
Unified Budget, Results and Accountability Framework 2016-2021

Agenda 4.2

FINANCIAL REPORTING



Financial Highlights

- Ninth set of financial statements prepared according to IPSAS accounting standards
- Unmodified **audit** opinion provided by the external auditors
- UNAIDS **Statement of Internal Control (SIC)** included in the 2020 Audited Financial Statements.
- Financial situation has been relatively stable during 2020 – but remains tight



2020 Financial Highlights (Core Income & Expenditure)

- Core **income** totaling **US\$ 194 million** mobilized in 2020 compared to US\$ 184 million mobilized in 2019 and US\$ 189 million in 2018
- Total core **expenditures** (expenses and encumbrances) amounted to **US\$ 183.4 million** compared to US\$ 181 million in 2019
- Core Secretariat expenditure and encumbrances amounted to **US\$136.3 million** against an approved core budget of US\$ 140 million.
- The net fund balance on 31 December 2020 stood at **US\$ 112 million** (US\$ 101 million end of 2019) an increase of US\$ 11 million
- Net fund balance at end of 2020 is **US\$ 5 million** higher than approved min level of US\$ 107 million).



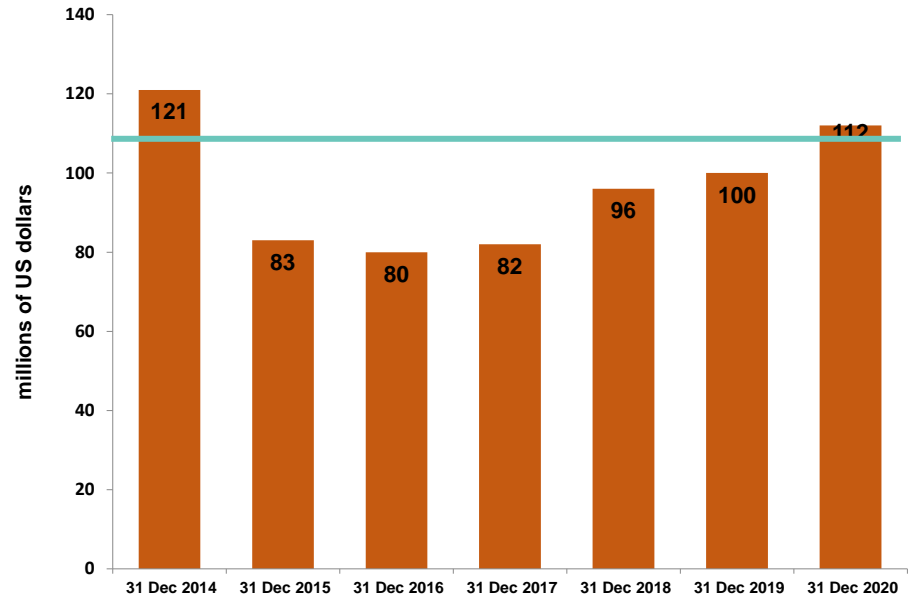
REVENUE



EXPENDITURE

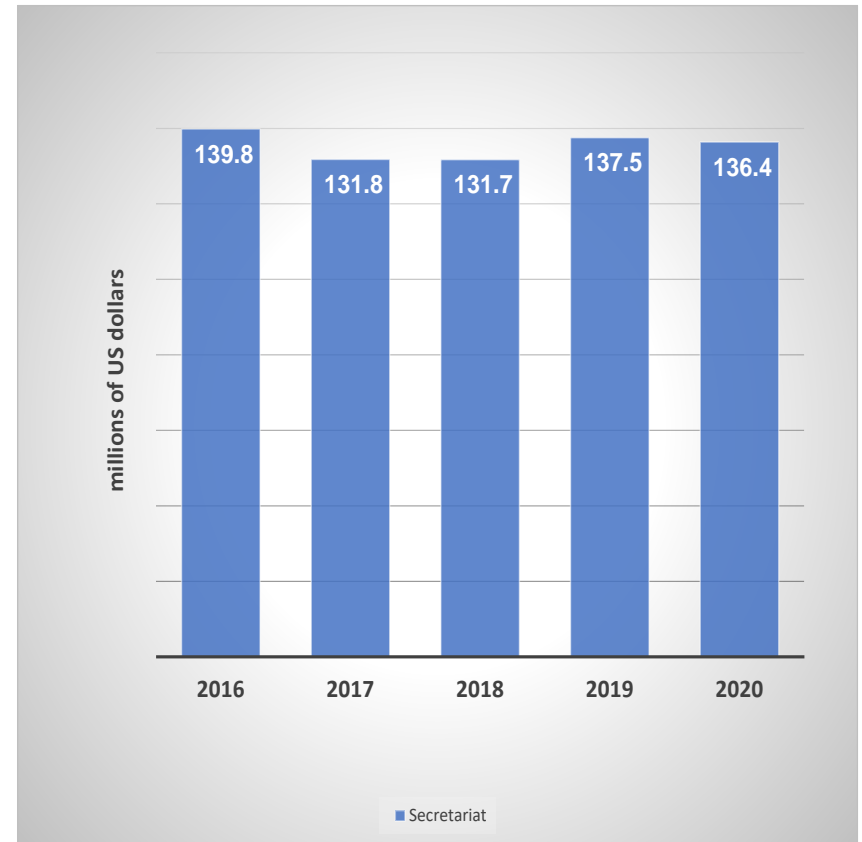
Management of the core fund balance

- At the end of December 2020, the net fund balance stood at **US\$ 112 million** compared to **US\$ 100 million** end 2019 and US\$ 96 million end of 2018
- **US\$ 5 million higher than** the PCB approved minimum level of US\$ 107 million approved in 2015.
- **US\$ 32 million** more than at end 2016
- Ability to operate smoothly even with an income reduction in 2021.



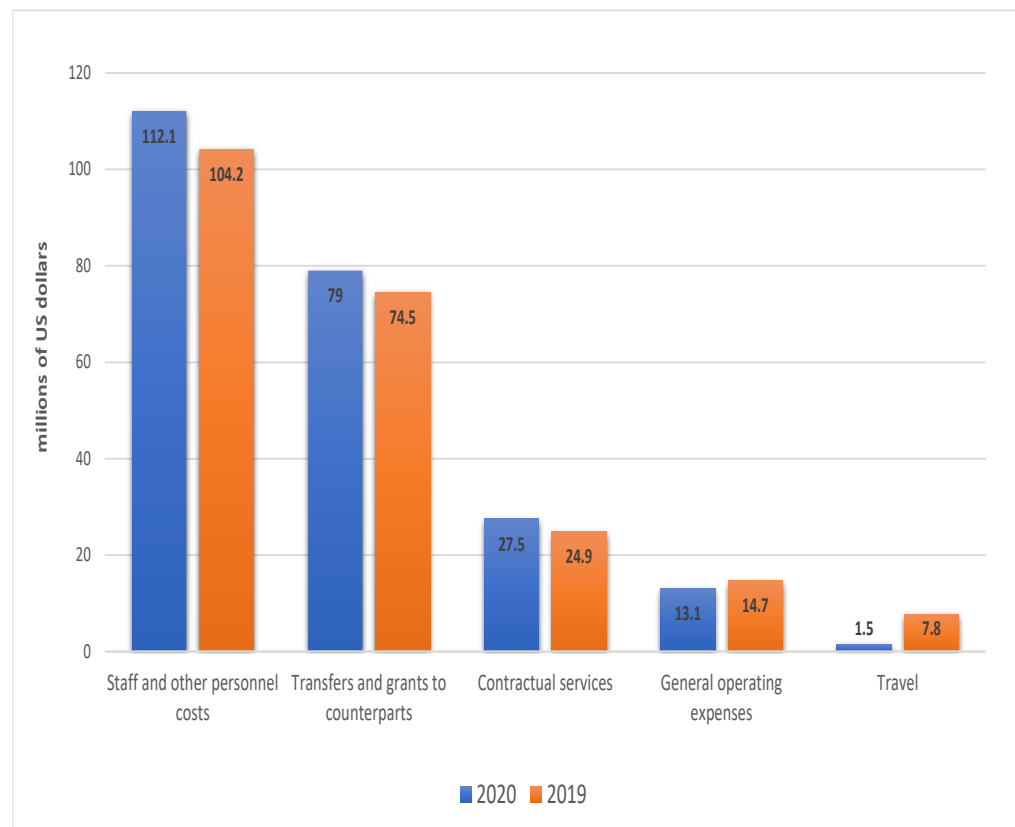
UBRAF Core Secretariat expenditures 2016 - 2020

- Continued emphasis **on cost effectiveness** and **cost containment**
- Secretariat 2020 core expense and encumbrances of **US\$ 136.4 million**
- Representing 97.5% implementation rate against the approved core budget of US\$ 140 million.



Expenditure by cost category – All sources of funds

- Overall level of expenditure under major expense categories in 2020, is higher than that of **2019 expense** except for travel expense.
- Increases were mainly under staff costs and transfers to counterparts, and contractual services



2020 -2021 Budget

- Final biennial workplan and budget of 2016-2021 UNAIDS Strategy and UBRAF
- UNAIDS maintains its target of a fully funded UBRAF of **US\$ 242 million** (core budget of US\$ 187 million and supplemental funds of US\$ 55 million)
- Annual core budget of US\$ 187 million; (US\$ 47 million for Cosponsors and US\$ 140 million for the Secretariat)
- Supplemental core funds to address particular epidemic and country context of US\$ 55 million



Developments in 2021 – Income and Expenditure

- The net fund balance 2020 enabled the Secretariat to fully fund the 2021 Cosponsors core allocation of US\$ 47 million (including the country envelopes) as per the approved budget.
- So far in 2021, **US\$ 86.4 million** has been recorded as core income. It is estimated that **US\$166 million** core will be raised in 2021
- Additional efforts needed to achieve the resource mobilization target of US\$ 187 million.
- Total core expenditure and encumbrances as of today is **US\$ 120 million** (Cosponsors US\$ 47 million and Secretariat US\$ 73 million)



Thank you