

Audited Financial Statements

for the year ended 31 December 2019



World Health
Organization

Table of Contents

Director-General's report	4
2019 Statement of Internal Control	17
Certification of financial statements for the year ended 31 December 2019	21
Letter of transmittal	22
Opinion of the External Auditor	23
Financial statements.....	27
Statement I. Statement of Financial Position	27
Statement II. Statement of Financial Performance	28
Statement III. Statement of Changes in Net Assets/Equity	29
Statement IV. Statement of Cash Flow	30
Statement V. Statement of Comparison of Budget and Actual Amounts	31
1. Notes to the financial statements	32
2. Significant accounting policies.....	33
3. Note on the restatement/reclassification of balances	42
4. Supporting information to the Statement of Financial Position.....	42
5. Supporting information to the Statement of Financial Performance	65
6. Supporting information to the Statement of Changes in Net Assets/Equity	70
7. Supporting information to the Statement of Comparison of Budget and Actual Amounts	75
8. Segment reporting	77
9. Amounts written-off and ex-gratia payments	79
10. Related party and other senior management disclosures.....	79
11. Events after the reporting date	79
12. Contingent liabilities, commitments and contingent assets.....	80
Schedule I. Statement of Financial Performance by major funds	81
Schedule II. Expenses by major office – General Fund only	82
Schedule III. Financial overview – all funds, 2018–2019, 2016–2017 and 2014–2015.....	83

Director-General's report

INTRODUCTION

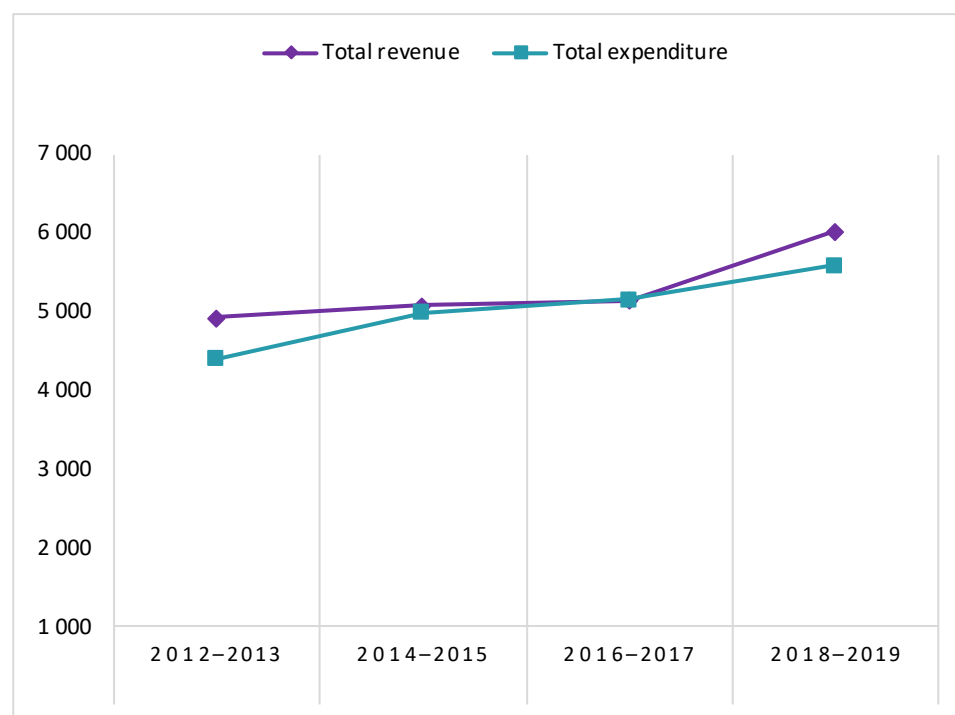
1. In accordance with Article 34 of the Constitution and Financial Regulation XIII of the World Health Organization and International Public Sector Accounting Standards (IPSAS), I have the honour to present the Financial Report for the year ended 31 December 2019. The statutory components of the Financial Report have been audited by the Organization's External Auditor, the Republic of the Philippines Commission on Audit, whose opinion is included in the Financial Report.

2. The Organization provides services to five other entities: the Trust Fund for the Joint United Nations Programme on HIV/AIDS (UNAIDS), the International Drug Purchase Facility (UNITAID), the International Agency for Research on Cancer (IARC), the International Computing Centre (ICC) and the Staff Health Insurance (SHI). Separate financial statements are prepared for each entity, which are subject to separate external audits. The funds managed by WHO on behalf of these entities¹ are included in the Statement of Financial Position (Statement I).

3. The Thirteenth General Programme of Work, 2019–2023 marked a new strategic direction for WHO. It is data-driven, results-oriented, country-focused, firmly based on the Sustainable Development Goals and it sets the ambitious triple billion targets for the Organization. The WHO Results Report (document A73/24) is an integral part of the 2019 reporting package and presents the results of the Organization's work in 2018 and 2019.

4. For the biennium 2018–2019 and the year 2019, WHO reported the highest levels of revenue and expenditure in the history of the Organization. Fig. 1 summarizes the total revenue and expenditure over the past four bienniums, showing the trends in revenue and expenditure since WHO became IPSAS compliant in 2012.

Fig. 1. Revenue and expenditure for the past four bienniums



¹ Excluding IARC, whose funds are not managed by WHO.

5. Much of this growth has been due to WHO's increased role in emergency response operations. Total expenditure for Polio, Outbreak and Crisis Response and Special Programmes was US\$ 2281 million in 2018–2019 and has grown by 20% compared with 2016–2017. During 2019, WHO responded to 58 emergencies in 50 countries, including large-scale emergency response operations due to the Ebola outbreak in the Democratic Republic of the Congo and ongoing operations in Yemen.

FINANCIAL HIGHLIGHTS

6. WHO's total revenue in 2019 was US\$ 3116 million and total expenses were US\$ 3088 million, resulting in a surplus of US\$ 89 million, after finance revenue.

7. The financial statements report the entire revenue and expenses of the Organization. In addition to the General Fund (the Programme budget), two other fund groups are included in WHO's financial statements: Member States – other and the Fiduciary Fund. Details of the revenue and expenses for each of these three main fund groups can be found in Schedule I of this report and are summarized in Table 1.

Table 1. Financial highlights, all funds, 2018 and 2019 (US\$ million)

Description	Total 2019	Total 2018	Total 2018–2019
Assessed contributions	490	501	991
Voluntary contributions – programme budget	2 447	2 243	4 690
Total contributions – programme budget	2 937	2 744	5 681
Other revenue – programme budget	32	31	63
Non-programme budget revenue	147	126	273
Total revenue (all sources)	3 116	2 901	6 017
Expenses – programme budget	3 022	2 292	5 314 ¹
Expenses – non-programme budget and others	66	208	274
Total expenses (all sources)	3 088	2 500	5 588
Finance revenue	61	41	102
Total surplus	89	442	531

8. The WHO financial statements cover the total approved budget for 2018–2019 of US\$ 4422 million.² Although the Organization has adopted an annual financial reporting period as stipulated in Financial Regulation XIII,³ the budgetary period remains a biennium (Financial Regulation II). Therefore, for the purposes of making comparisons between the actual expenses and the approved budget, the biennium's budget is set against two years of annual expenses. The Statement of Comparison of Budget and Actual Amounts (Statement V) provides this comparison by category.

¹ For more details, see WHO Results Report (document A73/24).

² See resolution WHA70.5 (2017).

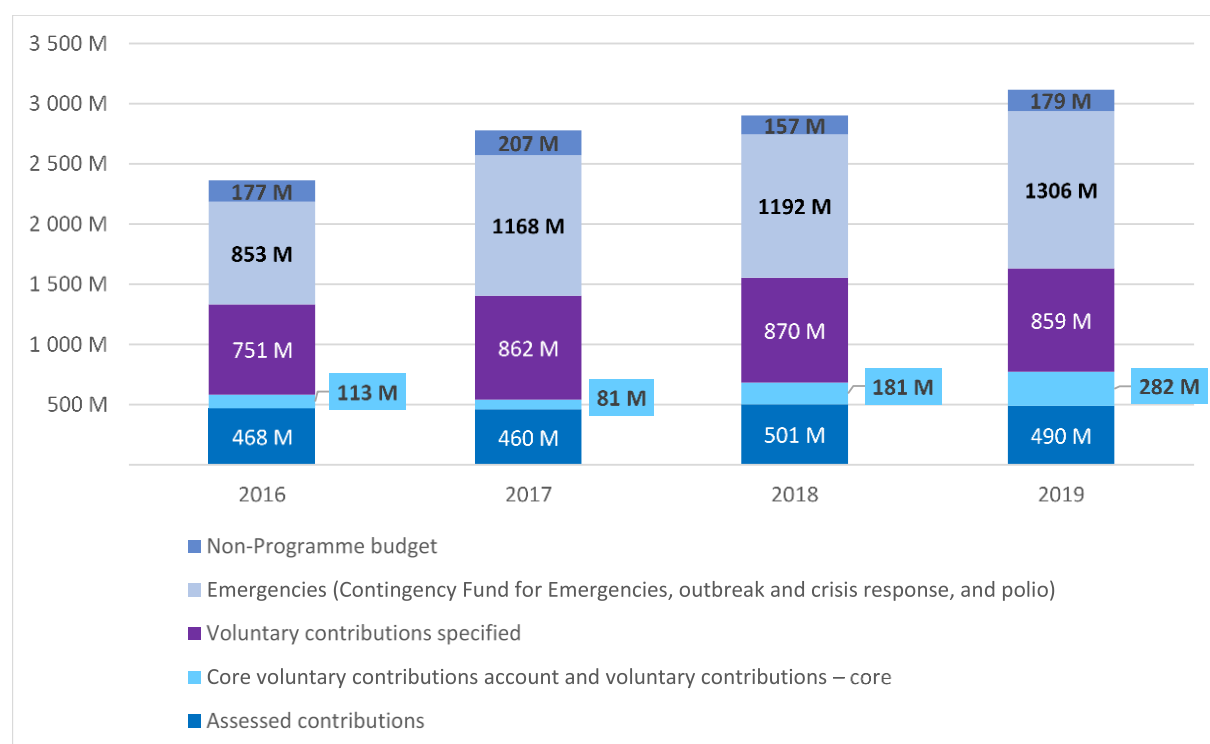
³ See resolution WHA62.6 (2009).

FINANCIAL PERFORMANCE

REVENUE

9. Total revenue for 2019 was US\$ 3116 million, an increase of 7% compared with 2018 (US\$ 2901 million). Revenue is recorded when amounts become due, based on signed agreements. Revenue provides an important measure of the agreements signed and funding currently available. When amounts are due in future periods, according to the payment terms included in donor agreements, the associated revenue is deferred. Deferred revenue is an important indicator of the total funding from signed agreements that is available for future financial periods. Full details of all voluntary contribution revenue and deferred revenue, by contributor and fund, are contained in the Annex to the Financial Report.¹ Revenue trends for the period 2016–2019, highlighting voluntary contributions and assessed contributions, are summarized in Fig. 2. This graph shows the increasing revenue for emergencies, resulting in assessed contributions that represent a lower percentage of total revenue (16% in 2019 against 20% in 2016), even after the 3% increase in assessed contributions for 2018–2019.

Fig. 2. Revenue trends, 2016–2019 (US\$ million)

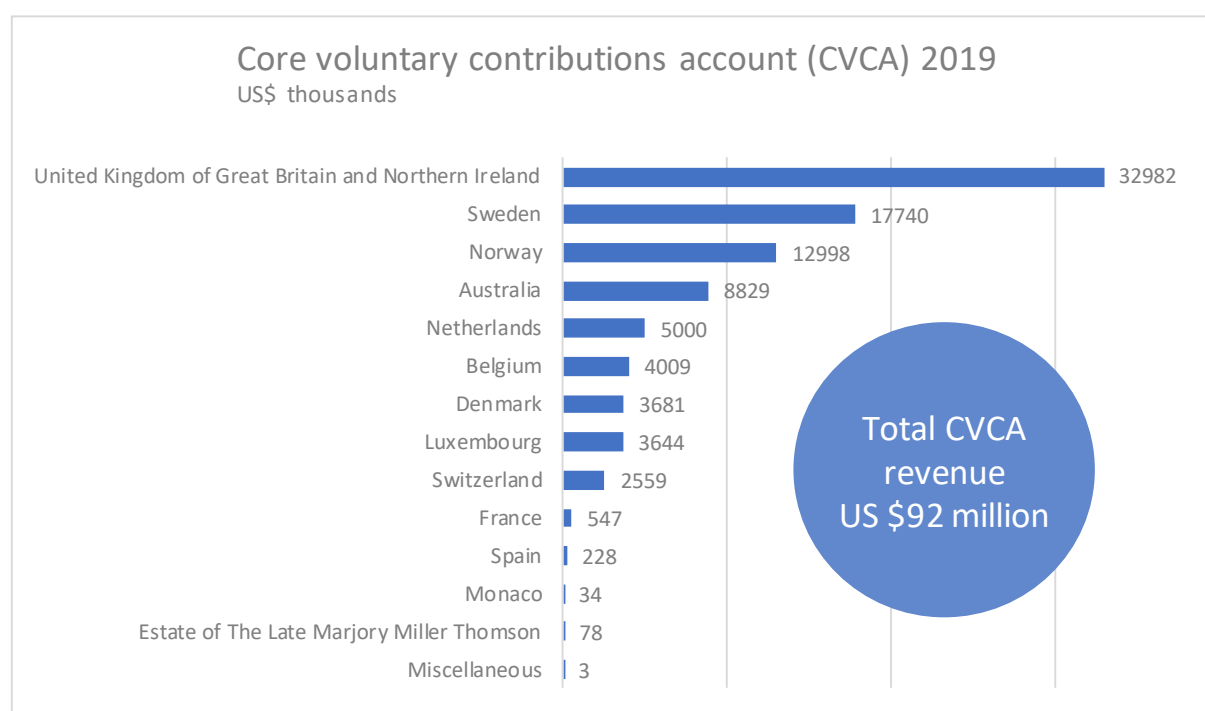


¹ Document A73/INF.3, the Annex to the Financial Report, is also available at <http://www.who.int/about/finances-accountability/funding/voluntary-contributions/en/> (accessed 28 April 2020).

10. Of the total revenue for 2019 of US\$ 3116 million, assessed contributions and voluntary contributions – programme budget account for US\$ 2937 million or 94%, an increase of US\$ 193 million or 7% compared with 2018. Voluntary contributions – core includes both the core voluntary contributions account, whose funds are fully or highly flexible and are received to support the Programme budget as a whole, and voluntary contributions – core (also referred to as thematic funds), whose funds are earmarked for purposes within the Programme budget and designated at a medium level of flexibility. In total, core voluntary contributions have increased from US\$ 113 million or 6.6% of total voluntary contributions – programme budget in 2016 to US\$ 282 million or 11.5% in 2019.

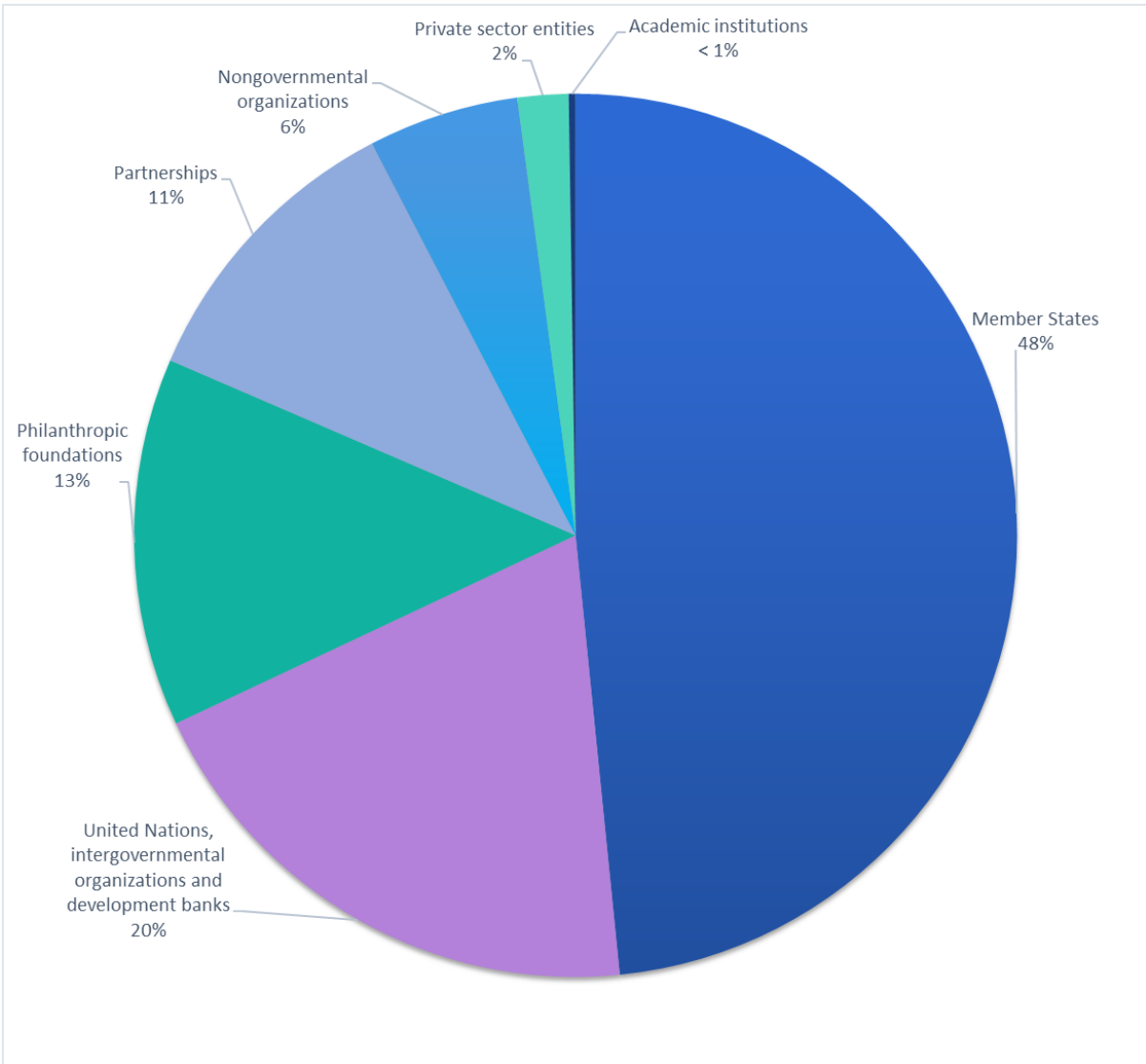
11. The core voluntary contributions account has been in operation since 2007, with the purpose of recording unearmarked contributions from donors. These unearmarked contributions provide a high level of flexibility to strengthen the implementation of the Programme budget as they provide the Organization with the opportunity to partially address funding shortages across all categories and major offices. A number of key donors consistently support the core voluntary contributions account and its level of revenue has remained stable, at US\$ 92 million (US\$ 89 million in 2018). Contributions flexible at the category or subcategory levels increased by US\$ 98 million or 107% between 2018 and 2019. The key contributors to thematic areas were the German BMG Strategic Grant and the European Commission's contribution to universal health coverage. Most contributions continued to be specified and highly earmarked, with specified Voluntary contributions increasing by 5% from 2018 to 2019. Details on contributors to the core voluntary contributions account are summarized in Fig. 3.

Fig. 3. Core voluntary contributors account, by contributor



12. Fig. 4 illustrates the relative proportions of the various sources of voluntary contributions for 2019.

Fig. 4. Revenue from voluntary contributions for 2019, by source



13. Member States continue to be the largest source of voluntary contributions, contributing 48% of total non-assessed (voluntary) contributions. The United Nations, intergovernmental organizations and development

预览已结束，完整报告链接和二

<https://www.yunbaogao.cn/report/index/report?re>