korea and Denmark presented as in-kind contributions.

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

*Consolidated Financial Statements for the year
ended 31 December 2024 and Report of the
Statutory Auditor*

Report of the Statutory Auditor

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of IUCN, International Union for Conservation of Nature and Natural Resources (the Association) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated statement of operations, consolidated funds and reserve statement and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Council is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor’s reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Council's Responsibilities for the Consolidated Financial Statements

The Council is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Council determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Council is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Council either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Council.

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

Deloitte SA

Fabien Bryois
Licensed Audit Expert
Auditor in Charge



Lisa Watson
Licensed Audit Expert

Geneva, 9 May 2025

Enclosure

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



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BALANCE SHEET AS OF 31 DECEMBER 2024

Report Currency: CHF ('000)

	Notes	31.12.2024	31.12.2023
		Swiss GAAP FER	Swiss GAAP FER Restated*
ASSETS			
Current assets			
Cash and cash equivalents	3	118,430	91,858
Short-term financial assets	4	12,394	10,491
Membership dues receivables (net)	5	813	1,133
Advances to implementing partners and grantees	6	38,650	33,968
Project agreement receivables	8	22,626	23,418
Framework agreements receivables	9	-	509
Prepayments		1,756	1,008
Other short-term receivables		4,461	2,824
Total Current assets		199,130	165,209
Non-current assets			
Long term financial assets	4	3,669	4,783
Tangible fixed assets (net)	10	20,882	21,996
Intangible assets (net)	11	480	296
Total Non-current assets		25,031	27,075
TOTAL ASSETS		224,161	192,284
LIABILITIES AND FUND BALANCES			
Current liabilities			
Membership dues paid in advance		3,199	3,021
Short-term financial liabilities	12	22,782	14,310
Project agreement advances	7	132,442	118,295
Short-term deferred income	15	766	3,843
Short-term building loan	16	218	179
Short term provisions	14	6,504	4,565
Other short-term liabilities		5,166	2,037
Total Current liabilities		171,077	146,250
Non-current liabilities			
Long-term deferred income	15	11,194	12,670
Long-term building loan	16	10,197	9,628
Total Non-current liabilities		21,391	22,298
Funds and Unrestricted Reserves			
Designated reserves	17	4,906	3,410
Currency Translation Reserve		(5,171)	(6,815)
Unrestricted reserves		31,958	27,141
Total Funds and Unrestricted Reserves		31,693	23,736
TOTAL LIABILITIES AND FUND BALANCES		224,161	192,284

*2023 balances have been restated following the adoption of Swiss GAAP FER

STATEMENT OF OPERATIONS FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 Swiss GAAP FER			2023 Swiss GAAP FER *Restated		
	Notes	Secretariat Unrestricted	Project Agreements	Total	Secretariat Unrestricted	Project Agreements	Total
EXTERNAL OPERATING INCOME							
Membership dues		13,240	-	13,240	13,425	-	13,425
Retention of staff income tax		1,947	-	1,947	1,806	-	1,806
Agreements income		1,135	159,698	160,833	1,130	127,808	128,938
Framework income	Annex A	12,712	1,832	14,544	13,132	1,996	15,128
Other operating income	18	5,236	1,073	6,309	4,830	323	5,153
TOTAL EXTERNAL OPERATING INCOME		34,270	162,603	196,873	34,323	130,127	164,450
INTERNAL ALLOCATIONS							
Unrestricted allocations to projects		(81)	81	-	(2,679)	2,679	-
Cross charges from projects		58,759	(58,759)	-	48,593	(48,593)	-
Other internal allocations		(86)	86	-	123	(123)	-
TOTAL INTERNAL ALLOCATIONS		58,592	(58,592)	-	46,037	(46,037)	-
OPERATING EXPENDITURE							
Staff costs		71,645	16,916	88,561	62,943	10,749	73,692
Consultants		1,892	25,282	27,174	2,336	21,803	24,139
Grants to partners		258	9,445	9,703	452	9,670	10,122
Travel		3,699	19,259	22,958	2,734	12,834	15,568
Workshops and conferences		573	5,239	5,812	307	3,463	3,770
Publications and printing costs		594	3,254	3,848	503	2,054	2,557
Office and general administrative costs		3,326	8,723	12,049	3,207	5,609	8,816
Vehicles & equipment – costs & maintenance		1,180	18,033	19,213	1,048	11,263	12,311
Professional fees or costs		648	1,667	2,315	476	2,569	3,045
Depreciation and amortisation		2,094	1	2,095	2,133	3	2,136
TOTAL OPERATING EXPENDITURE		85,909	107,819	193,728	76,139	80,017	156,156
NET OPERATING SURPLUS		6,953	(3,808)	3,145	4,223	4,071	8,294
OTHER INCOME-EXPENDITURE							
Interest Income	15	1,374	371	1,745	745	550	1,295
Financial charges	15	(484)	(235)	(719)	(449)	(213)	(662)
Gains on financial assets	4	736	-	736	331	-	331
Net gains (losses) on foreign exchange		5	700	705	1,876	(5,268)	(3,392)
Exchange differences on revaluation of project balances		-	2,668	2,668	-	(1,730)	(1,730)
Net movements in provisions and write offs		(2,271)	304	(1,967)	(1,432)	2,590	1,158
TOTAL OTHER INCOME – EXPENDITURE		(640)	3,808	3,168	1,071	(4,071)	(3,000)
NET SURPLUS FOR THE YEAR		6,313	-	6,313	5,294	-	5,294
(Increase) in Designated Reserves		(1,496)	-	(1,496)	(468)	-	(468)
NET SURPLUS FOR THE YEAR after Designated Reserve Movement		4,817	-	4,817	4,826		4,826

2023 balances have been restated following the adoption of Swiss GAAP FER

CONSOLIDATED FUNDS AND RESERVE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

Report Currency: CHF ('000)

	Balance at 1 January Code of Obligations	Balance at 1 January Swiss GAAP FER	Results for the year	Allocations	Appropriations	Currency Translation	Balance at 31 December
2024							
Designated reserves							
Reserve for statutory meetings	1,343	1,343	-	250	(697)	-	896
Other designated reserves	1,162	1,162	-	2,079	(136)	-	3,105
Renovation Fund	905	905	-	-	-	-	905
Total designated reserves	3,410	3,410	-	2,329	(833)	-	4,906
Currency Translation Reserve	-	(6,815)	-	-	-	1,644	(5,171)
Unrestricted reserves							
IUCN Fund	8,621	8,621	-	-	-	-	8,621
Retained surpluses	12,023	18,520	6,313	(2,329)	833	-	23,337
Total unrestricted reserves	20,644	27,141	6,313	(2,329)	833	-	31,958
Total reserves	24,054	23,736	6,313	-	-	1,644	31,693

2023							
Designated reserves							
Reserve for statutory meetings	828	828	-	515	-	-	1,343
Other designated reserves	1,209	1,209	-	187	(234)	-	1,162
Renovation Fund	905	905	-	-	-	-	905
Total designated reserves	2,942	2,942	-	702	(234)	-	3,410
Currency Translation Reserve	-	(2,509)	-	-	-	(4,306)	(6,815)
Unrestricted reserves							
IUCN Fund	8,621	8,621	-	-	-	-	8,621
Retained surpluses	11,405	13,694	5,294	(702)	234	-	18,520
Total unrestricted reserves	20,026	22,315	5,294	(702)	234	-	27,141
Total reserves	22,968	22,748	5,294	-	-	(4,306)	23,736

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

Report Currency: CHF ('000)

	Notes	2024	2023 restated*
Cash flow from operations			
Surplus/(deficit) from operations		6,313	5,294
Depreciation of tangible fixed assets	10	1,961	2,000
Amortisation of intangible assets	11	136	151
(Increase) / decrease in membership dues receivables (net)	5	320	(226)
(Increase) / decrease in advances to implementing partners	6	(4,682)	(7,392)
(Increase) / decrease in prepayments		(747)	(41)
(Increase) / decrease in project agreement receivables	8	792	(1,017)
(Increase) / decrease in framework agreements receivable	9	509	(509)
(Increase) / decrease in other short-term receivables		(1,637)	(113)
Increase / (decrease) in membership dues paid in advance		178	680
Increase / (decrease) in short term financial liabilities	12	8,472	(1,685)
Increase / (decrease) in project agreement advances	7	14,147	14,146
Increase / (decrease) in short term provisions		1,939	(597)
Increase / (decrease) in other short-term liabilities		3,129	604
(Increase) / decrease in financial assets	4	(789)	(1,776)
Increase / (decrease) in deferred income	15	(4,552)	(4,084)
(Gain) / loss on disposal of tangible fixed assets		(22)	(17)
Foreign exchange (gains) / losses		(705)	3,392
Total cash flow from operating activities		24,762	8,811
Cash flow from investing activities			
Purchase of tangible fixed assets	10	(728)	(629)
Proceeds on disposal of tangible fixed assets	10	22	17
Purchase of intangible assets	11	(320)	(82)
Total cash flow from investing activities		(1,026)	(694)
Cash flow from financing activities			
Loan repayment	16	(401)	(401)
Total cash flow from financing activities		(401)	(401)
Foreign exchange		3,237	(7,271)
Net cash inflow for the year		26,572	445
Cash and short-term deposits at the beginning of the year		91,858	91,413
Cash and short-term deposits at the end of the year	3	118,430	91,858

*2023 balances have been restated following the adoption of Swiss GAAP FER



01 | ORGANISATION AND ACTIVITY

1. General

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

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

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

2. Structure

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

IUCN is now the world's largest and most diverse environmental network, harnessing the knowledge, resources and reach of our Member organisations, Commission experts and the IUCN Secretariat.

IUCN's over 1,400 Member organisations include States and government agencies at the national and subnational levels, NGOs large and small, indigenous peoples' organisations, scientific and academic institutions and business associations.

Broad and active networks of 16,000+ scientists and experts providing IUCN and its Members with sound know-how and policy advice to drive conservation and sustainable development.

The IUCN Secretariat works under the direction of the Director General to achieve the vision of the Union's membership.

IUCN has staff working in over 50 countries. The average number of IUCN staff including staff in-kind during the financial year in full time equivalents was 1,089 (2023- 1,007).

02 | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Accounting convention

Until 2023 financial year, the financial statements were prepared in accordance with the provisions of the Swiss Code of Obligations (CO). From 2024, financial statements are prepared under the guidelines of the Accounting and reporting recommendations of the Swiss GAAP FER, in particular Swiss GAAP FER 21, Accounting for charitable non-profit organisations. The conversion to Swiss GAAP FER has been applied retrospectively from the beginning of the prior period i.e. effective from 1 January 2023.

With the transition to Swiss GAAP FER, the main change related to the presentation of the Currency Translation Reserve (consisting of the conversion of the non-Swiss franc balances into Swiss francs) from the Statement of Operations to the Balance Sheet within reserves. In addition, fixed assets, previously translated into Swiss francs at historical rates, are now translated using the closing rates. The economic impact of IUCN's pension schemes globally is now disclosed in the notes to the financial statements. This includes contributions made to organisational or government pensions in IUCN offices and any post-employment benefits entitlement according to local legislation.

With the implementation of Swiss GAAP FER, some 2023 comparative figures have been restated. Below is a reconciliation of reserves and the result at the beginning and end of the 2023 financial year.

Reconciliation from CO to Swiss GAAP FER of equity (reserves) as per the opening and end of the prior period presentation

	01.01.2023	31.12.2023
BALANCE SHEET		
Funds and Unrestricted Reserves according to the Swiss Code of Obligations	22,968	24,054
1 st January, Currency Translation Adjustment for Fixed Assets	(220)	(220)
31 st December, Currency Translation Adjustment for Fixed Assets		(190)
31 st December, Currency Translation Adjustment for other Balance Sheet categories		92
Funds and Unrestricted Reserves according to Swiss GAAP FER	22,748	23,736
INCOME STATEMENT		
Results according to the Swiss Code of Obligations		1,086
Adjustment of net gains/(losses) on foreign exchange		4,208
Results according to Swiss GAAP FER		5,294
(Increase)/decrease in Designated Reserves		(468)
Results according to Swiss GAAP FER after Designated Reserve movement		4,826

Effective from 1 January 2024, IUCN implemented two revised standards, FER 30 Consolidated Financial Statements and FER 28 Government Grants. Neither standard had any significant impact on the consolidated financial statements. No further changes to the Standards were effective for 2024.

The presentation of the 2023 balances on the balance sheet and the cash flow statement has been restated for comparison purposes.

2024 Presentation		2023 Presentation	
	31.12.2023		31.12.2023
BALANCE SHEET			
Current assets			
Project agreement and donor receivables	23,297	Donor funds receivables	7,041
Foreign currency adjustment	121	Project agreement receivables	16,256
Project agreement and donor receivables	23,418		23.297
		Other account receivables	2,011
		Staff receivables	583
		Receivable from partner organisations	230
Other short-term receivables	2,824		2,824
Current liabilities			
		Deferred income framework agreements	3,373
		Deferred income buildings	470
Deferred income	3,843		3,843
		Miscellaneous current liabilities	849
Other short-term liabilities	2,016	Advances to hosted organisations	269
Foreign currency adjustment	21	Social charges payable	898
Other short-term liabilities	2,037		2,016
		Staff leave and repatriation	2,200
		Staff termination	1,536
		Other provisions	829
Provisions	4,565		4,565

2. Valuation principles

The financial statements are prepared under the historical cost principles except for certain financial assets and loans that are measured at fair value.

3. Basis of consolidation

The consolidated financial statements include all offices of IUCN and those entities over which IUCN has the power to govern the financial and operating policies so as to obtain benefits from their activities. New branches were opened in Comoros, Madagascar and St Lucia in 2024. In certain countries, multiple offices may exist.

Branches

Asia Region

- Asia Regional Office (Thailand)
- Bangladesh Country Office
- Cambodia Country Office
- China Country Office
- India Country Office
- Lao PDR Country Office
- Myanmar Country Office
- Nepal Country Office
- Pakistan Country Office
- Sri Lanka Country Office
- Thailand Country Office
- Tokyo Representation Office
- Vietnam Country Office

Eastern and Southern Africa Region

- Eastern and Southern Africa Regional Office (Kenya)
- Comoros Project Office
- Madagascar Project Office
- Mauritius Project Office
- Mozambique Country Office
- Rwanda Country Office
- South Africa Country Office
- Tanzania Country Office
- Uganda Country Office
- Zimbabwe Country Office

Eastern Europe and Central Asia Regional Office (Serbia)

Europe Regional Office (Germany)

Centre for Mediterranean Cooperation (Spain)

North America Region

- North America Regional Office (USA)
- Permanent Mission to the UN Representation Office (New York)

Oceania Regional Office (Fiji)

Mexico, Central America and the Caribbean Region

- Regional Office for Mexico, Central America and the Caribbean (Costa Rica)
- Barbados Project Office
- Costa Rica Project Office
- El Salvador Country Office
- Guatemala Country Office
- Honduras Country Office
- Mexico Project Office
- Saint Kitts and Nevis Project Office
- St Lucia Project Office

South America Regional Office (Ecuador)

Cambridge Office (United Kingdom)

West and Central Africa Region

- West and Central Africa Regional Office (Senegal)
- Burkina Faso Country Office
- Cameroon Country Office
- Ghana Project Office
- Guinea Project Office
- Guinea Bissau Country Office
- Mali Country Office
- Mauritania Country Office
- Niger Project Office
- Senegal Country Office

West Asia Regional Office

- West Asia Regional Office (Jordan)
- Saudi Arabia Project Office

Other entities

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

4. Currency of accounts

a) Reporting currency

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

b) Functional currency

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

5. Foreign exchange

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

- Transactions denominated in currencies other than the office ledger currency are converted to the ledger currency and recorded on the basis of the exchange rate prevailing at the date of the transaction. At the end of the year all balances maintained in transaction currencies are translated to the currency of the office ledger at the year-end rate. The gains and losses incurred are recognised in the income statement of each office ledger.
- Project balances are expressed in the currency of the underlying donor contract. At the end of the year, project balances are translated to the currency of the office ledger in which they reside at the year-end rate. The gains and losses incurred are recognised in the income statement of each office ledger.
- Non-Swiss franc balances in the Statement of Operations are translated to CHF on the basis of the exchange rate prevailing at the date of the transaction.
- Non-Swiss franc balances in the balance sheet are translated to CHF at the year-end exchange rate except for unrestricted reserves and the resulting net unrealised gain or loss included in the Currency Translation Reserve.

The following are the principal rates of exchange used at the end of the year to revalue the balance sheet items to Swiss Francs (CHF) for reporting purposes:

	31 Dec 2024	31 Dec 2023
US dollar	0.9031	0.8412
EURO	0.9408	0.9287

6. Income

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

a) Membership dues

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

b) Voluntary donations

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

Framework agreements income

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

Unrestricted Framework agreements income is recognised in the income statement once the agreement has been signed and in accordance with the amounts specified in the agreement for each calendar year. In the event that the framework income is not fully utilised in the calendar year, it is recorded as short term deferred income.

Restricted Framework agreements income is recorded as Projects agreements income and is recognised as expenditure is incurred and the conditions fulfilled.

Framework agreements income received in advance of the period to which it relates is recorded as short term deferred income.

Staff in-kind contributions

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

Project agreements income

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

c) Retention of staff income tax

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

7. Expenditure

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

Implementing Partners are contracted for specific project activities and expenditures are recorded:

- According to a financial report presenting expenditures incurred during the period.
- If Implementing Partner financial reports are not available at the end of year, expenditure is accrued based on the estimate provided by the partner and included as accounts payable and accrued liabilities.

Staff in-kind contributions

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

contributions amounted to CHF 2,337 (2023 -CHF2,040). IUCN Commissions consist of over 17,000 scientists and experts volunteering their expertise to drive conservation and sustainable development. The value of Commission members' time spent contributing to the IUCN Programme has not been valued in the Statement of Operations.

8. Cross charges from projects

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

Staff time charges

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

Indirect cost recoveries

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

9. Financial assets

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

10. Fixed assets

a) Purchased assets

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

b) In-kind assets

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

c) Donations for the purchase of fixed assets

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

d) Depreciation

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

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

11. Intangible assets

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

Software is depreciated over its estimated useful life on a straight-line basis over 2 to 7 years.

At the balance sheet date, intangible assets are assessed for developments indicating impairment of the value of the intangible asset and any loss from impairment is charged to the income statement.

12. Provisions

a) Provision for membership dues receivable

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

Membership dues outstanding for:

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

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

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

b) Provision for projects in deficit/allowance for doubtful receivable

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

c) Staff terminations

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

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

d) Staff leave and repatriation

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

13. Pension

The actual economic effects of IUCN's pension schemes are calculated at the balance sheet date. An economic obligation is recognised as a liability if the requirements for the recognition of a liability are met. An economic benefit is capitalised provided that it is permitted and intended to be used for future pension contributions.

IUCN's pension costs include the employer contributions accrued in the period.

14. Loans at below market rate of interest

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

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

15. Hosted organisations

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

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

16. Reserves

IUCN maintains the following reserves:

a) Designated reserves

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

Reserve for statutory meetings

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

Renovation Fund

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

Other Designated reserves

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

b) Unrestricted reserves**IUCN Fund**

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

Retained surpluses

The Retained surpluses represent other unrestricted reserves.

03 CASH AND SHORT-TERM BANK DEPOSITS

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

REGION OR OFFICE	2024	2023
Asia	2.154	1,942
Eastern and Southern Africa	4.837	3,500
Eastern Europe and Central Asia	70	63
Europe	1.524	605
Headquarters	95.848	72,414
Mediterranean	1.071	511
Mexico, Central America and the Caribbean	3.854	4,841
North America	1.707	2,164
Oceania	1.429	2,238
South America	162	314
United Kingdom	221	197
West and Central Africa	3.482	1,567
West Asia	2.071	1,502
Balance at 31 December	118,430	91,858

04 | FINANCIAL ASSETS

At the end of the year, IUCN held financial assets:

	2024	2023
Short-term financial assets	12,394	10,491
Long-term financial assets	3,669	4,783
Balance at 31 December	16.063	15,274

Long-term financial assets represent bonds maturing after 2025.

The financial assets consist of:

	2024	2023
Bonds	9,464	9,055
Structured Products	810	543
Equities	3,126	2,909
Microfinance	885	845
Other Investments	1,778	1,922
Balance at 31 December	16.063	15,274

During the year, the investment portfolio recorded a gain on financial assets of CHF 736 (2023 – CHF 331 gain).

At 31 December 2024, the investment portfolio included bank balances of CHF 159 (2023 – CHF 42). These are included under cash and short-term bank deposits.

MEMBERSHIP DUES RECEIVABLE AND PROVISION

	2024	2023
Gross membership dues receivable	2,440	2,965
Provision for dues in arrears	(1,627)	(1,832)
Net membership dues receivable at 31 December	813	1,133

2024				
	2022 and prior	2023	2024	Total
State member	39	443	1,178	1,660
Government agencies	13	28	114	155
Subnational Governments	-	4	30	34
Indigenous peoples	9	11	15	35
International NGOs	49	63	78	190
National NGOs	54	90	171	315
Affiliates	3	16	32	51
Total membership dues receivable	167	655	1,618	2,440
Provision for membership dues	(167)	(586)	(874)	(1,627)
Net membership dues receivable	-	69	744	813

2023				
	2022 and prior	2023	2024	Total
Total membership dues receivable	415	769	1,781	2,965
Provision for membership dues	(415)	(618)	(799)	(1,832)
Net membership dues receivable	0	151	982	1,133

The provision for membership dues in arrears has been calculated in accordance with the policy described in Note 2.12 (a).

	2024	2023
Balance at 1 January	1,832	1,015
Addition to/(release from) provision	838	821
Write off of deficits against provision	(1,043)	(4)
Balance at 31 December	1,627	1,832

06 | ADVANCES TO IMPLEMENTING PARTNERS

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

REGION OR OFFICE	2024	2023
Asia	4,409	4,951
Eastern and Southern Africa	8,251	7,669
Eastern Europe and Central Asia	312	114
Europe	2,750	1,356
Headquarters	6,731	7,916
Mediterranean	28	-
Mexico, Central America and the Caribbean	1,526	1,169
North America	1,957	1,016
Oceania	3,765	3,156
South America	247	118
United Kingdom	122	111
West Asia	4	601
Western and Central Africa	8,548	5,791
Balance at 31 December	38,650	33,968

Headquarters manages a significant number of grant-making programmes. Although the programmes are managed by Headquarters, the grants themselves are made to organisations globally. Grants are recorded as advances to implementing partners until the expenditure incurred by the grantees is reported as spent to IUCN.

07 | PROJECT AGREEMENTS RECEIVABLES AND ADVANCES

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

	2024	2023
Project agreement receivables	18,411	16,256
Project agreement advances	(132,442)	(118,295)
Balance at 31 December	(114,031)	(102,039)

08 PROJECT AGREEMENT AND DONOR RECEIVABLES

The project agreement receivables represent the total of projects with a negative cash balance at year-end. Donor funds receivables represent funds requests sent to donor. The balances are presented net of provisions for amounts IUCN has assessed to be doubtful from donors to cover expenditures already incurred.

	2024	2023
Project agreement receivables	19,708	16,958
Donor receivables	4,249	7,548
	23,957	24,506
Allowance for doubtful project agreement receivables	(1,297)	(702)
Allowance for doubtful donor receivables	(34)	(386)
	(1,331)	(1,088)
Balance at 31 December	22,626	23,418

Allowance for doubtful receivables

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

Movement in doubtful receivables

	2024	2023
Balance at 1 January		
Allowance for project fund receivable	702	2,760
Allowance for donor fund receivable	386	402
	1,088	3,162
Additions to provision	1,462	975
Utilisation of provision	(1,239)	(3,049)
Balance at 31 December	1,331	1,088

Comprising		
Allowance for project fund receivable	1,297	702
Allowance for donor fund receivable	34	386
	1,331	1,088

Region	2024	2023
Asia	123	89
Eastern and Southern Africa Region	561	413
Headquarters	159	209
North America	-	5
Oceania	268	273
West and Central Africa	220	99
Balance at 31 December	1,331	1,088

09 | FRAMEWORK AGREEMENTS RECEIVABLES

Framework agreements receivables represent framework agreements income due but not received as at the end of the year. As at 31 December 2024 there was CHF nil receivable compared to CHF 509 receivable at 31 December 2023.

10 | TANGIBLE FIXED ASSETS

1. Movement in fixed assets

	Building Infrastructures	Building Installations	Other Land and Buildings	Vehicles, Equipment, Furniture & Fixtures	Total
Purchase value					
Balance as at 31 December, 2022	27,178	13,775	5,969	11,004	57,926
Additions	-	-	80	549	629
Disposals	-	-	0	(1,095)	(1,095)
Balance as at 31 December, 2023	27,178	13,775	6,049	10,458	57,460
Impact of transition to Swiss GAAP FER	-	-	(457)	(1,040)	(1,497)
Balance as at 31 December, 2023 as Swiss GAAP FER*	27,178	13,775	5,592	9,418	55,963
Additions	-	-	152	576	728
Disposals	-	-	-	(216)	(216)
Foreign currency translation	-	-	151	228	379
Balance as at 31 December, 2024	27,178	13,775	5,895	10,006	56,854
Accumulated Depreciation					
Balance as at 31 December, 2022	(12,274)	(9,610)	(2,777)	(9,481)	(34,142)
Charge for the year	(544)	(575)	(304)	(577)	(2,000)
Disposals	-	-	0	1,089	1,089
Balance as at 31 December, 2023	(12,818)	(10,185)	(3,081)	(8,969)	(35,053)
Impact of transition to Swiss GAAP FER	-	-	189	897	1,086
Balance as at 31 December, 2023 as Swiss GAAP FER*	(12,818)	(10,185)	(2,892)	(8,072)	(33,967)
Charge for the year	(544)	(575)	(305)	(537)	(1,961)
Disposals	-	-	-	216	216
Foreign currency translation	-	-	(68)	(192)	(260)
Balance as at 31 December, 2024	(13,362)	(10,760)	(3,265)	(8,585)	(35,972)
Net book value					
Balance as at 31 December, 2023	14,360	3,590	2,700	1,346	21,996
Balance as at 31 December, 2024	13,816	3,015	2,630	1,421	20,882

*Restated following the adoption of Swiss GAAP FER

Fixed assets purchased using unrestricted funds are depreciated over their estimated useful lives as per Note 2.9.

2. Land

In 1990, the commune of Gland gave IUCN the right to use a plot of land for the purpose of building the IUCN Secretariat Headquarters. The right was granted at no cost for a period of 50 years, i.e. until August 2040. In 2008, the commune of Gland gave IUCN the right of use of an adjacent piece of land to the original plot for a period of 50 years, with the permission to construct an extension to the existing IUCN Headquarters building.

3. IUCN Headquarters building

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

a) Original building

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

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

b) Building extension

The building extension was financed by an interest free loan from the Swiss Government of CHF 20,000 payable in 50 equal yearly instalments of CHF 400, the first of which was paid in December 2010. In addition to the loan from the Swiss Government, IUCN received cash donations of CHF 4,707 and in-kind donations of CHF 1,815.

11 INTANGIBLE ASSETS

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

Movement in Intangible assets

	2024	2023
Purchase value		
Balance at 1 January	5,407	5,326
Additions	320	81
Disposals	(1,332)	-
Balance at 31 December	4,395	5,407
Amortisation		
Balance as of 1 January	(5,111)	(4,961)
Charge for the year	(136)	(150)
Disposals	1,332	
Balance at 31 December	(3,915)	(5,111)
Net Book Value at 31 December	480	296

12 | SHORT TERM FINANCIAL LIABILITIES

Accounts payable and accrued liabilities represent amounts owed to creditors and suppliers as at the end of the year.

	2024	2023
Accounts payable and supplier accruals	12,162	8,963
Year-end accruals for implementing partners	10,620	5,347
Balance at 31 December	22,782	14,310

13 | PENSION FUND OBLIGATIONS

IUCN operates different pension plans in different countries, each conforming to the legal regulations in the respective country. The main pension plan is in Switzerland and is a collective pension scheme with an independent organisation. For other locations they are primarily governmental pension schemes.

Economic benefit/economical obligation and pension benefit	Economic share of the entity		Contributions concerning the current period	Pension benefits expenses within staff costs	
	2024	2023		2024	2023
Pension institutions without surplus/deficit	-	-	7,106	7,106	5,998
Post employment benefits	-	-	-	387	233
Total	-	-	7,106	7,493	6,231

Pension funds without surplus/deficit represent fully funded organisational or government pensions schemes for which IUCN has no right/no obligation to any remaining surplus/deficit.

At the end of the year, and at the end of the previous year, there were no employer contribution reserves.

Pension benefits present amounts paid in the year to an organisational or government pension scheme in IUCN offices.

Post employment benefits are obligations for payments to be made either on termination or departure of employees in various IUCN offices according to local legislation.

For the collective pension scheme at Headquarters for Swiss employees, there is a surplus in coverage: 2024-113.4% (2023-109.2%).

At the 31st December, IUCN provisions represent IUCN obligations related to staff and other obligations.

	2024	2023
Staff leave and repatriation	2,842	2,200
Staff termination	2,260	1,536
Other provisions	1,402	829
Balance at 31 December	6,504	4,565

15 DEFERRED INCOME

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

	2024	2023
Deferred unrestricted income	299	3,373
Donations for construction of HQ building extension		
▪ Donations in cash	2,145	2,246
▪ Donations in kind	117	142
Donation in cash for renovation of original building	286	356
	2,547	2,709
Headquarters original building	5,550	5,859
Interest free government loan	3,563	4,572
Total	11,960	16,513

	2024	2023
Short term		
Deferred unrestricted income	299	3,373
Buildings		
▪ Original building	308	343
▪ Building extension	159	127
Total buildings	467	470
Total Short term deferred income	766	3,843
Long term		
▪ Original building	5,242	5,550
▪ Building extension	5,952	7,120
Total long term deferred income	11,194	12,670
Total deferred income	11,960	16,513

Donations received for the headquarters buildings (original and extension) are recorded as deferred income and recognised over the useful life of the corresponding purchased or donated assets (see Note 10, 2).

The deferred income on the government loan represents the difference between the fair value of the loan CHF 10,415 (2023 – CHF 9,807) and the outstanding cash value of the loan CHF 13,978 (2023 – CHF 14,379) (see Note 16). This difference represents the fair value of the interest saved on the interest free loan granted by the Swiss Government and is recognised over the period of the loan.

16 BUILDING EXTENSION LOAN

Headquarters building extension loan

	2024	2023
Current	218	179
Non-current less than 5 years	910	758
Non-current more than 5 years	9,287	8,870
Balance at 31 December	10,415	9,807

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

The loan is repayable in 50 annual instalments of CHF 400. The first instalment was paid in December 2010. The fair value of the loan is estimated at CHF 10,415 (2023 – CHF 9,807). The outstanding cash value of the loan has been discounted at a rate 1.75% (2023 – 2.25%) which represents the market interest rate for a 10 year loan based on current market conditions. The difference of CHF 3,563 (2023 – CHF 4,572) between the outstanding cash value and the fair value of the loan is the benefit derived from the interest-free loan and is recorded as deferred income (see Note 15).

The value of the interest that would have been paid on an equivalent commercial loan of 1.75% is estimated at CHF 245 (2023 – CHF 324). This has been recorded in the income and expenditure statement under Interest income to recognise the benefit of the interest free loan and under financial charges to recognise the interest that would have been paid.

17 DESIGNATED RESERVES

The following allocations and appropriations were made to designated reserves:

	2024		2023	
	Allocations	Appropriations	Allocations	Appropriations
Regional conservation fora	-	(697)	265	-
Congress	250	-	250	-
Commission operating funds	79	-	187	-
External review	-	(56)	-	(10)
IUCN 20-year strategic vision	-	(80)	-	(224)
Geo-political risk mitigation	2,000	-	-	-
Total	2,329	(833)	702	(234)
Net Total Allocations/(Appropriations)	1,496		468	

18 | OTHER OPERATING INCOME

Other operating income shown under the Statement of Operations comprises of:

	2024	2023
Rental income	960	930
Ramsar Convention Secretariat service fee	536	540
In-kind staff contributions other than Framework staff in kind	1,157	727
Recognition of deferred income of donations for IUCN buildings	470	471
Patrons of Nature	623	600
Other miscellaneous external income	1,490	1,562
Total	5,236	4,830

19 | AUDIT FEE

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

	2024	2023
Consolidated financial statement audit	241	210
Donor reporting audits	130	23

The consolidated financial statement audit fee includes CHF 30 for auditing the Swiss FER transition in 2024 (2023 nil).

20 | ADMINISTRATIVE AND FUNDRAISING EXPENDITURES

IUCN presents its income statement by nature of expenses.

In calculating expenditure by function for administrative expenses it includes costs globally for Oversight, Legal Counsel, Governance, Finance, Human Resources, Information Systems, Procurement and Administration units. The administrative services expenses are net of any staff time and other overhead recoveries for the units. Fundraising expenses include the cost of the Strategic Partnership and Business Engagement units net of cost recovered.

	2024	2023
Administrative expenses	17,027	15,804
Fundraising expenses	1,635	1,619

21 REMUNERATION OF EXECUTIVE MANAGEMENT

	2024	2023
Council Members	-	-
Executive Board at IUCN Headquarters	1,924	1,817

In 2024, the remuneration of incoming/outgoing members of the Executive Board with overlap are included.

22 RELATED PARTIES

1. Identity of related parties

a) The Commissions

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

b) The National and Regional Committees

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

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

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

d) TRAFFIC International

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

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

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

2. Transactions with related parties

	2024	2023
Accounts receivables and other receivables from other related parties	498	274
Accounts payable from other related parties	108	-
Income from other related parties	5,628	2,237
Expenditures to other related parties	1,558	1,617

3. Summary of legally controlled entities

Company	Year-end closing	Currency	Capital	Share of capital	
				2024	2023
The International Union for the Conservation of Nature and Natural Resources, Registered Trustees, (WASAA Trust Fund, Nairobi)	31.12	KES	235,632	100%	100%
UICN, Bureau de Représentation auprès de l'Union Européenne asbl	31.12	EUR	979	100%	100%
Associação UICN	31.12	BLR	(262)	20%	20%
IUCN UK (A Company Limited by Guarantee)	31.12	GBP	67	NA	NA
IUCN Maldives	31.12	MVR	-	100%	100%
IUCN PNG "Mangrove Rehabilitation and Management Project Association	dormant				

23 | OPERATING LEASES

At 31 December 2024, IUCN has future minimum operating lease commitments expiring in one to five years:

	2024	2023
Office rental	3,395	3,235
Office equipment	47	40



24 | BANK GUARANTEES

The following are the IUCN bank guarantees in place at 31 December 2024, (2023 – CHF 718) in favour of IUCN donors:

Country	Currency	Amount	Amount in CHF
Saudi Arabia	SAR	2,348	564
Rwanda	RWF	5,222	3
Total			567

Cash for an equivalent amount is pledged at corresponding banks.



25 | SUBSEQUENT EVENTS

There were no events subsequent to 31 December 2024 and up to May 9th, 2025, the date of the audit opinion, that would have a material impact on the financial statements.

ANNEX A CORE FUNDS UNDER FRAMEWORK AGREEMENTS

Report Currency: CHF ('000)

	2024	2024	2023	2023
	Secretariat expenditure unrestricted	Framework unrestricted & in kind	Secretariat expenditure unrestricted	Total Framework unrestricted & in kind
Asia Region	6,945	507	6,071	518
Eastern and Southern Africa Region	8,128	306	6,782	276
Eastern Europe and Central Asia Region	679	102	521	60
Europe Regional Office	1,687	360	1,485	-
Mediterranean Cooperation Centre	1,713	139	1,389	121
Mexico, Central America and the Caribbean Region	6,106	300	5,333	248
North America Region	1,410	348	1,062	-
Oceania Region	1,244	166	1,163	96
South America Region	1,251	195	1,230	144
West Asia Region	2,593	182	1,908	123
West and Central Africa Region	4,381	300	3,507	227
Sub Total Regional Components	36,137	2,905	30,451	1,813
Global Programme Operations Unit	1,914	290	1,765	-
Monitoring Evaluation and Learning	341	-	135	55
Nature-based Solutions (NbS) Coordination Hub	483	280	251	250
Sub Total Programme & Finance Support to Centres	2,738	570	2,151	305
Centre for Economy and Finance – Directorate	-	-	211	196
Finance for Nature Unit	-	-	355	362
Sub Total Centre for Economy and Finance	-	-	566	558
Centre for Policy and Law	1,535	450	1,529	450
Sub Total Centre for Policy and Law	1,535	450	1,529	450
Centre for Societal Transformation– Directorate	397	315	279	196
Human rights in conservation	1,088	-	1,025	-
Food and agriculture systems	1,062	221	756	200
Climate Change and Energy Transition	1,329	25	971	-
Cities, Culture and Youth	363	-	-	-
Sub Total Centre for Societal Transformation	4,269	561	3,031	396
Conservation Action Centre– Directorate	374	210	284	196
Protected and conserved areas	2,805	25	2,014	-
Ocean	1,700	44	1,339	9
Forest and grassland	659	25	802	-
Species conservation action	1,619	25	1,559	-
Water and land	861	-	670	-
World heritage	1,050	210	1,169	200
Sub Total Conservation Action Centre	9,068	539	7,837	405
Science and Knowledge Centre – Directorate	311	310	289	296
Science	933	356	888	235
Biodiversity assessment and knowledge	2,419	210	1,908	-
Conservation management and assurance	230	25	250	-
Knowledge management and library	1,023	335	1,107	400
IUCN Academy	325	-	510	-
Economy and Finance	831	221	920	200
Business and nature	953	210	793	-
Sub Total Science and Knowledge Centre	7,025	1,667	6,665	1,131

	2024	2024	2023	2023
	Secretariat expenditure unrestricted	Framework unrestricted & in kind	Secretariat expenditure unrestricted	Total Framework unrestricted & in kind
Commission on Ecosystem Management	245	-	178	116
Commission on Education and Communication	180	-	264	116
Commission on Environment, Economics and Social Policy	155	-	172	116
Species Survival Commission	266	-	253	130
World Commission on Environmental Law	218	-	164	122
World Commission on Protected Areas	283	-	221	121
Sub Total Commissions	1,347	-	1,252	721
Director General	2,384	983	2,616	100
IUCN 20-year Strategic Vision	170	-	220	-
Oversight Unit	287	178	291	--
Sub Total Directorate	2,841	1,161	3,127	100
Convenings	1,099	-	681	-
Governance	622	-	729	-
Membership and Commission Support	1,386	-	1,498	-
Sub Total Membership & Event Support	3,107	-	2,908	-
Business Engagement Unit	423	423	270	300
Global Communications	1,349	678	1,083	716
Global Information Systems	4,017	380	3,759	100
Human Resources Management Group	1,495	150	1,430	-
Institutional Performance Management & Evaluation Unit	1,001	900	904	900
Legal Adviser Office	832	288	781	135
Strategic Partnerships	1,145	1,133	1,352	1,381
Multilateral finance unit	1,099	-	856	-
Sub Total Corporate Support to Programmes	11,361	3,952	10,435	3,532
Global Finance Group	2,326	406	2,158	588
General Services Unit	3,196	264	3,068	-
Sub Total Finance and Administrative Support Units	5,522	670	5,226	588
Other operating expenditure	959	99	961	440
Total Operating Expenditure & allocations	85,909	12,574	76,139	10,439
Allocations to Projects		2024		2023
Innovation projects	-	89		2,921
Programmatic restricted funding	-	1,332		1,247
Strengthening regional performance management capacity	-	500		500
Total Allocation to projects		1,921		4,668
Total Allocations		14,495		15,107
Reconciliation of Framework Income to the Financial Statements		2024		2023
Overall Total allocations as above		14,495		15,107
Realised foreign exchange losses on cash contributions		49		21
Total Funding Framework Agreements		14,544		15,128

ANNEX A CORE FUNDS UNDER FRAMEWORK AGREEMENTS

Report Currency: CHF ('000)

Framework Agreement Partners	2024			2023		
	Framework cash contribution	Framework in-kind contribution	TOTAL	Framework cash contribution	Framework in-kind contribution	TOTAL
Denmark - Ministry of Foreign Affairs	2,664	-	2,664	2,926	186	3,112
Finland - Ministry for Foreign Affairs	687	-	687	741	-	741
France - Agence française de développement (AFD), Ministère de l'Europe et des Affaires étrangères (MEAE), Ministère de la Transition écologique, de la Biodiversité, de la Forêt, de la Mer et de la Pêche (MTEBFMP), Ministère des Outre-mer (MOM), Ministère de l'Agriculture et de la Souveraineté alimentaire (MASA)	392	782	1,174	543	757	1,300
Korea - Ministry of Environment (MOE)	500	293	793	542	199	741
Luxembourg - Ministry of Environment, Climate and Biodiversity of the Grand Duchy of Luxembourg	468	-	468	521	-	521
Norway - Norwegian Agency for Development Cooperation (NORAD)	1,970	-	1,970	1,704	-	1,704
Sweden - Swedish International Development Cooperation Agency (SIDA)	4,257	-	4,257	4,296	-	4,296
Switzerland - Swiss Agency for Development and Cooperation (SDC)	2,000	-	2,000	2,124	-	2,124
United States Department of State	531	-	531	589	-	589
Total Funding Framework Agreements	13,469	1,075	14,544	13,986	1,142	15,128