



World Food Programme



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2019 Annual Audited Accounts

Annual Board Session, 29 June–3 July 2020

AGENDA

Part 1: Highlights of 2019 Financial Statements

- Revenue
- Expenses
- Surplus
- Statement I – Financial Position

Part 2: Statement V

- Statement V – Comparison of Budget and Actual Amount

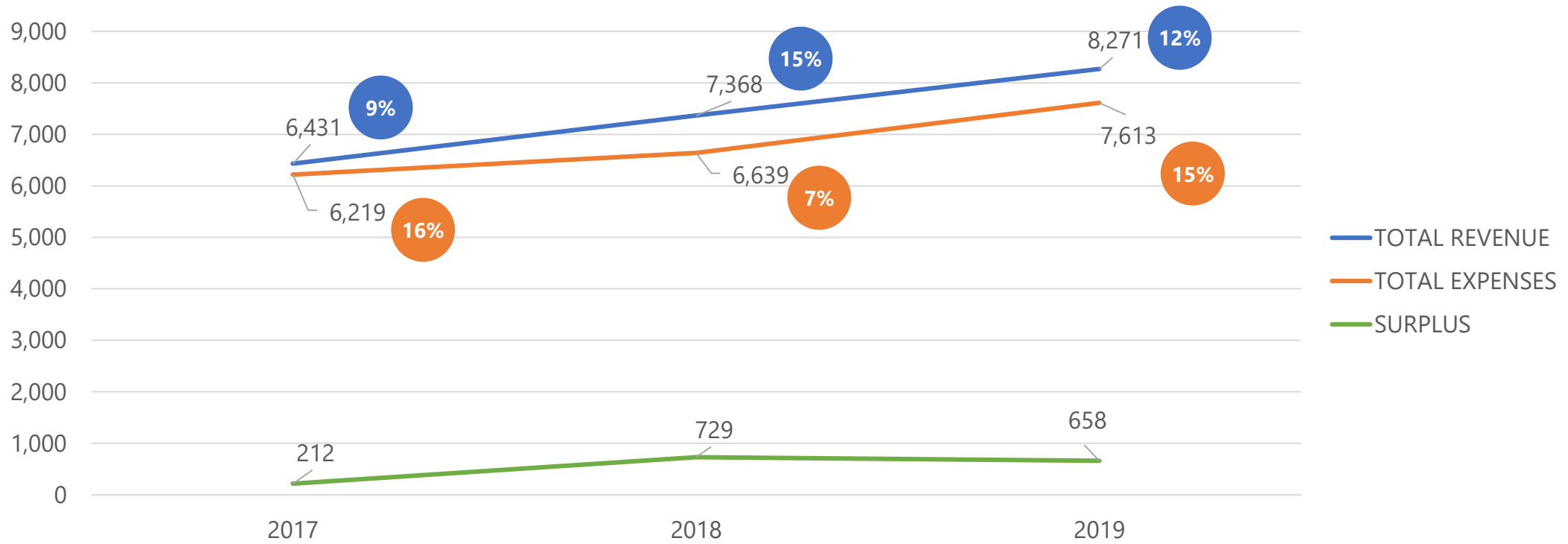


Highlights of 2019 Financial Statements (1 of 6)

In 2019 revenue was at record level, reaching USD 8.3 billion, 12% growth compared to 2018. Operational spending increased by 15% in 2019 and reached USD 7.6 billion

Evolution of revenue, expenses and surplus

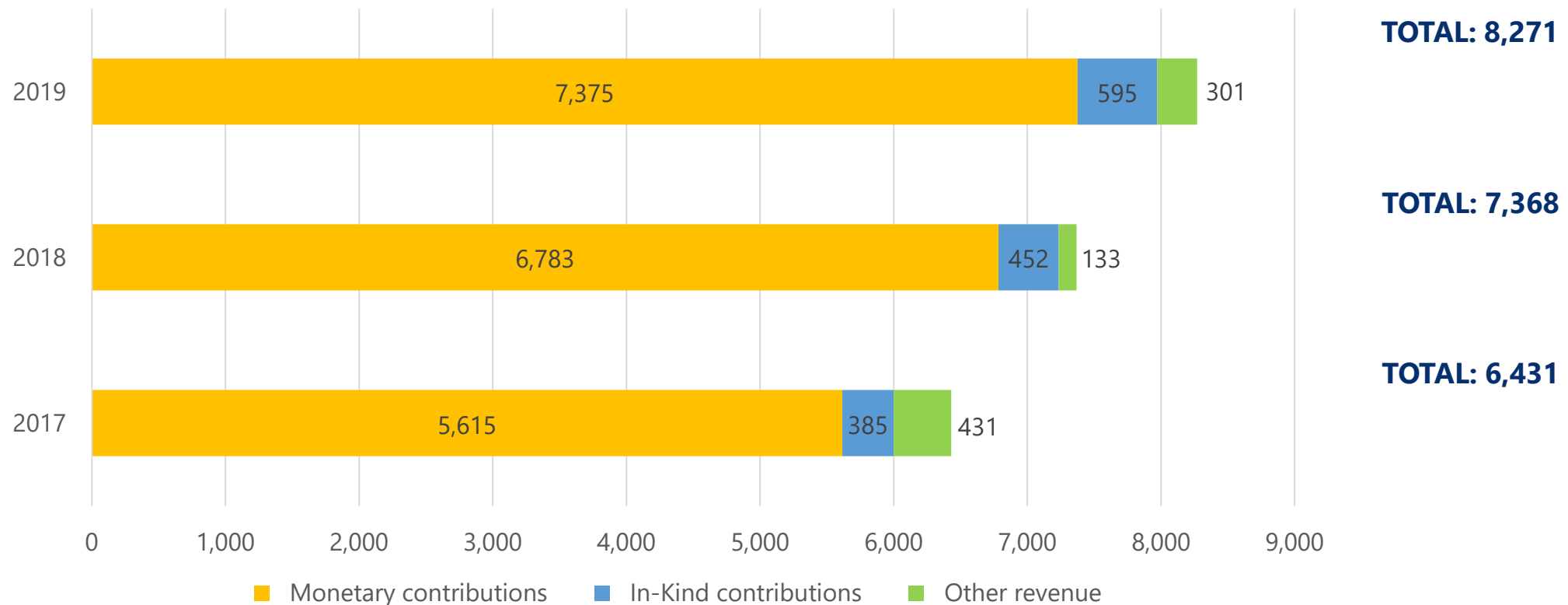
USD millions



Highlights of 2019 Financial Statements (2 of 6)

USD 8 billion or 96% of total 2019 revenue was from donor contributions, an increase of USD 0.7 billion or 10% compared to 2018

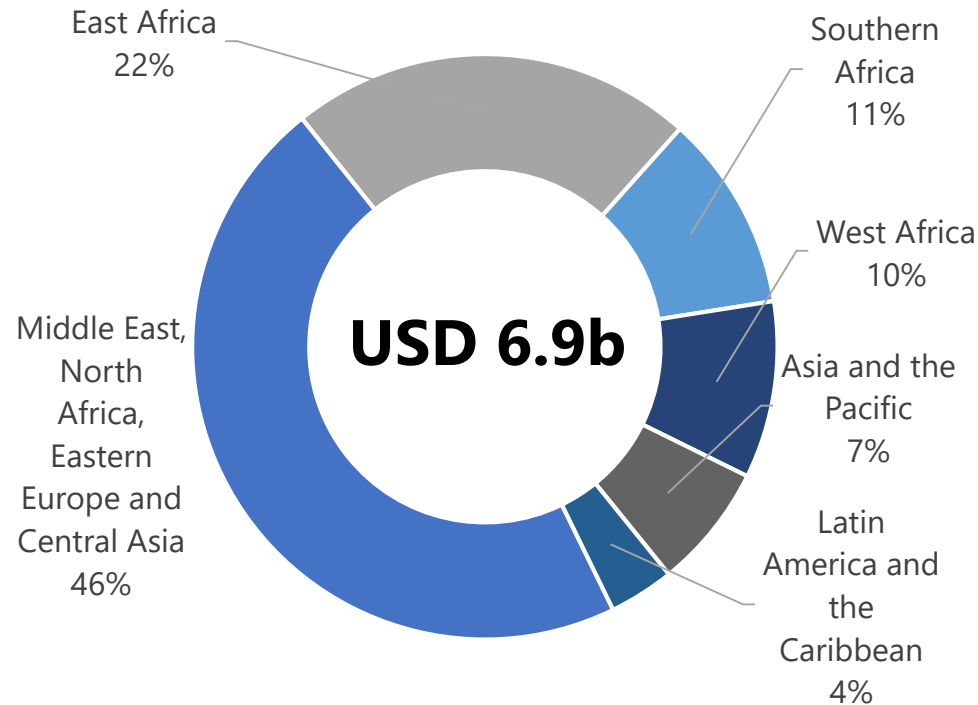
Evolution and composition of revenue (in USD millions)



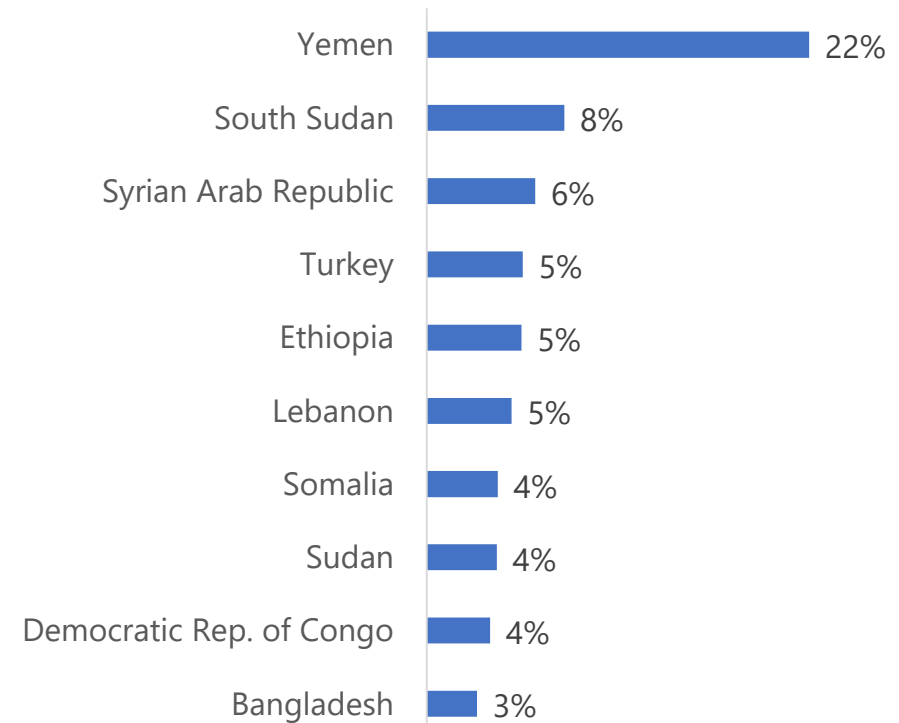
Highlights of 2019 Financial Statements (3 of 6)

88% of contribution revenue of USD 8 billion are for programme category funds and directed to major emergencies and other large operations. The remaining balance of contribution revenue is for General Fund, Bilateral and Trust fund operations.

**Contribution revenue distribution
by Regional Bureau**

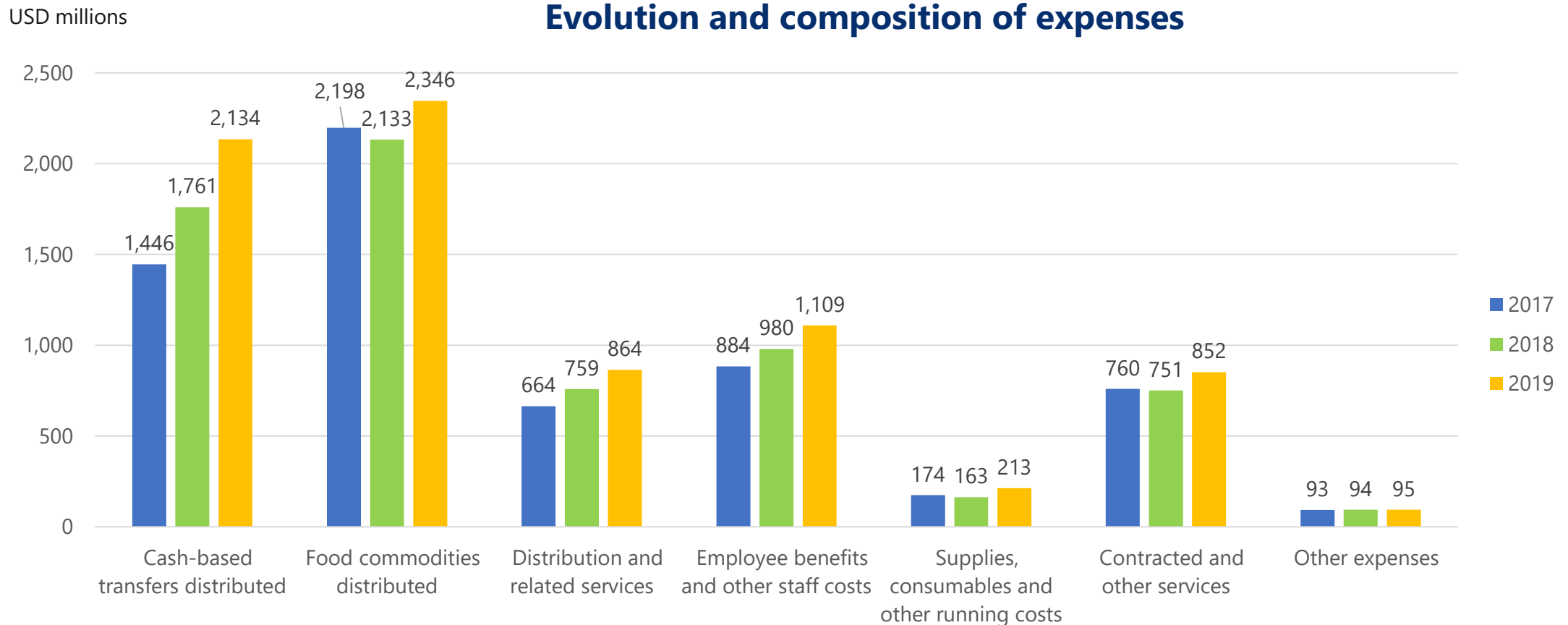


**Top 10 Countries by Revenue
Distribution**



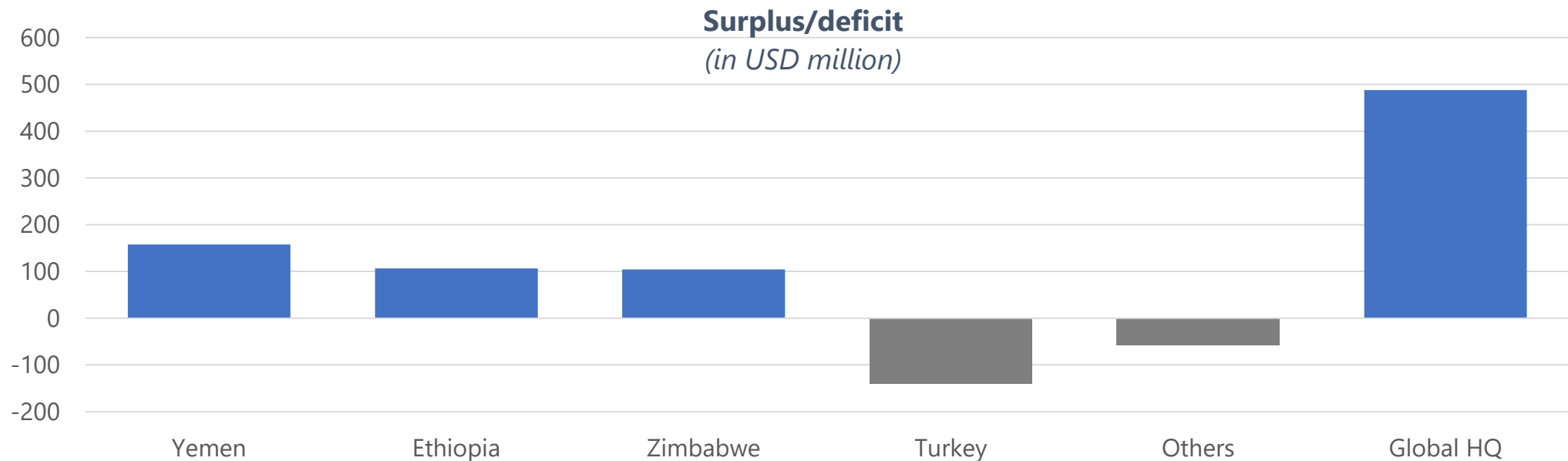
Highlights of 2019 Financial Statements (4 of 6)

Both CBT and food commodities distributions increased in 2019, by USD 373.5m (21%) and USD 213.4m (10%), respectively. Growth in spending is also noted in all major cost categories.



Highlights of 2019 Financial Statements (5 of 6)

Higher increase in spending in 2019, resulted in 10% decrease in surplus. Over 50% of total surplus of USD 658 million realized in three large operations. Deficits arose as operations continued to utilize fund balances accumulated from previous periods. In general time lag between revenue recognition and spending remains a main factor for surpluses/deficits.



Highlights of 2019 Financial Statements (6 of 6)

Statement I – Financial Position

- **Total assets of USD 9,434.9 million** increased by USD 1,259.9 million (15%). The increase is mainly in contribution receivables (by USD 712.9 million) driven by the growth in contribution revenue in its turn.
- **Total liabilities** increased by USD 695.6 million or 24% to **USD 3,564.9 million** in 2019, due to the increase in deferred revenue of USD 203. One million and increase in employee benefits liabilities of USD 287.4 million.
- **Net assets** (WFP Fund Balances and Reserves) totalled **USD 5,870.0 million**, representing approximately six months of operational activity (six months in 2018).
- **Food inventories** stand at USD 919.6 million, an increase of 10% in value as a result of increase in mt held, from 1.6 million mt in 2018 to 1.8 million in 2019.
- The increase in **employee benefits liabilities** of USD 287.4 million (37%) is mostly result of lower discount rates. Assets set aside for the funding of the long-term employee benefits liabilities represents **75% funding level (80% in 2018)**.

Statement V - Comparison of Budget and Actual Amounts

1

Final budget (USD 12 billion) is higher than original by USD 2.4 billion

- Primarily due to increases related to Yemen emergency
- Other increases were related to Mozambique, DRC, Somalia and Syrian Regional response

2

Actuals represent 87% of the implementation plan (the plan as at 1 January 2019)

	Budget amount		Actual on comparable basis	Difference: final budget and actual	Implementation plan	Utilisation rate final budget
	Original budget	Final budget				
Project costs	-	-	100.3	(100.3)	-	
CSP costs						
SR.1 Everyone has access to food	6,122.8	7,848.8	5,154.7	2,694.1	5,871.9	66%
SR.2 No one suffers from malnutrition	889.0	998.6	409.6	589.0	673.5	41%
SR.3 to SR 7	653.6	736.2	357.2	379.0	489.2	49%
SR.8 Strengthening global partnerships	1,139.0	1,545.9	993.9	552.0	1,005.4	64%
Adjusted DSC	393.4	490.2	308.3	181.9	381.4	63%
Subtotal CSP costs	9,197.8	11,619.7	7,223.7	4,396.0	8,421.5	62%
Regular PSA	385.1	385.1	384.2	0.9	385.1	100%
Critical corporate initiatives	50.5	60.7	38.8	21.9	50.5	64%
Subtotal indirect costs	435.6	445.8	423.0	22.8	435.6	95%
Total	9,633.4	12,065.5	7,747.0	4,318.5	8,857.1	64%

3

Utilization rate of the final budget is 64% compared to 68% in 2018

4

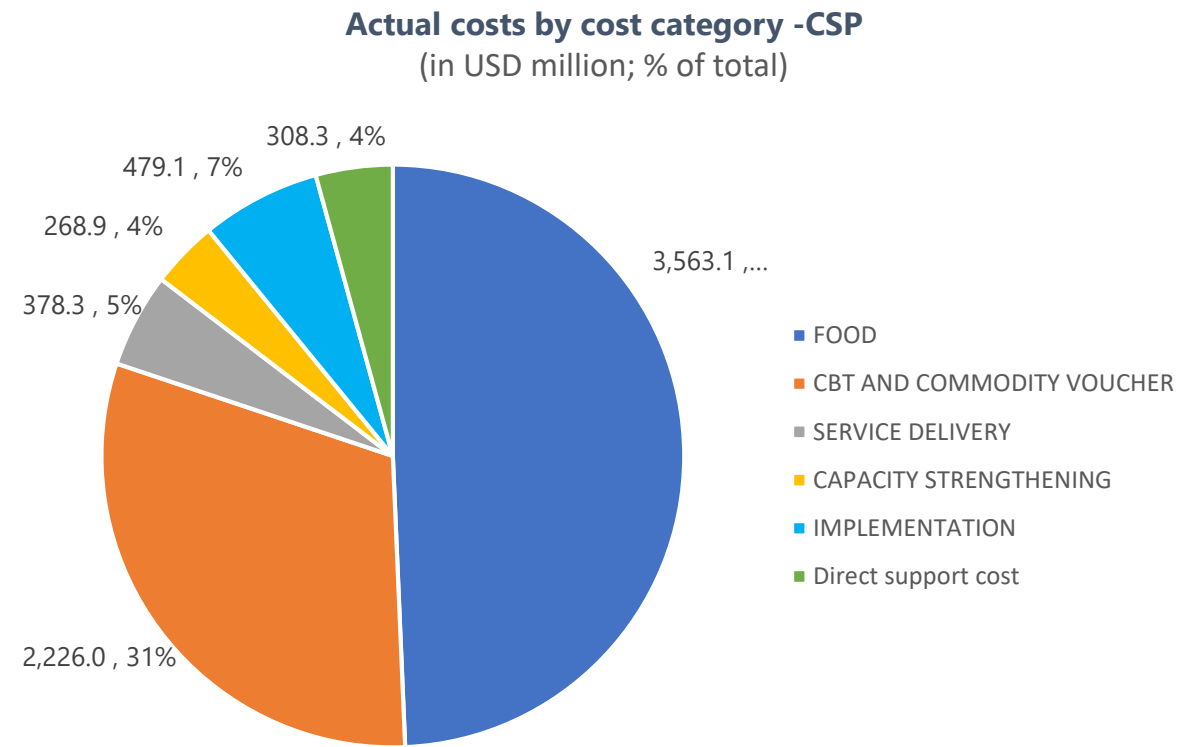
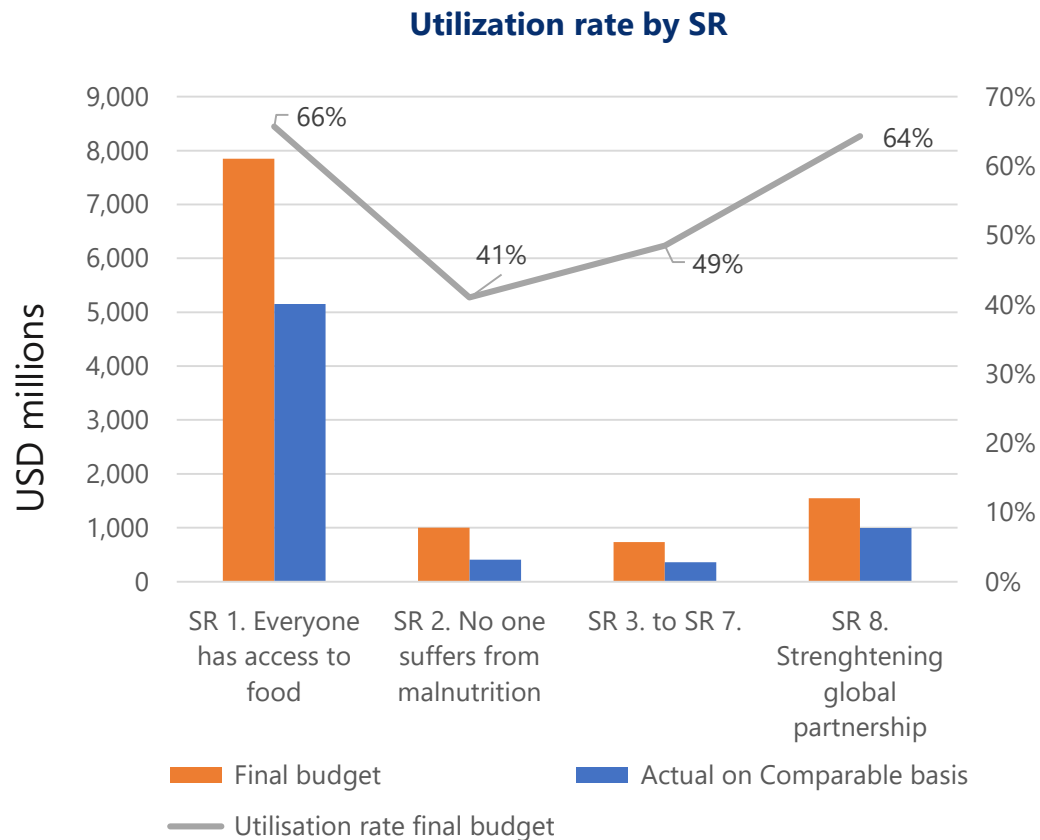
Largest CBT operations:
Syrian refugees' emergency and Yemen

Largest food operations:
Yemen, Syria, South Sudan and Ethiopia

Statement V - Comparison of Budget and Actual Amounts

SR 1. *Everyone has access to food* represented 68% of total CSP final budget and 71% of total actual costs.

Transfer costs accounted for 89% of CSP actual costs in 2019.





THANK YOU