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

Gland

***Report of the
statutory auditor to the
Council on the consolidated
financial statements 2016***





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 (“IUCN”), which comprise the balance sheet, income and expenditure statement, funds and reserve statement, cash flow statement and notes, for the year ended 31 December 2016.

Management’s responsibility

Management is responsible for the preparation of the consolidated financial statements in accordance with the requirements of Swiss law, IUCN Statutes as well as 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 as well as International Standards on Auditing. 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 2016 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.

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 Management.

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

PricewaterhouseCoopers SA

Yves Cerutti
Audit expert
Auditor in charge

Fanny Chapuis
Audit expert

Geneva, 13 June 2017

Enclosure:

- Consolidated financial statements (balance sheet, income and expenditure statement, funds and reserve statement, 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 2016

Report Currency: CHF ('000)

	Notes	31.12.2016	31.12.2015
ASSETS			
Current assets			
Cash and short term bank deposits	III	37,777	33,859
Financial assets	IV	14,005	14,492
Membership dues receivables (net)	VI	1,592	2,022
Staff receivables	VII	649	519
Receivables from partner organisations	VIII	277	773
Advances to implementing partners	IX	7,722	7,900
Prepayments		756	1,736
Donor funds receivable		2,793	2,649
Project agreements receivables	X	16,300	12,258
Framework agreements receivables	XI	-	623
Other account receivables		966	821
Total Current assets		82,837	77,652
Non-current assets			
Fixed assets (net)	XII	31,864	33,234
Intangible assets (net)	XIII	975	1,565
Total Non-current assets		32,839	34,799
TOTAL ASSETS		115,676	112,451
LIABILITIES AND FUND BALANCES			
Current liabilities			
Membership dues paid in advance		1,977	2,011
Accounts payable and accrued liabilities	XIV	7,593	6,431
Social charges payable		608	331
Project agreements advances	X	50,179	47,976
Deferred income framework agreements	XVIII	103	-
Deferred income buildings	XVIII	511	645
New building loan	XIX	171	167
Hosted organisation advances	XVI	589	729
Miscellaneous current liabilities		225	82
Total Current liabilities		61,956	58,372
Provisions			
Projects in deficit	XVII	1,495	1,064
Staff leave and repatriation		2,042	1,331
Staff termination	XVII	1,450	1,495
Other provisions		39	207
Total Provisions		5,026	4,097
Non-current liabilities			
Deferred income buildings	XVIII	17,085	17,708
New building loan	XIX	11,298	11,469
Total Non-current liabilities		28,383	29,177
Funds and Unrestricted Reserves			
Designated reserves	XX	849	6,770
Unrestricted reserves	XX	19,462	14,035
Total Funds and Unrestricted Reserves		20,311	20,805
TOTAL LIABILITIES AND FUND BALANCES		115,676	112,451

See notes to the consolidated financial statements as indicated

IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

Report Currency: CHF ('000)

	Notes	2016			2015		
		Secretariat Unrestricted	Project Agreements	Total	Secretariat Unrestricted	Project Agreements	Total
EXTERNAL OPERATING INCOME							
Membership dues		12,932	-	12,932	12,495	-	12,495
Retention of staff income tax	XXI	1,319	-	1,319	1,375	-	1,375
Agreements income		90	94,453	94,543	450	95,343	95,793
Framework income	XXII	13,877	-	13,877	15,958	-	15,958
Other operating income	XXIII	3,514	3,670	7,184	3,772	761	4,533
TOTAL EXTERNAL OPERATING INCOME		31,732	98,123	129,855	34,050	96,104	130,154
INTERNAL ALLOCATIONS							
Cross charges from projects		36,722	(36,722)	-	34,110	(34,107)	3
Other internal allocations		250	(250)	-	314	(317)	(3)
TOTAL INTERNAL ALLOCATIONS		36,972	(36,972)	-	34,424	(34,424)	-
OPERATING EXPENDITURE							
Staff costs		53,003	6,771	59,774	51,562	4,994	56,556
Consultants		1,802	18,272	20,074	1,747	18,540	20,287
Grants to partners		627	5,595	6,222	812	4,161	4,973
Travel		3,017	15,226	18,243	3,522	14,904	18,426
Workshops and conferences		523	2,675	3,198	606	1,482	2,088
Publications and printing costs		296	2,660	2,956	427	1,968	2,395
Office and general administrative costs		3,995	3,159	7,154	3,730	3,142	6,872
Vehicles & equipment - costs & maintenance		927	4,722	5,649	1,041	3,083	4,124
Professional fees or costs		661	632	1,293	496	552	1,048
Depreciation and amortization		3,206	5	3,211	2,938	8	2,945
TOTAL OPERATING EXPENDITURE		68,057	59,717	127,774	66,880	52,834	119,714
NET OPERATING SURPLUS/(DEFICIT)		647	1,434	2,081	1,594	8,846	10,441
OTHER INCOME/(EXPENDITURE)							
Interest income	XIX	553	30	583	625	10	635
Financial charges	XIX	(557)	(245)	(802)	(596)	(180)	(776)
Capital gains/(losses)	IV	86	-	86	(278)	-	(278)
Net gains/(losses) on foreign exchange		(396)	(89)	(485)	(211)	(40)	(251)
Exchange differences on revaluation of project balances	XXIV	-	324	324	-	(876)	(876)
Net movements in provision and write-offs		(2,163)	189	(1,974)	(1,108)	325	(783)
2016 Congress project surplus	XXVI	1,643	(1,643)	-	-	-	-
TOTAL OTHER INCOME/(EXPENDITURE)		(834)	(1,434)	(2,268)	(1,568)	(761)	(2,329)
NET SURPLUS/(DEFICIT) FOR THE YEAR		(187)	-	(187)	26	8,085	8,111

IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED FUNDS AND RESERVE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

Report Currency: CHF ('000)

	Designated Reserves					Unrestricted Reserves				Total
	Reserve for Statutory Meetings	Other Designated Reserves	Programme Reserves	Renovation Fund	Total Designated Reserves	Currency Translation Reserve	IUCN Fund	Retained Surpluses	Total Unrestricted Reserves	
Balance as at 1 January 2015	946	458	5,301	768	7,473	1,195	8,621	3,049	12,865	20,337
Net surplus/(deficit) for the year	-	-	-	-	-	-	-	26	26	26
Foreign exchange gain/(loss)	-	-	-	-	-	441	-	-	441	441
Allocation to renovation fund	-	-	-	57	57	-	-	(57)	(57)	-
Allocation to other designated reserves for WCEL	-	138	-	-	138	-	-	(138)	(138)	-
Release from other designated reserves for External review	-	(55)	-	-	(55)	-	-	55	55	-
Release from reserve for statutory meetings for Congress	(367)	-	-	-	(367)	-	-	367	367	-
Release from Reserve for statutory meetings for Regional Conservation Forums	(476)	-	-	-	(476)	-	-	476	476	-
Balance as at 31 December 2015	103	541	5,301	825	6,770	1,636	8,621	3,778	14,035	20,805
Balance as at 1 January 2016	103	541	5,301	825	6,770	1,636	8,621	3,778	14,035	20,805
Net surplus/(deficit) for the year	-	-	-	-	-	-	-	(187)	(187)	(187)
Foreign exchange gain/(loss)	-	-	-	-	-	(307)	-	-	(307)	(307)
Allocation to renovation fund	-	-	-	24	24	-	-	(24)	(24)	-
Release from other designated reserves	-	(541)	-	-	(541)	-	-	541	541	-
Release from reserve for statutory meetings	(103)	-	-	-	(103)	-	-	103	103	-
Release from Programme reserves	-	-	(5,301)	-	(5,301)	-	-	5,301	5,301	-
Balance as at 31 December 2016	-	-	-	849	849	1,329	8,621	9,512	19,462	20,311

IUCN – International Union for Conservation of Nature and Natural Resources

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

Report Currency: CHF ('000)

	Notes	2016	2015
Cash flow from operations			
Surplus/Deficit from operations		(187)	26
Effect of exchange rate	XXIV	(307)	441
Net balance from operations		(494)	1,170
Depreciation of fixed assets	XII	2,602	2,318
Amortisation and write-down of intangible assets	XIII	671	768
Increase / (decrease) in provisions for projects in deficit	XVII	431	137
Increase / (decrease) in the provision for staff termination	XVII	(45)	(343)
Increase / (decrease) in staff leave and repatriation liabilities		711	(160)
Increase / (decrease) in other provisions		(168)	99
(Increase) / decrease in membership dues receivables (net)	VI	430	634
(Increase) / decrease in staff receivables	VII	(130)	(197)
(Increase) / decrease in receivables from partner organisations	VIII	496	(259)
(Increase) / decrease in advances to implementing partners	IX	178	(1,685)
(Increase) / decrease in project agreement receivables	X	(4,042)	(1,314)
(Increase) / decrease in framework agreements receivable	XI	623	(623)
(Increase) / decrease in other accounts receivable		(145)	321
(Increase) / decrease in prepayments		980	-
(Increase) / decrease in donor funds receivable		(144)	29
Increase / (decrease) in membership dues paid in advance		(34)	560
Increase / (decrease) in accounts payable and accrued liabilities	XIV	1,162	1,449
Increase / (decrease) in social charges payable		277	(232)
Increase / (decrease) in project agreement advances	X	2,203	9,399
Increase / (decrease) in miscellaneous current liabilities		143	(81)
Increase / (decrease) in hosted organisations advances	XVI	(140)	(159)
(Gain)/loss on disposal of fixed assets	XII	43	70
Total cash flow from operations		5,608	11,198
Cash flow from investing activities			
Purchase of fixed assets	XII	(1,275)	(2,588)
Net movement in financial assets	IV	487	(1,360)
Purchase of intangible assets	XIII	(81)	-
Total cash flow from investing activities		(869)	(3,948)
Cash flow from financing activities			
Increase / (decrease) in loan	XIX	(167)	1,826
Increase / (decrease) in current deferred income	XVIII	(31)	(125)
Increase / (decrease) in long-term deferred income	XVIII	(623)	(2,915)
Total cash flow from financing activities		(821)	(1,214)
Net cash inflow for the year		3,918	6,036
Cash and short term deposits at the beginning of the year	III	33,859	27,823
Cash and short term deposits at the end of the year	III	37,777	33,859

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the financial Statements for the Year ended 31 December 2016

All amount in CHF ('000) unless otherwise stated

I. ACTIVITY

IUCN, International Union for Conservation of Nature and Natural Resources was constituted by statutes adopted in 1948 at a conference convened by the Republic of France, with membership comprised of states, governmental agencies, and international and national non-governmental organizations. IUCN has been registered in Gland, Switzerland as an association under article 60 of the Swiss Civil Code. 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 financial assets and loans that are measured at revalued amounts or at fair values. The financial statements are prepared for the first time in accordance with the provisions of the Swiss Code of Obligations changes introduced on 1 January 2013. The law requires adoption for consolidated financial statements on 1 January 2016 at the latest. The financial figures of previous year in the balance sheet and income statement have been prepared according to the new structure. There were no changes in valuation, however reclassifications were made in the comparative balance sheet to be consistent with the current year's presentation and in compliance with the new Swiss accounting law (Note II 14).

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.

Branches:

- Asia Regional Office
 - Asia Regional Office (Thailand)
 - Bangladesh Country Office
 - Cambodia Country Office
 - China Country Office
 - India Country Office
 - Indonesia Project Office
 - Lao PDR Country Office
 - Maldives Project Office
 - Myanmar Project Office
 - Nepal Country Office
 - Pakistan Country Office
 - Sri Lanka Country Office
 - Thailand Country Office
 - Vietnam Country Office
- Eastern and Southern Africa Regional Office
 - Eastern and Southern Africa Regional Office (Kenya)
 - Djibouti Project Office
 - Mozambique Country Office
 - Rwanda Project Office
 - South Africa Country Office
 - Tanzania Country Office
 - Uganda Country Office
 - Zimbabwe Country Office

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the financial Statements for the Year ended 31 December 2016

All amount in CHF ('000) unless otherwise stated

- Eastern Europe and Central Asia Regional Office (Serbia)
- Environmental Law Centre (Germany)
- Mediterranean Office (Spain)
- Oceania Regional Office (Fiji)
- Mexico, Central America and the Caribbean Regional Office
 - Mexico, Central America and the Caribbean Regional Office (Costa Rica)
 - El Salvador Project Office
 - Guatemala Project Office
 - Honduras Project Office
 - Mexico Project Office
- South America Regional Office
 - South America Regional Office (Ecuador)
 - Brazil Country Office
- UK Species Programme (United Kingdom)
- Western and Central Africa Regional Office
 - Western and Central Africa Regional Office (Burkina Faso)
 - Burkina Faso Country Office
 - Cameroon Country Office
 - Democratic Republic of Congo Country Office
 - Ghana Project Office
 - Guinea Project Office
 - Guinea Bissau Country Office
 - Mali Country Office
 - Mauritania Country Office
 - Niger Project Office
- West Asia Regional Office (Jordan)
- Washington, DC 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 asbl
- Associação UICN
- IUCN UK (A Company Limited by Guarantee)
- IUCN Maldives
- IUCN PNG Mangrove Rehabilitation and Management Project Association

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).

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the financial Statements for the Year ended 31 December 2016

All amount in CHF ('000) unless otherwise stated

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 ledger in which they reside. Project balances in currencies other than CHF are translated to CHF at the year-end exchange rate. The resulting net unrealised gain or loss is recognized 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 recognized 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 recognized 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.

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the financial Statements for the Year ended 31 December 2016
All amount in CHF ('000) unless otherwise stated

Framework 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 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 donor 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 recognized 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 capitalised when the purchase price is one thousand CHF or above, or the equivalent in other currencies, and when ownership resides with IUCN.

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Notes to the financial Statements for the Year ended 31 December 2016
All amount in CHF ('000) unless otherwise stated

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) Depreciation

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

Computer hardware	3 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

d) 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.

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 5 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:

Four years or more	100%
Three years	60%
Two years	40%
One year	20%

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.

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.

IUCN – International Union for Conservation of Nature and Natural Resources

Notes to the financial Statements for the Year ended 31 December 2016

All amount in CHF ('000) unless otherwise stated

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 had not been used by staff at the year-end. Staff members are not allowed to carry forward from one year to another a cumulative leave balance of more than 10 days and any outstanding leave days are normally covered as part of the normal staff notice period. 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 IUCN on behalf of hosted organisations are recorded on the balance sheet as hosted organisation advances.

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.

Retained surpluses

The Retained surpluses represent other unrestricted reserves.

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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.

Programme reserves

Programme reserves are funds set aside for specific future programme activities or for when unrestricted income is received in one financial year but the associated expenditure is planned in a future financial year.

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.

15. New Swiss accounting law

The most significant impact of adoption of the new Swiss accounting law (see Note II. 1. Accounting convention) is the change to full accrual accounting for project agreements. Project expenditure, including expenditure incurred by implementing partners, is recognised in the year the expenditures occur. Project agreement income is recognised to match related project expenditure for the year.

The following prior year balance comparatives have been reclassified on the balance sheet to be consistent with the current year's presentation and to be in compliance with the new Swiss accounting law:

	2015	2015
	Revised	Published
Assets:		
Prepayments	1,736	-
Other accounts receivable	821	2,557
Project agreement receivables	12,258	-
Liabilities:		
Project agreement advances	(47,976)	-
Restricted reserves:		
Restricted reserves	-	(35,718)
	<hr/>	<hr/>
	(33,161)	(33,161)

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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	2016	2015
Asia	2,975	3,203
Eastern and Southern Africa	2,191	973
Eastern Europe and Central Asia	65	20
Europe	664	1,584
Environmental Law Centre, Bonn	270	426
Headquarters	22,466	20,334
Mediterranean	726	1,545
Mexico, Central America and the Caribbean	2,632	1,680
Oceania	785	509
South America	395	28
United Kingdom	692	532
United States	1,332	590
Western and Central Africa	2,566	2,264
West Asia	18	171
Balance at 31 December	37,777	33,859

IV. FINANCIAL ASSETS

	2016	2015
Bonds	8,366	8,763
Microfinance	2,793	3,480
Equities	1,457	1,491
Convertibles	626	631
Other Investments	763	127
Balance at 31 December	14,005	14,492

At 31 December 2016, an unrealized foreign exchange gain of CHF 14 (2015 – CHF 59 loss) was recognised on the investment portfolio.

During the 2016 year, CHF 86 of capital gains (2015 - CHF 278 loss) was realised on the sale of investments.

The Government of Zimbabwe appropriated USD bank accounts of IUCN in 2008. In 2015, treasury bills were issued to IUCN as compensation for the appropriation. The treasury bills have maturity dates from 2017 to 2019. The treasury bills are recorded at estimated fair value.

V. DERIVATIVE FINANCIAL INSTRUMENTS

There were no forward currency contract commitments held at 31 December 2016 (2015 – CHF 7,388).

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VI. MEMBERSHIP DUES RECEIVABLE AND PROVISION

	2016	2015
Gross membership dues receivable	4,285	3,649
Provision for dues in arrears	(2,693)	(1,627)
Net membership dues receivable at 31 December	1,592	2,022

The provision for membership dues in arrears has been calculated in accordance with the policy described in Note II.10 (a).

	2013 and prior	2014	2015	2016	Total
State member	300	453	593	1,669	3,015
Government agencies	95	96	144	330	665
International NGOs	10	8	8	19	45
National NGOs	95	65	82	210	452
Affiliates	31	17	22	38	108
Total membership dues receivable	531	639	849	2,266	4,285
Provision for membership dues	(531)	(562)	(646)	(954)	(2,693)
Net membership dues receivable	-	77	203	1,312	1,592

Movement in provision for membership dues

	2016	2015
Balance at 1 January	1,627	1,121
Addition to provision	1,269	511
Write off of deficits against provision	(203)	(5)
Balance at 31 December	2,693	1,627

VII. STAFF RECEIVABLES

Staff receivables comprise travel advances, payroll advances and loans to staff outstanding as at 31 December. Amounts due to staff are netted off against amounts due from staff.

	2016	2015
Net travel advances	533	449
Payroll advances and staff loans	116	70
Balance at 31 December	649	519

VIII. RECEIVABLES FROM PARTNER ORGANISATIONS

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

	2016	2015
RAMSAR Convention Secretariat	277	773

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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.

	2016	2015
Asia	450	739
Eastern and Southern Africa	396	940
Eastern Europe and Central Asia	-	12
Environmental Law Centre, Bonn	-	166
Headquarters	4,924	3,874
Mediterranean	61	140
Mexico, Central America and the Caribbean	239	627
South America	69	601
United Kingdom	251	25
United States	299	70
West Asia	127	103
Western and Central Africa	906	603
Balance at 31 December	7,722	7,900

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.

	2016	2015
Project agreement receivables	(16,300)	(12,258)
Project agreement advances	50,179	47,976
Balance at 31 December	33,879	35,718

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 2016 there was CHF nil receivable compared to CHF 623 receivable at 31 December 2015.

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Notes to the financial Statements for the Year ended 31 December 2016

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XII. 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, 2014	27,178	13,775	3,703	9,624	54,280
Additions	-	-	1,208	1,380	2,588
Disposals	-	-	-	(175)	(175)
Change in functional currency adjustment	-	-	-	(297)	(297)
Balance as at 31 December, 2015	27,178	13,775	4,911	10,532	56,396
Additions	-	-	157	1,118	1,275
Disposals	-	-	(15)	(1,794)	(1,809)
Balance as at 31 December, 2016	27,178	13,775	5,053	9,856	55,862
Depreciation:					
Balance as at 31 December 2014	(7,922)	(5,010)	(628)	(7,685)	(21,245)
Charge for the year 2015	(544)	(575)	(227)	(972)	(2,318)
Disposals	-	-	-	163	163
Change in functional currency adjustment	-	-	(6)	244	238
Balance as at 31 December 2015	(8,466)	(5,585)	(861)	(8,250)	(23,162)
Charge for the year 2016	(544)	(575)	(281)	(1,202)	(2,602)
Disposals	-	-	15	1,751	1,766
Balance as at 31 December 2016	(9,010)	(6,160)	(1,127)	(7,701)	(23,998)
Net book value:					
Balance as at 31 December 2015	18,712	8,190	4,050	2,282	33,234
Balance as at 31 December 2016	18,168	7,615	3,926	2,155	31,864

Fixed assets purchased using unrestricted funds are depreciated over their estimated useful lives as per Note II.8.

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.

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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 4,092 and in-kind donations of CHF 1,787.

XIII. INTANGIBLE ASSETS

As at 31 December 2016 expenditure of CHF 4,698 (2015 - CHF 4,605) had been incurred on the development and implementation of an ERP system and portal applications. The ERP system went “live” at the IUCN Headquarters in July 2011 and has been depreciated from this point. In 2016, there was no write off of integration tools and code no longer in use (2015 - CHF 290).

Movement in Intangible assets

	2016	2015
Purchase value:		
Balance at 1 January	4,327	4,605
Additions	81	12
Write-down	-	(290)
Balance at 31 December	4,408	4,327
Amortisation:		
Balance as of 1 January	(2,762)	(2,272)
Charge for the year	(671)	(678)
Write-down	-	188
Balance at 31 December	(3,433)	(2,762)
Net Book Value at 31 December	975	1,565

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 7,593 as at 31 December 2016 (2015 – CHF 6,431), CHF 3,342 (2015 - CHF 2,169) is related to Headquarters and the balance to regional and country offices.

XV. PENSION FUND OBLIGATIONS

IUCN operates different pension plans, which conform to the legal regulations in the respective countries. On 31 December 2016, the liability to the pension schemes amounted to CHF 60 (2015 CHF 26).

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XVI. HOSTED ORGANISATIONS ADVANCES

Hosted organisation advances represent funds held by IUCN on behalf of hosted organisations.

	2016	2015
Balance at 1 January	729	888
Income	5,204	4,597
Expenditure	(4,950)	(4,547)
	983	938
Movement on funds held	(394)	(209)
Balance at 31 December	589	729

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

	2016	2015
Balance at 1 January	1,064	927
Additions to provision	835	499
Utilization of provision	(404)	(362)
Balance at 31 December	1,495	1,064
Region	2016	2015
Asia	108	-
Eastern and Southern Africa Region	10	160
Eastern Europe and Central Asia	16	16
Headquarters	938	737
Oceania	277	39
Western and Central Africa	73	112
West Asia	73	-
Balance at 31 December	1,495	1,064

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

	2016	2015
Balance at 1 January	1,495	1,838
Additions to provision	1,016	1,017
Utilization of provision	(1,061)	(1,360)
Balance at 31 December	1,450	1,495

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XVIII. DEFERRED INCOME

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

	2016	2015
Deferred unrestricted income	103	-
US deferred rent	31	80
Donations for construction of HQ building extension		
Donations in cash	2,956	3,058
Donations in kind	344	558
Donation in cash for renovation of original building	527	375
	3,827	3,991
Headquarters original building	8,017	8,325
Interest free government loan	5,721	5,957
Total	17,699	18,353
Current		
Deferred unrestricted income	103	-
Buildings:		
Original building	339	329
Building extension	172	316
Total buildings	511	645
Total current deferred income	614	645
Non-current		
US deferred rent	31	80
Original building	7,709	8,017
Building extension	9,345	9,611
Total long term deferred income	17,085	17,708
Total deferred income	17,699	18,353

IUCN Washington DC Office entered into a long term rental contract and benefits from lower rental costs at the beginning of the ten year contract. In 2014, the lease was extended and will expire in 2025. The office is paying an annual increase in rent of 4%, which is higher than annual inflation estimated at 1.75%. The difference of the low initial rental costs and the higher annual rental increases is recorded as deferred income to straight line the cost over the rental period to 2025.

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 XII 3).

The deferred income on the government loan represents the difference between the fair value of the loan CHF 11,469 (2015 - CHF 11,636) and the outstanding cash value of the loan CHF 17,190 (2015 - CHF 17,593) (see Note XIX). 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.

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XIX. NEW BUILDING LOAN

Headquarters building extension loan

	2016	2015
Current	171	167
Non-current	11,298	11,469
Balance at 31 December	11,469	11,636

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 11,469 (2015 - CHF 11,636). The outstanding cash value of the loan has been discounted at a rate of 2% (2015 - 2%) which represents the market interest rate for a 10-year loan based on current market conditions. The difference of CHF 5,721 (2015 - CHF 5,957) 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 XVIII).

The value of the interest that would have been paid on an equivalent commercial loan of 2% is estimated at CHF 344 (2015 - 2%, CHF 352). This has been recorded in the income and expenditure statement under Interest income to recognize the benefit of the interest free loan and under financial charges to recognize 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 396 (2015 - loss of CHF 211).

Exchange gains and losses on consolidation and translation of ledgers maintained in other currencies to CHF are taken to the currency translation adjustment reserve. The net movement during 2016 was a loss of CHF 307 (2015 - gain of CHF 441).

2. Designated reserves

a) Reserve for statutory meetings

In 2016, CHF 103 (2015 – CHF 843) was released from the Reserve for statutory meetings to Retained surpluses to cover costs for the 2016 Congress.

b) Other designated reserves

CHF 541 (2015 – allocation to reserve CHF 83) was released from Other designated reserves to the Retained surpluses in respect of the World Commission on Environmental Law CHF 445 (2015 - allocation to reserve CHF 138) and External review CHF 96 (2015 – CHF 55).

c) Programme Reserves

The balance of Programme Reserves were transferred into Retained surpluses in line with the IUCN Reserve policy.

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d) Renovation fund

A net allocation of CHF 24 (2015 - CHF 57) was made from Retained surpluses to the Renovation fund to cover future renovation costs of the IUCN Headquarters building.

XXI. RETENTION OF STAFF INCOME TAX

Swiss Government tax rebates amounted to CHF 1,319 (2015 – CHF 1,375) 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 307 (2015 - CHF 310).

XXIII. OTHER OPERATING INCOME

Other operating income of CHF 3,514 (2015 - CHF 3,772) shown under Secretariat unrestricted funds includes overhead and management fees from Ramsar of CHF 536 (2015 - CHF 546), rental income of CHF 866 (2015 - CHF 793) and recognition of deferred income of donations for the headquarters original building and building extension CHF 645 (2015 - CHF 670). The balance of other operating income is made up of miscellaneous external income received by IUCN both at Headquarters and other offices around the world.

XXIV. EXCHANGE DIFFERENCES ON REVALUATION OF PROJECT BALANCES

Project balances are expressed in the currency of the country ledger. At the end of the year, project balances expressed in non CHF ledgers are 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 (Restricted operating reserves) 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.

	2016	2015
Consolidated financial statement audit	189	208
Other audits	126	19

XXVI. 2016 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 2016 Congress held in Hawai'i, USA resulted in a surplus of CHF 1,643. The surplus has been allocated to unrestricted reserves.

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XXVII. 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 and is a joint venture between WWF International and IUCN. The IUCN Secretariat hosts TRAFFIC operations in its offices in Ecuador, 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 1,443 to the Commissions (2015 - CHF 1,443). The amount is distributed across the expenditure headings that reflect the nature of the expenses incurred by the Commissions.

During the year and as part of the services IUCN provides to Ramsar, IUCN received funds of CHF 5,729 (2015 – CHF 6,285) and incurred payments of CHF 5,650 (2015 - CHF 7,448) on behalf of Ramsar. At year-end the balance held in trust for Ramsar amounted to CHF 4,599 (2015 - CHF 4,652). 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 536 (2015 - CHF 546) for the services provided to Ramsar and which are included in Other operating income.

During the year IUCN made contributions of CHF 275 to TRAFFIC International (2015 - CHF 275).

During the year IUCN received funds from the International Union for the Conservation of Nature and Natural Resources - US of USD 1,259 (CHF 1,254) and in 2015, USD 1,328 (CHF 1,319) was received.

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Summary of legally controlled entities:

Company	Year-end closing	Currency	Capital	Share of capital	
				2016	2015
The International Union for the Conservation of Nature and Natural Resources, Registered Trustees, (WASAA Trust Fund, Nairobi)	31.12	KES	243,563	100%	100%
IUCN, Bureau de Représentation auprès de l'Union Européenne aisbl	31.12	EUR	77	100%	100%
Associação IUCN	31.12	BLR	247	20%	20%
IUCN UK (A Company Limited by Guarantee)	31.12	GBP	34	NA	NA
IUCN Maldives		registered			
IUCN PNG "Mangrove Rehabilitation and Management Project Association		dormant			

XXVIII. OPERATING LEASES

At 31 December 2016, IUCN has future minimum office rental commitments amounting to CHF 5,973 relating to expected rental fees until the end of the lease contract expiring from March 2017 to December 2025.

IUCN has leasing contracts for office equipment and vehicles amounting to CHF 136 expiring June 2017 to October 2019.

XXIX. BANK GUARANTEE

At 31 December 2016, IUCN had bank guarantees totalling EUR 2,071 (CHF 2,220) (2015 - EUR 2,071 – CHF 2,242) in favour of an IUCN donor. Cash for an equivalent amount is pledged at the corresponding bank.

ANNEX A - CORE FUNDS UNDER FRAMEWORK AGREEMENTS

	2016	2016	2015	2015
	Secretariat Unrestricted expenditure	Framework income allocation	Secretariat Unrestricted expenditure	Framework income allocation
Amounts in CHF ('000)				
Central and West Africa Region	4,272	882	4,409	969
Eastern and Southern Africa Region	4,355	827	3,745	890
Asia Region	7,798	1,115	8,228	1,284
Meso America and Caribbean	3,979	545	3,784	572
South America and Brazil	1,190	481	1,182	504
European Regional Office, Brussels	820		894	
Eastern Europe and Central Asia Regional Office	396		316	
West Asia Region	1,218	439	1,216	436
Mediterranean Cooperation Centre	1,035		1,217	
Oceania	1,910	442	1,718	463
Washington DC Office	1,125		961	
Sub Total Regional Components	28,097	4,731	27,670	5,118
Director's Office, Biodiversity Conservation Group	466	493	494	529
Species Programme	3,243	803	3,459	884
Protected Areas Programme	1,347	541	1,230	580
World Heritage Programme	1,038	407	1,011	437
Traffic International	573	275	530	275
Sub Total Biodiversity Conservation Group	6,667	2,518	6,724	2,705
Director's Office, Nature-based Solutions Group	523	441	542	473
Ecosystem Management Programme	1,418	260	1,410	280
Forest & Climate Change Programme	2,908	382	2,519	411
Marine & Polar Programme	1,521	445	1,857	477
Water & Food Security Programme	1,114	356	1,125	383
Business & Biodiversity Programme	1,344	401	1,474	481
Economics and Social Science Programme	1,585	818	1,574	876
Sub Total Nature-based Solutions Group	10,411	3,103	10,501	3,381
Director's Office, Programme & Policy Group	427	480	406	490
Science and Knowledge Unit	842	795	761	824
Global Policy Unit	609	574	686	693
Environmental Law Programme	1,153	504	1,146	533
GEF Coordination Unit	669	684	747	773
Sub Total PPG - Programme & Policy Group	3,700	3,037	3,746	3,313
Commission on Education and Communication	229	232	239	232
Commission on Ecosystem Management	244	232	194	232
World Commission on Environmental Law	175	244	106	244
World Commission on Protected Areas	231	242	241	242
Species Survival Commission	277	261	282	261
Commission on Environment, Economics and Social Policy	224	232	191	232
Sub Total Commissions	1,378	1,443	1,253	1,443
Director's office, Union Development Group	1,638	-	1,575	215
Governance	652		604	
Sub Total Union Development	2,291	-	2,179	215
Directorate	1,558	159	1,663	161
Office of the Legal Adviser	511		475	
Oversight Unit	246		216	
Planning, Monitoring & Evaluation Unit	539	654	513	633
Global Communications Unit	1,252	167	1,058	176
Finance Group	2,159		2,250	
Human Resources Management Group	1,252		1,152	
Strategic Partnerships Unit	638		746	
General Services Unit	3,066		3,096	
Information Systems Group	4,249		3,970	
Sub Total Corporate Support Units	15,471	981	15,140	970
OVERALL TOTAL	68,015	15,811	67,212	17,145
Non-operating expenditure	42		(332)	
Operating expenses as per the Income & Expenditure Statement	68,057	15,811	66,880	17,145

Reconciliation of Framework Income to the Financial Statements	2016	2015
Overall Total allocations as above	15,811	17,145
Realised foreign exchange on cash contributions	6	-
Surplus/(Deficit) at year-end transferred to reserve	(1,941)	(1,187)
Total Funding Framework Agreements	13,877	15,958

ANNEX A - INCOME UNDER FRAMEWORK AGREEMENTS

Amounts in CHF ('000)

Framework Agreement Partners	2016	2015
Ministry of Foreign Affairs (DANIDA) - Denmark	3,527	3,464
Environment Agency – Abu Dhabi (EAD) – United Arab Emirates	-	1,000
Agence Française de Développement (AFD), Ministry of Foreign Affairs and International Development (MAEDI), Ministry of Environment, Energy and the Sea (MEEM), Ministry of Overseas Territories (MOM) – France	924	933
MAVA Fondation pour la Nature - Switzerland	1,000	1,000
Ministry of Environment, Republic of Korea (MOE) - Korea	600	600
Ministry of Foreign Affairs - Finland	375	757
Norwegian Agency for Development Cooperation (NORAD) - Norway	2,507	2,514
Swedish International Development Agency (Sida) - Sweden	2,893	3,489
Swiss Agency for Development and Cooperation (SDC) - Switzerland	2,050	2,200
Total Income under Framework Agreements	13,877	15,958

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.