Statement of Financial Position
This statement shows the financial status of UN-Habitat as at 31 December 2017. It reports the overall value of assets and liabilities of UN-Habitat.

- It provides information on the extent to which resources are available for continued delivery of services in future.

This is referred to as Statement I. It is presented on page 14 and should be read together with the specified notes.
Statement of financial Position

Assets

Liabilities
Statement of financial Position

Total assets

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>2017</th>
<th>Increase</th>
<th>2016</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td>$461.5 m</td>
<td></td>
<td>$444.5 m</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Decrease</td>
<td>$17.0 m</td>
<td>Increase: 3.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>% Decrease</td>
<td>3.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Current assets

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>2017</th>
<th>Increase</th>
<th>2016</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$350.3 m</td>
<td>$350.3 m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>$362.1 m</td>
<td>$362.1 m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decrease</td>
<td>$11.8 m</td>
<td>$11.8 m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Decrease</td>
<td>3.3%</td>
<td>3.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Decrease mainly due to voluntary contributions

Non-current assets

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>2017</th>
<th>Increase</th>
<th>2016</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$111.2 m</td>
<td>$111.2 m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>$82.2 m</td>
<td>$82.2 m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase</td>
<td>$29.0 m</td>
<td>$29.0 m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Increase</td>
<td>35.3%</td>
<td>35.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Increase mainly due to voluntary contributions receivable
Statement of financial Position

Total liabilities

2017: $143.7 million
2016: $94.4 million
Increase: $49.3 million
% Increase: 52.2

Non-current liabilities

2017: $46.5 million
2016: $38.7 million
Increase: $7.8 million
% Increase: 20.2

*Increase due to employee benefits

Current liabilities

2017: $97.2 million
2016: $55.8 million
Increase: $41.4 million
% Increase: 74.2

*Increase mainly due to other liabilities (conditional liabilities)
1. **Assets**
   - Assets increased by 3.8%

2. **Liabilities**
   - Liabilities increased by 52.2%
   - Assets exceeded liabilities by $317.8 million (2016: $349.9 million)

3. **Net Assets**
   - Increase in assets mainly due to increase in voluntary contributions receivable
   - Increase in liabilities mainly due to conditional agreements signed in 2017
   - Net assets dropped by 9.2% from 2016 levels
Statement of Financial Performance
This statement measures the net surplus or deficit as the difference between revenues and the corresponding expenses incurred.

• This is referred to as Statement II. It is presented on page 15 and should be read together with the specified notes.

• indicates whether the organization achieved its self-financing objective for the period.
01 Revenue
- 2017: $170.7 million
- 2016: $227.0 million
- Decrease: $56.3 million
- % Decrease: 24.8%

02 Expenditure
- 2017: $197.5 million
- 2016: $186.8 million
- Increase: $10.7 million
- % Increase: 5.7%

03 (Deficit)/Surplus
- 2017: $40.2 million
- 2016: $(26.8) million
- Decrease: $67.0 million
- % Decrease: 250.0%
• REVENUE decrease mainly due to drop in voluntary contributions

• There was also a slight drop in regular budget revenue

• EXPENDITURE increase mainly due to increase in transfers to implementing partners and other operating expenses
Statement of Changes in nets assets
This statement reports all changes in the value of assets and liabilities.

- Also includes fair value adjustment on available-for-sale financial instruments;
- Includes those excluded from the statement II, e.g. actuarial adjustments to employee liabilities.
- This is referred to as Statement III. It is presented on page 16.
Statement of Changes in Net Assets

Starting Net Assets were $349.9 million
Reduced by $5.3 million actuarial costs
Reduced by deficit of $26.8 million
Ending Net Assets are $317.8 million
Statement of cash flows
This statement reflects the changes in the cash position of UN-Habitat by reporting the net movement of cash.

• The movements are classified by operating and investing activities.

• This is referred to as Statement IV. It is presented on page 17.

• This statement reflects the changes in the cash position of UN-Habitat by reporting the net movement of cash.

Shows the ability of UN-Habitat to generate cash liquidity which is an important aspect in assessing financial resilience.
Starting Cash was $55.5 million

Ending Cash position is $16.9 million

Net cash inflow from operating activities was $11.9 million

Net cash outflows from investing activities was $50.5 million

Ending Cash position is $16.9 million
Statement of comparison of budget and actuals
It compares the actual operational results with the main budget previously approved by the Governing Council and the General Assembly.

Main comparison is between the final budget and the actual expenditures.

Actual expenditures represent IPSAS actual expenditure and also qualifying commitments.

This is referred to as Statement V. It is presented on page 18.

Statement of Comparison of Budget and Actuals
Statement of Comparison of Budget and Actuals

- Original budget was $243.5 million
- Final budget was $194.5 million
- Actual expenditure was $178.4 million
- Execution rate is 73.2% on Initial budget and 91.7% on final budget
Performance by Segment

1. Regular budget
2. Foundation general purpose
3. Programme support
4. Foundation special purpose
5. Technical cooperation
6. End of service benefits
2017 - Aggregate performance for all segments

- Revenue amounted to $184.4 million
- Expenditures amounted to $211.2 million
- Realised deficit amounted to $26.8 million in the year
Regular budget performance

- Revenue amounted to $13.6 million
- Expenditures amounted to $13.6 million
- No deficit or surplus on this fund
- No fund balances or reserves maintained on this fund

### Regular Budget: 2014-2017 Trend
(In millions of US Dollars)

- **2014**
  - Revenue: 12.5
  - Expenditure: 12.5

- **2015**
  - Revenue: 16.9
  - Expenditure: 16.9

- **2016**
  - Revenue: 14.1
  - Expenditure: 14.1

- **2017**
  - Revenue: 13.6
  - Expenditure: 13.6
Foundation General Purpose
2014-2017 Foundation General Purpose trend
(Millions of US Dollars)
Total revenue amounted to $5.4 million.
This includes Voluntary contributions of $2.7 million.
Expenditures amounted to $9.2 million.
Realised deficit for 2017 is $3.8 million.
Reserves and fund balances

- Following GC resolution in 2017, reserves were adjusted from $4.6 million to $2.6 million.
- Foundation accumulated deficit of $327,000.
- Fund needs some cash injection as funds no depleted.
Programme support
Programme support

- Fund balances at end of the year were $15.7 million
- A slight drop of $0.3 million from $16.0 million in 2016 mainly due to relief of some expenses from foundation general purpose which contributed to the deficit.
Average revenue is $11.1 million
Average expenditure is $10.5 million
Foundation special purpose
Foundation special purpose

- Average revenue is $38.9 million
- Average expenditure is $48.6 million
- Fund balances at end of year were $97.3 million from $109.0 million in 2016
Technical cooperation
Technical cooperation

- Average revenue is $135.0 million while average expenditure is $114.6 million
- Expenditure exceeded revenue by $10.2 million in 2017
- Fund balances were dropped to $242.1 million (2016: $252.4 million)
End of service and post-retirement benefits
The UN-Habitat statements reflect the end-of-service and post-retirement benefits.

Comprises of the following:

- **After-service health insurance liabilities**
- **Annual leave**
- **Repatriation benefits**

**Provision for repatriation benefits = \(8.0\%\) of NET salary**
End of service and post-retirement benefits

Funding status of the benefits

- Total liability: $47.8 million
- Amount funded: $8.2 million
- Not funded yet: $39.6 million

- UN Habitat will need to close the funding gap as time progresses