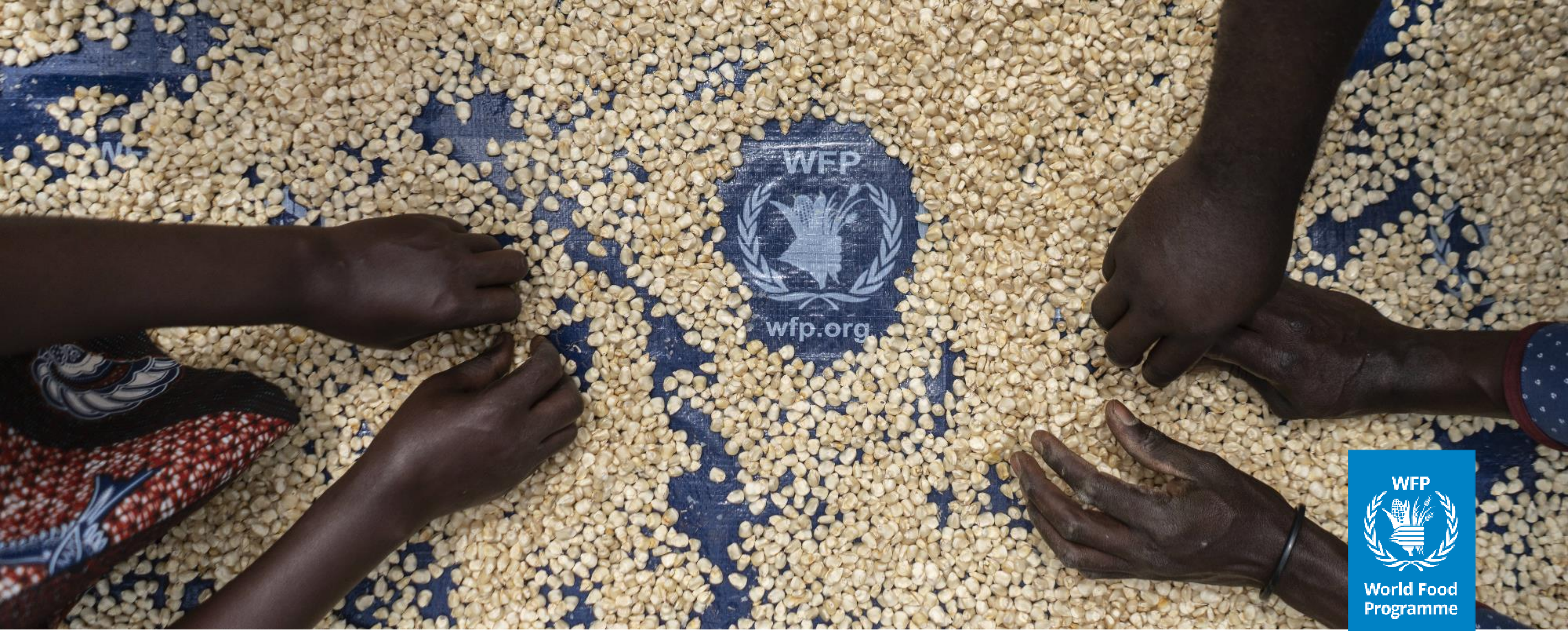


Annual Session of Executive Board

2023 Financial Statements

24-28 June 2024

World Food Programme

SAVING LIVES
CHANGING LIVES

IPSAS 41 adoption – Note 1 to Statements

IPSAS 41 Financial instruments was adopted with effective date **1 January 2023**.

As permitted by the standard, prior periods were not restated. The impact on opening accumulated surplus was a decrease of USD 1.3 million.

The key changes introduced by IPSAS 41 are:

The application of **single classification and measurement model** for **financial assets** that considers:

i) The **objectives** for which assets are held (**management model**), and

ii) Characteristics of the assets' **cash flows**

The application of a **single forward-looking expected credit loss model** that is **applicable to all financial instruments** subject to **impairment testing**.

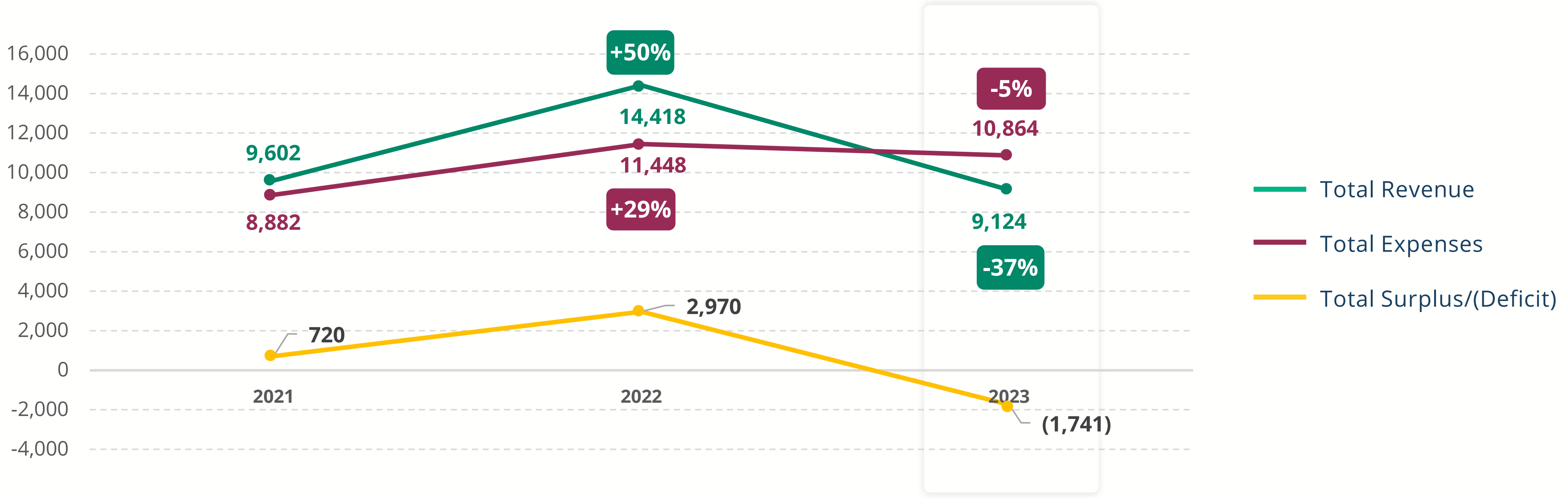
The main changes in classification are **liquidity portfolios** that are now at **FVNAE**, instead of FVSD and **equity investment** funds that are now **FVSD**, instead of FVNAE.

FVNAE – Fair value through net assets/ equity
FVSD – Fair value through surplus or deficit

Statement II – Financial Performance

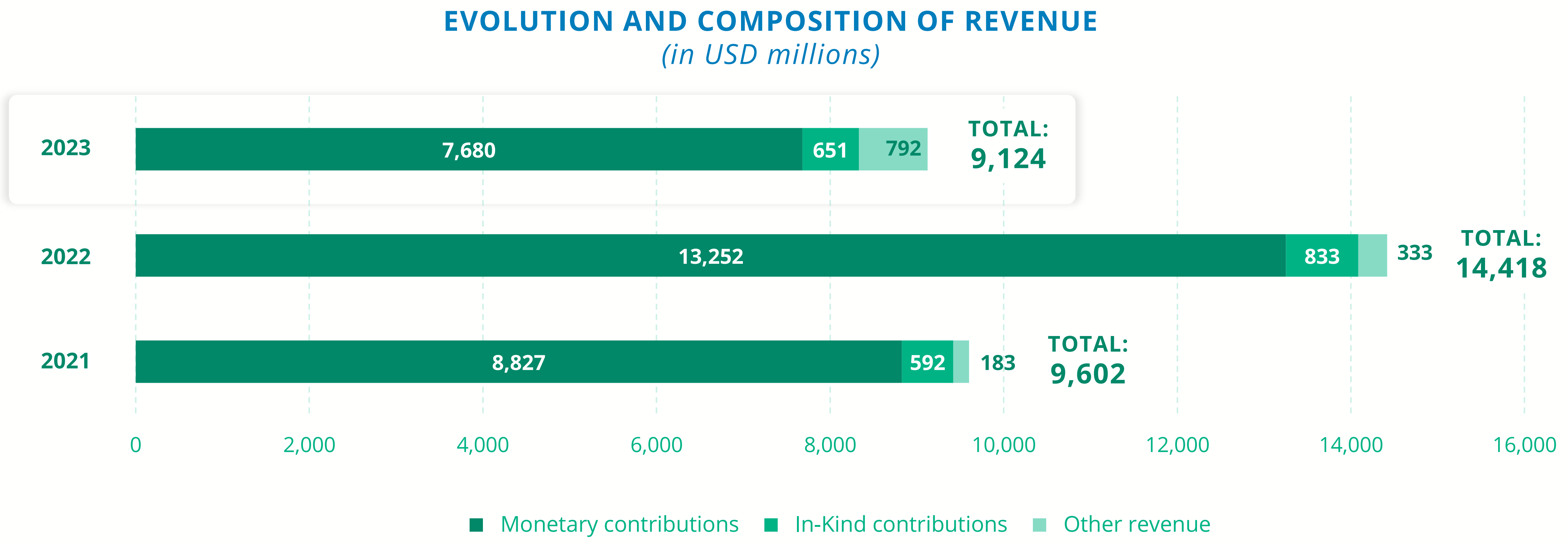
After seven consecutive years of revenue growth, that was particularly strong in 2022, revenue sharply declined by 37% in 2023. As expenses fell by a modest 5%, this has led to a deficit of USD 1.7 billion.

EVOLUTION OF REVENUE, EXPENSES AND SURPLUS



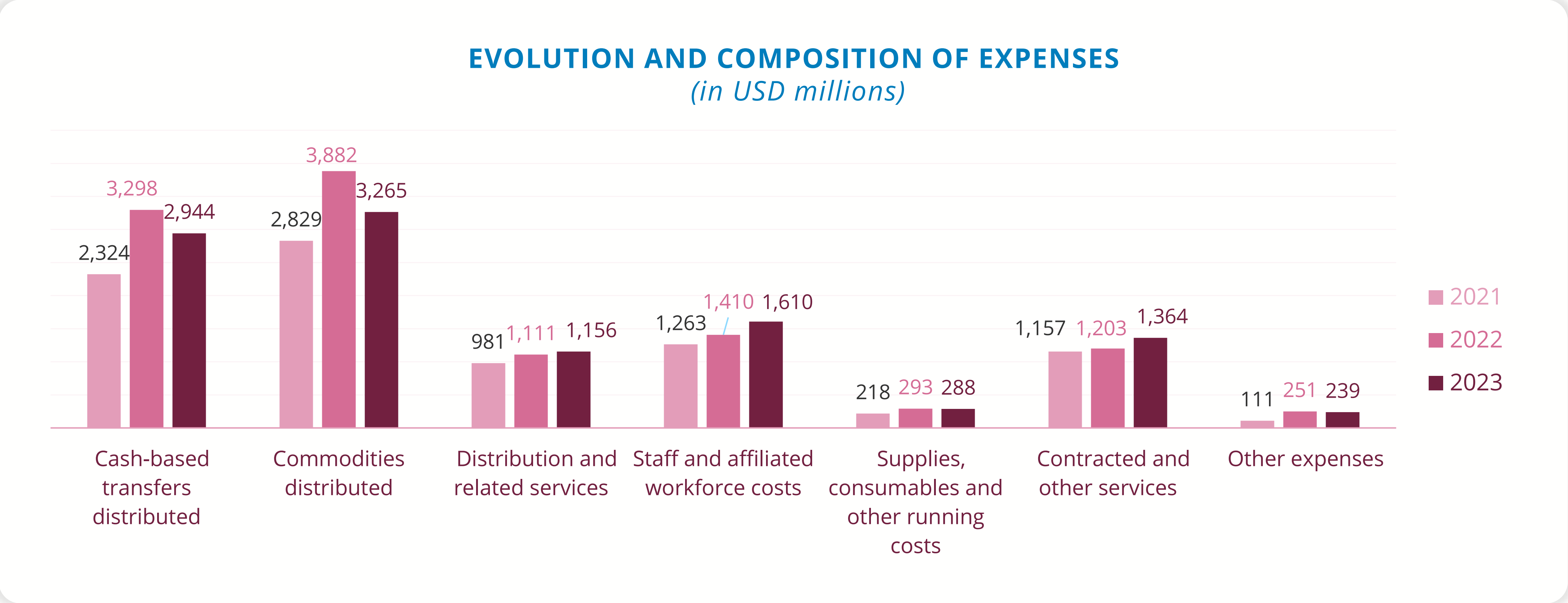
Statement II – Revenue

Contribution revenue fell by 41% to USD 8.3 billion driven by a decrease of contributions from most major donors. **Other revenue** increased by USD 459 million or 138%. The increase was strongest in ROI, USD 338 million, of which the impact of IPSAS 41 adoption was USD 100 million.



Statement II – Expenses

Total expenses were **USD 10.9 billion**, a decrease of **5%**. While **CBT decreased by 11%** and the value of **commodities distributed by 16%** (22% decrease in mt), **other expenses** in aggregate **increased by 9%**.



Statement I – Financial Position

TOTAL ASSETS	of **USD 11,927.5 million** decreased by USD 2,150.7 million (15%) mainly due to a decrease in contribution receivable and inventories.
INVENTORIES	stand at **USD 1,291.6 million**, a decrease by 14% in value, while mt held of 1.5 million decreased by 18%.
TOTAL LIABILITIES	decreased by USD 416.4 million or 17% to **USD 2,012.8 million** in 2023, due to a decrease in payables offset by an increase in employee benefit liabilities.
EMPLOYEE BENEFITS LIABILITIES	totaled **USD 1,015.6 million**, an increase of 15%. The investments covering long-term liabilities were valued at USD 1,164.6 million. The funding ratio is **123%**.
NET ASSETS (Fund Balances and Reserves)	totalled **USD 9,914.7 million**. Out of total net assets, USD 7,100.5 million relate to programmes/CSPs, representing approximately four months of operational activity.


Thank you!