

# 2010 Annual Audited Accounts



# Annual Accounts, 2010 presented and discussed in detail in the following forum

---

**WFP Audit Committee (14<sup>th</sup> March)**

**Executive Board Financial Seminar (4<sup>th</sup> May)**

**UN ACABQ (18<sup>th</sup> May)**

**FAO Finance Committee (30<sup>th</sup> May)**

# Statement I - Statement of Financial Position

(Annual Audited Accounts 2010, Statement I, page16)

US\$ million	31.12.2010	31.12.2009
Cash and cash equivalents	550.5	1,162.2
Short-term investments	778.6	582.2
Contributions receivable	2,352.6	1,896.7
Inventories	700.2	738.4
Other receivables	186.4	131.8
<b>TOTAL Current Assets</b>	<b>4,568.3</b>	<b>4,511.3</b>
Contributions receivable	117.9	148.9
Long-term investments	248.2	204.2
Property, plant and equipment	85.1	45.7
Intangible assets	36.5	43.6
<b>TOTAL Non-current Assets</b>	<b>487.7</b>	<b>442.4</b>
<b>TOTAL Assets</b>	<b>5,056.0</b>	<b>4,953.7</b>
Payables and accruals	522.0	480.8
Provisions	19.0	24.4
Employee benefits	22.2	23.3
<b>Total Current Liabilities</b>	<b>563.2</b>	<b>528.5</b>
Employee benefits	286.4	255.4
Long-term loan	112.3	111.7
<b>Total Non-current Liabilities</b>	<b>398.7</b>	<b>367.1</b>
<b>Total Liabilities</b>	<b>961.9</b>	<b>895.6</b>
<b>TOTAL NET ASSETS</b>	<b>4,094.1</b>	<b>4,058.1</b>
Fund Balances	3,834.7	3,792.0
Reserves	259.4	266.1
<b>TOTAL FUND BALANCES AND RESERVES</b>	<b>4,094.1</b>	<b>4,058.1</b>

In relation to the Current Assets:

- Due to confirmation of large contributions late 2010 but collected early 2011, **Cash+Investments** decreased and **Contributions Receivable** increased.

- Levels of **investment** increased due to cash and investment policy decisions to minimise field cash balances

- Food Commodities represent the 97% of Total **Inventories**. Inventories held represent 3.5 months of current level of operations

Due to an increase in entitlement earned by staff, **Employee Benefit Liability (current + non Current)** increased from 278.7M to 308.6M (11%).

**Fund Balances and Reserves** increased 36M in 2010 due to the **Surplus** generated in the year of 28.5 M and 7.5 M of **Unrealized gains on investments**.

# Statement II - Statement of Financial Performance

(Annual Audited Accounts 2010, Statement II, page 17)

(US\$ million)	01.01.2010 to 31.12.2010	01.01.2009 to 31.12.2009	Difference 2010-2009
<b>REVENUE</b>			
Monetary contributions	3,546.7	3,445.0	101.70
In-Kind contributions	583.1	760.2	-177.10
Other revenue	136.4	168.1	-31.70
<b>TOTAL REVENUE</b>	<b>4,266.2</b>	<b>4,373.3</b>	<b>-107.10</b>
<b>EXPENSES</b>			
Cash and Vouchers distributed	60.3	15.1	45.20
Commodities distributed	2,254.6	2,380.4	-125.80
Distribution and related services	659.0	734.5	-75.50
Wages, salaries, employee benefits	646.4	617.8	28.60
Supplies, consumables	152.5	115.6	36.90
Contracted and other services	374.3	303.5	70.80
Finance Costs	2.7	2.7	0.00
Depreciation and amortization	25.1	12.5	12.60
Other expenses	62.8	46.0	16.80
<b>TOTAL EXPENSES</b>	<b>4,237.7</b>	<b>4,228.1</b>	<b>9.60</b>
<b>SURPLUS FOR THE YEAR</b>	<b>28.5</b>	<b>145.2</b>	<b>-116.70</b>

**Monetary contributions  
Increased US\$101.7 M.**

**This increase could  
not offset:**  
**a) Decrease of in-kind  
contributions of US\$177.1M**  
**b) Increase of expenses  
US\$9.6M (0.2%)**

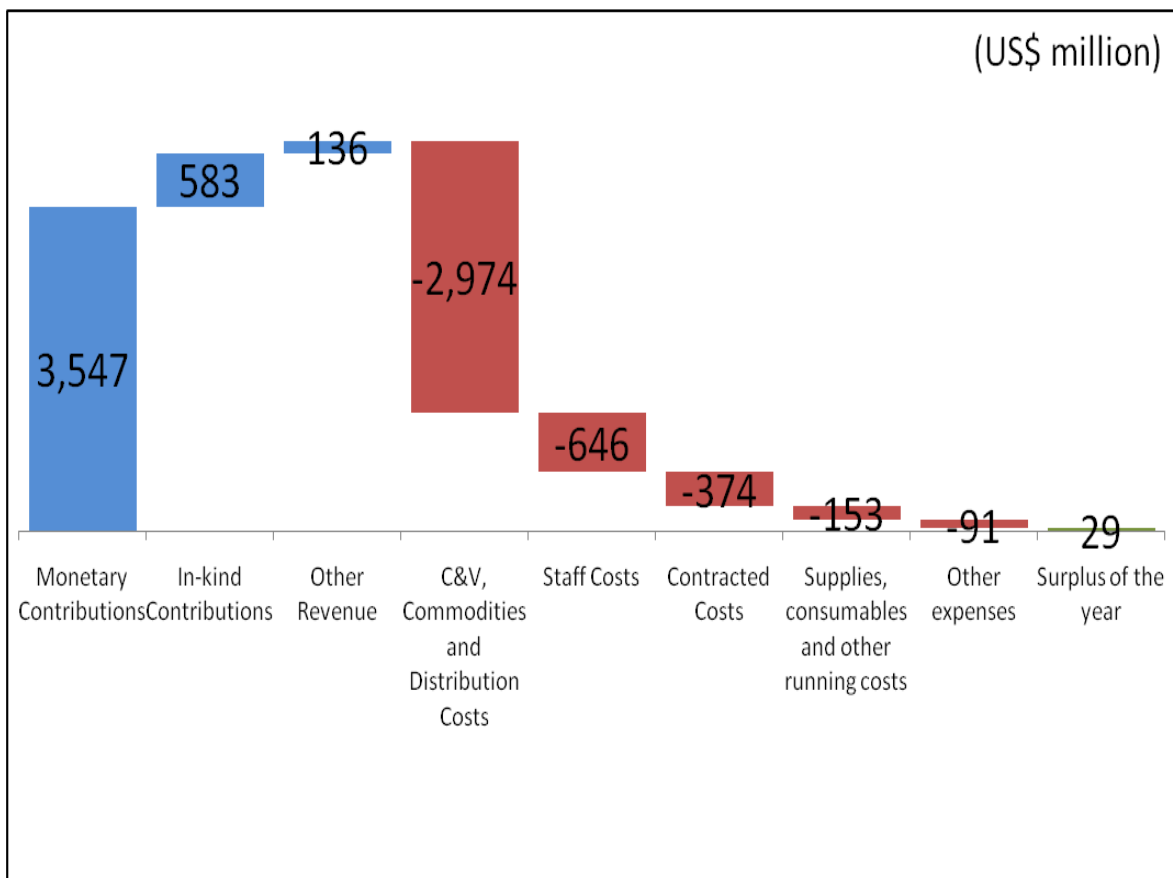
**As a result , surplus was  
US\$116.7M inferior.**

**Cash and vouchers  
expenses increased  
significantly from 2009.**

# Surplus Overview

How the 2010 surplus was generated:-

How the surplus is reflected in changes in net assets:-



(US\$ million)

Inventories	-38
Cash and Investments	-379
Contributions Receivables	425
Property, Plant and Equipment	39
Liabilities	-66
Other items	48
<b>Increase in net assets from surplus</b>	<b>29</b>
Increase from change in value of LT investments	7
<b>Total increase in net assets</b>	<b>36</b>

# Statement V - Comparison of Budget and Actual Amounts

(Annual Audited Accounts 2010, Statement V, page 20)

US\$ million	Budget Amount		Actual on comparable basis	Difference: final budget and actual
	Original	Final		
<b>Cost components</b>				
Food	2,097.4	3,075.4	1,758.1	1,317.3
External transport	373.4	574.9	230.2	344.7
Landside transport, storage and handling	976.9	1,247.6	792.3	455.3
Other direct operational costs	301.3	665.1	366.7	298.4
Direct support costs	556.0	836.7	528.9	307.8
<b>Subtotal direct costs</b>	<b>4,305.0</b>	<b>6,399.7</b>	<b>3,676.2</b>	<b>2,723.5</b>
Regular PSA	238.0	243.3	235.8	7.5
Capital and capacity funds	34.7	34.7	28.2	6.5
<b>Indirect costs</b>	<b>272.7</b>	<b>278.0</b>	<b>264.0</b>	<b>14.0</b>
<b>TOTAL</b>	<b>4,577.7</b>	<b>6,677.7</b>	<b>3,940.2</b>	<b>2,737.5</b>

#### Different to other Statements:-

1. Uses cost components
2. Prepared on a commitment basis
3. Under IPSAS 24 – WFP’s operational budget is defined as its requirements

Original Budget (US\$4,577.7m) taken from original 2010 MP; Final Budget (US\$6,677.7m) taken from final MP update.

Budget increase detailed in 2010 MP updates:-

1. 84% due to increase in 4 operations
2. Other 16% due to changes in 246 projects

#### Budget utilization limited by:-

1. Available resources  
2010 project contributions amounted to 57% of final POW;
2. Implementation time-lag  
Projects – 57%; PSA – 97%  
(authority to spend PSA given independently of funding)