World Young Women's Christian Association

Le Grand-Saconnex

Report of the statutory auditor
to the General Meeting

on the financial statements 2020

pwc

Report of the statutory auditor

to the General Meeting of World Young Women's Christian Association

Le Grand-Saconnex

Report on the audit of the financial statements

Opinion

We have audited the financial statements of World Young Women's Christian Association, which comprise the statement of financial position as at 31 December 2020, statement of changes in fund balances and reserves, statement of profit or loss and other comprehensive income, cash-flow statement and notes to the financial statements, including a summary of significant accounting policies

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Association as at 31 December 2020 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the “Auditor’s responsibilities for the audit of the financial statements” section of our report.

We are independent of the Association in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the IESBA Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Association Board for the financial statements

The Association Board is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Association Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Association Board is responsible for assessing the Association’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Association Board either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law, ISAs and Swiss Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

PricewaterhouseCoopers SA, avenue Giuseppe-Motta 50, case postale, CH-1211 Genève 2, Switzerland
Téléphone: +41 58 792 91 00, Téléfax: +41 58 792 91 10, www.pwc.ch

provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Association Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.

We communicate with the Association Board or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

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 financial statements according to the instructions of the Association Board.

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

PricewaterhouseCoopers SA

Marc Secretan	Charlotte Tavernier
Audit expert Auditor in charge	Audit expert

Geneva, 4 June 2021

Enclosure:

- Financial statements (statement of financial position as at 31 December 2020, statement of changes in fund balances and reserves, statement of profit or loss and other comprehensive income, cash-flow statement, and notes to the financial statements)

WORLD YOUNG WOMEN'S CHRISTIAN ASSOCIATION

STATEMENT OF FINANCIAL POSITION AT DECEMBER 31 2020

ASSETS	**Note**	**Dec 31, 2020 CHF**	**Dec 31, 2019 CHF**
Non Current Assets			
Leasehold improvements, net		5 802	29 016
Total Non Current Assets	5	**5 802**	**29 016**
Current Assets			
Cash and cash equivalents		1 714 903	807 204
Financial assets at Fair Value through Profit and Loss (FVPL)	6	6 897 248	7 586 535
Derivatives financial instruments	6	1 315 851	1 337 253
Accounts receivable -Donations		3 082 677	699 629
Accounts receivable -Other		60 908	111 811
Receivable Member Associations		87 414	68 857
Withholding tax receivable		11 245	12 953
Prepayments		14 314	16 811
Total Current Assets		**13 184 560**	**10 641 053**
Total Assets		**13 190 362**	**10 670 069**
FUND BALANCES AND RESERVES		**Dec 31, 2020 CHF**	**Dec 31, 2019 CHF**
Unrestricted Funds			
Endowment Fund	3.7	864 993	948 738
Capital Fund		-	-
Other Reserves	3.7	215 541	173 118
Total Unrestricted funds		**1 080 534**	**1 121 856**
Restricted Funds			
Specific Programme Funds	3.7	4 223	4 223
Leadership Permanent Funds	3.7	5 415 408	5 937 425
International Building Fund	3.7	278 600	267 203
J & U Porter Fund - Capital	3.7	219 842	210 849
		5 918 073	**6 419 700**
		-	-
Total Fund Balances and Reserves		**6 998 607**	**7 541 556**
LIABILITIES			
Non Current Liabilities			
Donations received in advance - Long Term	9	-	3 119
Provision for pension benefits	8	337 337	317 257
Deferred income Long Term	10	3 017 013	-
Total Non-Current Liabilities		**3 354 350**	**320 375**
Current Liabilities			
Deferred income Short Term	10	1 309 205	901 333
Derivatives financial instruments	6	1 140 048	1 189 485
Accrued payables & accrued liabilities	11	208 529	519 415
Payable to Member Associations		176 503	185 431
Donations received in adv - Short Term	9	3 120	12 477
Total Current Liabilities		**2 837 405**	**2 808 140**
Total Liabilities, Fund Balances and Reserves		**13 190 362**	**10 670 069**

The accompanying notes are an integral part of these statements.

WORLD YOUNG WOMEN'S CHRISTIAN ASSOCIATION

STATEMENT OF CHANGES IN FUNDS BALANCES AND RESERVES FOR THE YEAR ENDED AT DECEMBER 31 2020

Balance as of 1 January 2019 in CHF	**7**	**8 072 133**
Net deficit for the year		(515 009)
Other comprehensive income		(50 412)
Deposit to International Building Fund		34 842
Balance as of 31 December 2019 in CHF	**7**	**7 541 554**
Balance as of 1 January 2020 in CHF	**7**	**7 541 554**
Net deficit for the year		(585 373)
Other comprehensive income		42 423
Deposit to International Building Fund		-
Balance as of 31 December 2020 in CHF	**7**	**6 998 603**

The accompanying notes are an integral part of these statements.

WORLD YOUNG WOMEN'S CHRISTIAN ASSOCIATION

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED AT DECEMBER 31 2020

	Note	2020			2019
		Unrestricted CHF	Restricted CHF	Total CHF	CHF
OPERATING INCOME					
Member Affiliation Fees		380 972	-	380 972	369 872
Membership Contributions		69 534	-	69 534	186 001
Ecumenical Support		-	362 339	362 339	440 398
Governments / Co-op Agencies		-	578 997	578 997	958 709
Trusts and Foundations		-	5 823	5 823	6 195
Individuals and Legacies		101 727	-	101 727	22 770
Other Donations		-	59 779	59 779	85 013
Other Income		27 108	-	27 108	490 441
Donations new headquarters	9	12 477	-	12 477	12 477
				-	-
Total Income	**12**	**591 818**	**1 006 938**	**1 598 756**	**2 571 876**
OPERATING EXPENSES					
Office supplies and utilities		(135 362)		(135 362)	(170 039)
Headquarter expenses		(23 123)		(23 123)	(29 279)
Depreciation expense for leasehold improvement		(23 214)		(23 214)	(23 213)
Other administrative expenses		(10 956)		(10 956)	(11 680)
Audit and professional fees		(50 396)		(50 396)	(67 623)
Professional fees - Core		(16 837)		(16 837)	(17 628)
Professional fees - Program		(133 596)		(133 596)	(308 804)
Membership fees		(26 436)		(26 436)	(31 964)
Bank charges and fees		(74 174)		(74 174)	(107 050)
Workshop and training expenses		(105 947)		(105 947)	(361 539)
Travel expenses		(31 907)		(31 907)	(619 237)
Personnel costs	8	(1 507 043)		(1 507 043)	(1 777 223)
Communication		(125 157)		(125 157)	(238 181)
Governance		(1 744)		(1 744)	(19 904)
Fundraising		(20 270)		(20 270)	(44 041)
Grants to Member Associations (COVID19)		(134 549)		(134 549)	-
Other expenses		(8 616)		(8 616)	(9 643)
Depreciation Affiliation fees		(68 572)		(68 572)	(146 670)
Total Expenditure	13	**(2 497 899)**		**(2 497 899)**	**(3 983 718)**
Operating Result		**(1 906 081)**	**1 006 938**	**(899 143)**	**(1 411 842)**
FINANCE (COSTS) / INCOME					
Interest and dividends income		40 639		40 639	63 889
Gain/(loss) on disposal of financial assets at FVPL		(40 202)		(40 202)	(83 924)
Gain/(loss) on foreign currency exchange	14	(84 261)		(84 261)	182 154
Financial assets at FVPL - net change in fair value		397 593		397 593	734 714
Net finance income /costs		**313 769**	**-**	**313 769**	**896 833**
Profit / Deficit for the year		**(1 592 312)**	**1 006 938**	**(585 373)**	**(515 009)**
OTHER COMPREHENSIVE INCOME					
Item that will not be reclassified to statement of profit and loss					
Remeasurements of defined benefit liability		42 423		42 423	(50 412)
Total Other Comprehensive Income		**42 423**	**-**	**42 423**	**(50 412)**
Total Comprehensive Income		**(1 549 889)**	**1 006 938**	**(542 950)**	**(565 421)**

The accompanying notes are an integral part of these statements.

CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2020

	2020 CHF	2019 CHF
Cash flows from operating activities		
Deficit for the year	(585 373)	(515 009)
Adjustments for :		
Depreciation for leasehold improvement	23 214	23 213
Depreciation for affiliation fees	68 572	146 670
Gain on disposal of other investments including derivatives	40 202	83 924
Realised foreign exchange (gain) / loss on other investments including derivatives	(78 379)	(212 536)
Unrealised foreign exchange (gain) / loss of other investments including derivatives	162 640	30 382
Unrealised fair value (gain) / loss of other investments including derivatives	(397 593)	(734 714)
Other adjustments	29 885	(252 585)
Variation of deferred income	3 424 886	(586 519)
Changes in:		
Accounts receivable	(2 350 703)	457 966
Withholding tax receivable	1 709	(1 668)
Prepayments	2 496	5 621
Payable to Member Associations	(8 928)	30 905
Other payables and accrued liabilities	(303 282)	(249 233)
Net cash from operating activities	29 346	(1 773 583)
Cash flows from investing activities		
Acquisition of other investments including derivatives	(3 009 737)	(3 439 268)
Proceeds from sale of other investments including derivatives	3 842 617	4 796 539
Interest and dividends received	45 474	63 889
Net cash used in investing activities	878 354	1 421 160
Net decrease in cash and cash equivalents	907 699	(352 423)
Cash and cash equivalents at 1 January	807 204	1 159 627
Cash and cash equivalents at 31 December	1 714 903	807 204

The accompanying notes are an integral part of these statements.

NOTE 1 – BACKGROUND AND ACTIVITIES

The World Young Women's Christian Association (World YWCA) was founded in 1894 in the United Kingdom and is incorporated as a non-profit organisation in Switzerland. The World YWCA unites member associations that are working in accordance with its basis and principles and meet the requirements for affiliation. World YWCA seeks to co-ordinate them in a world movement, and it acts on their behalf in matters for which it has received authority. The World YWCA currently has 109 member associations affiliated worldwide. World YWCA registered office address is L'Ancienne-Route 16, 1218 Le Grand-Saconnex, Geneva, Switzerland.

NOTE 2 – BASIS OF ACCOUNTING

(A) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

Currently the IFRS do not contain specific guidelines for non-profit organisations and non-governmental organisations concerning the accounting treatment and the presentation of the financial statements. Where the IFRS are silent or do not give guidance on how to treat transactions specific to the non-profit sector, accounting policies have been based on the general IFRS principles.

From 2017, the operating expenses are presented according to the nature of costs.

(B) Basis of measurement

The financial statements are prepared using the historical cost convention, except for financial assets and liabilities, which are measured at their fair value.

(C) Functional and presentation currency

The financial statements are presented in Swiss Francs which is the organisation's functional currency.

(D) Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Organisation’s accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments in the year ending 31 December 2020 is included in the following notes:

- Note 6 – Financial instruments; and
- Note 8 – Personnel costs, including employee benefits.

Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the organisation uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
.
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The organisation recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

NOTE 3 – FUND MANAGEMENT

The statement of Financial Position, the statement of Profit or Loss and Other Comprehensive Income and the statement of changes in Fund Balances and reserves distinguish between Restricted and Unrestricted Use Funds. The former are those funds received from donors who have imposed restrictions on the purposes for which the funds may be used. Unrestricted uses of funds are those that are freely available to the Association or are appropriated to reserves for internally designated purposes.

Restricted Funds

- Specific Programme funds – These funds include potential surplus from grants to be used for programmes.

- Leadership Permanent Funds – These funds, which include a general fund and a number of named funds, are capital funds generated by the World YWCA Global Campaign “Power to Change”. Initiated at the World Council in July 1999; one of the objectives of the Global Campaign is to establish a permanent fund to endow leadership development programmes for women and girls. In June 2007, as the fund had reached USD 10 million, the Board approved that income from the fund would be used to support the leadership development of women and girls. Specific use of this fund may be approved by the Board.

- International Building Fund – The USD 200,000 original capital of this fund, which was set up by the YWCA of the USA many years ago to support YWCA building programmes around the world, was transferred to the World YWCA for management in January 2004. The International Building Fund committee meets annually and reviews applications from member YWCAs for grants and loans, which are made using the income from the funds and are administered through the World YWCA.

- James and Una Porter Fund – Set up many years ago in honour of Una Porter, a former World YWCA President, this fund is invested and income from the fund is allocated by the James and Una Porter Fund trustees to support the empowerment of young women and girls through the World YWCA.

Unrestricted Funds

- Capital Reserve Fund –At each year-end closing, upon approval by the Board, any annual surplus of the World YWCA core programme is allocated to the Capital Reserve Fund and any deficit is covered from the Capital Reserve Fund, or, if necessary, from the Endowment Fund. On occasion, the Board may make additional allocations from this Reserve or allocate all or part of the annual surplus to the Endowment Fund. The Capital Reserve Fund has been zero from end of 2013.

- Endowment Fund – Built up over the past decades from donations to the World YWCA, this Fund is invested and annual income from the Fund is used to support the core programme.

- Other reserves – Other reserves show funds that are internally restricted by the Board for special purposes.

NOTE 4 - SIGNIFICANT ACCOUNTING POLICIES

(A) Foreign currency

Transactions in foreign currencies are translated into Swiss Francs using monthly exchange rates (previous month-end rates) that approximate exchange rates ruling at the date of the transactions. Exchange gains and losses thereon are recorded in the profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated into Swiss Francs at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into Swiss Francs at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

(B) Cash and cash equivalents

For the purpose of the cash flows, cash and cash equivalents consist of cash in hand and deposits with banks that have maturity of 90 days or less from the date of acquisition.

(C) Financial instruments

The association classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss (FVPL), held-to-maturity financial assets, loans and receivables and financial assets at FVPL. The association classifies non-derivatives financial liabilities into the following categories: financial liabilities at fair value through profit or loss and other financial liabilities category.

(i) Non-derivatives financial assets and financial liabilities- recognition and derecognition

The association initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date when the entity becomes a party to the contractual provisions of the instrument.

The association derecognises a financial assets when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the organisation is recognised as a separate asset or liability.

The organisation derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the organisation currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivatives financial assets – Measurements

Loans and receivables:
These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized costs.

Financial assets at FVPL:
These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, such as impairment losses and foreign currency differences on debts instruments are recognised in profit or loss. From 2018 the change in fair value is recognized in profit or loss as they arise (IFRS 9 applied).

(iii) Non-derivatives financial assets – Measurements

Other non-derivatives financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost.

(iv) Derivatives financial instruments

The organization holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.
Derivatives are initially measured at fair value; any directly attributable transaction cost is recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss. From 2018, Derivatives are showed separately from other investments.

(D) Impairment

(i) Non-derivative financial assets

Financial assets not classified as at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:
- Default or delinquency by a debtor,
- Indications that a debtor or issuer will enter in bankruptcy,
- Adverse changes in the payment status of borrowers or issuers,
- The disappearance of an active market for a security because of financial difficulties,
- Observable data indicating that there is measurable decrease in the expected cash flows from a group of financial assets.

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its costs. The organisation considers a decline of 20% to be significant and a period of nine months to be prolonged.

(ii) Financial assets measured at amortised cost

The organisation considers evidence of impairment for these assets at both individual assets and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risks characteristics.
In assessing collective impairment, the organisation uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset’s carrying amount and the present value of the estimated future cash flows discounted at the asset’s original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the organisation considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(iii) Financial assets at FVPL

Impairment losses on financial assets at FVPL are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired financial assets at FVPL debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss. Impairment losses recognised in profit or loss for an investment in an equity instrument classified as financial assets at FVPL are not reversed through profit or loss.

(iv) Non-financial assets

At each reporting date, the organisation reviews the carrying amount of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

The recoverable amount of an asset is the greater of its value in use and its fair value less cost of sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

(E) Equipment, including leasehold improvements

Leasehold improvements are measured at cost less accumulated depreciation. Depreciation is calculated to write off the costs of leasehold improvements using the straight-line method over the shorter of the lease term and their estimated useful lives of the assets and is recognised in profit or loss. The estimated useful life of leasehold improvements is 25 years, which is the lease term for the World YWCA Office (note 16 – *Leases*).

Acquisitions of office furniture and computers are neither capitalised nor depreciated since these operations are not significant.

(F) Employee benefits

The World YWCA provides pension benefits for its employees using a Swiss pension plan.
The World YWCA's net obligation in respect of defined benefits plans is calculated by estimating the amount of future benefit that employees have earned in the current period and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefits obligations is performed annually by a qualified actuary using the projected unit credit method.
Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interests) and the effect of assets ceiling (excluding interests) are recognized immediately in Other Comprehensive Income (OCI). The organisation determines the net interest expense (income) on the net defined liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefits plan are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The organisation recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(G) Amounts held on behalf of member associations

The World YWCA holds funds for certain member associations as a service and funds received by the World YWCA to distribute to member associations, if certain conditions under the donor agreements are met. The World YWCA additionally has internal requirements that member associations have to comply in order to properly account for the disposition of the funds. The World YWCA therefore, classifies these funds that are held on behalf of the member associations as a liability of the World YWCA to the respective associations.

(H) Revenue recognition

Member affiliation fees, membership contributions and income related to other investments including derivatives are recognised on the accrual basis provided there is a reasonable assurance that they will be received.

The organisation recognises initially the grants as deferred income if there is reasonable assurance that they will be received and the association will comply with the conditions associated with the grants.

For grants / contracts that are restricted to a specific project, the organisation recognises the grants in profit or loss on a systematic basis in the periods in which the expenses are recognised and based on the level of expenditures incurred, considering any restrictions made by the donor.

For grants / contracts that are not restricted to a specific project but are restricted to a time period, the organisation recognises the grants through profit or loss based on the specified time frame. In general, a donor's payment schedule would not prevent recognition unless the payment schedule implies that expenditure was limited to a future accounting period.

For grants / contracts that are not restricted to a specific project or time period, the organisation recognizes the grants in profit or loss up front upon signing of the agreement.

For grants which are not contractual based, the organisation recognises revenue up front upon receipt of the funds (i.e., donations).

(I) Programme expenditure

Programme expenditure is recognised in the period when it is incurred.
Contract costs incurred that relate to future activities are deferred.

(J) Leases

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(K) Finance income and finance costs

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the organisation's right to receive payment is established.

(L) Standards applied and standards issued but not yet effective

The World YWCA has applied new and revised IFRS and IAS that became effective for year ending 31 December 2020. No IFRS has become effective 1 January 2020 and therefore had no impact on the Association's financial statement.

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the organisation has not early applied the following new or amended standards in preparing these financial statements. Their impact on the financial statements of the World YWCA has not yet been systematically analysed, unless indicated otherwise. However, management has conducted a preliminary assessment and the expected impact of each new or amended Standard and Interpretation is presented below.

Standards		Effective for years ending	Planned application
IFRS 17 Insurance Contracts	*	31 December 2021	Calendar year 2021

* No impact or no significant impact is expected on the financial statements.

NOTE 5 - LEASEHOLD IMPROVEMENTS

The leasehold improvements (renovation costs) for the headquarters are being depreciated over the lease period and are recorded in the financial statements, at December 31, as follows:

	December 31, 2020 CHF	December 31, 2019 CHF
Total leasehold improvements	595 036	595 036
Less: accumulated depreciation	(589 234)	(566 020)
Balance in leasehold improvements - end of year	**5 802**	**29 016**
	December 31, 2020 CHF	**December 31, 2019 CHF**
Depreciation Expenses	23 214	23 213

NOTE 6 – OTHER INVESTMENTS INCLUDING DERIVATIVES

All the other investments including derivatives financial instruments have been classified as financial assets at FVPL as at 31 December 2020 and are held mainly in Swiss Francs, US Dollars, and Euro.

The movement in the other investments including derivatives financial instruments in the Statement of Financial Position from December 31, 2019 to December 31, 2020 of CHF 661'252 is comprised of the following:

	2019	2020	2020
	December 31	Movement	December 31
Financial Assets at FVPL	**CHF**	**CHF**	**CHF**
Pictet & Cie	3 783 632	(377 879)	3 405 753
Lombard Odier	3 802 903	(311 408)	3 491 495
Total excluding derivatives financial instruments	**7 586 535**	**(689 287)**	**6 897 248**
Derivatives (asset)	1 337 253	(21 402)	1 315 851
Derivatives (liabilities)	(1 189 485)	49 437	(1 140 048)
Total including derivatives financial instruments	**7 734 303**	**(661 252)**	**7 073 051**

The movements in the cash balances for these portfolios are as follows:

Portfolio Cash	2019 December 31 CHF	2020 Movement CHF	2020 December 31 CHF
Pictet & Cie	76 885	(11 608)	65 277
Lombard Odier	30 518	(15 405)	15 113
	107 403	**(27 013)**	**80 390**

NOTE 7 – FUND BALANCES AND RESERVES

	2020 results	Endowment Fund	Other Reserves	Specific Programme Funds	Leadership Permanent Funds	International Building Fund	J & U Porter Fund - Capital	TOTAL
31 December 2019		948 738	173 118	4 223	5 937 425	267 203	210 849	7 541 556
Transfert of 2020 results								
Operating result	(899 143)	(123 879)			(775 263)			(899 142)
Financial result - Core	40 134	40 134						40 134
Financial result - Restricted								
Interest and dividend income	35 693				33 033	1 487	1 173	35 693
Disp financial asset at FVPL (losses)/gains	(35 023)				(32 413)	(1 459)	(1 151)	(35 023)
Realised Foreign exch (losses) / gains	68 281				63 193	2 844	2 244	68 281
Unrealised Foreign exch (losses) / gains	(141 687)				(131 129)	(5 901)	(4 657)	(141 687)
Unrealised Price (losses) / gains	346 371				320 561	14 426	11 384	346 371
Restricted Financial result	273 635	-		-	253 245	11 397	8 993	273 635
Surplus (Deficit) for the year	(585 373)	(83 745)	-	-	(522 018)	11 397	8 993	(585 373)
OCI impact								
Pension	42 423		42 423					42 423
31 December 2020	(542 951)	864 993	215 541	4 223	5 415 408	278 600	219 842	6 998 603

The final allocation of the result for 2020 will be done after the decision of the Board.

	2018 results	Endowment Fund	Other Reserves	Specific Programme Funds	Leadership Permanent Funds	International Building Fund	J & U Porter Fund - Capital	TOTAL
31 December 2018		1 008 588	223 530	4 223	6 437 214	208 962	189 617	8 072 134
Transfert of 2019 results								
Operating result	(1 411 842)	(191 244)			(1 220 598)			(1 411 842)
Financial result - Core	131 395	131 395						131 395
Financial result - Restricted								
Interest and dividend income	39 589				37 281	1 210	1 098	39 589
Disp financial asset at FVPL (losses)/gains	(73 134)				(68 869)	(2 236)	(2 029)	(73 134)
Realised Foreign exch (losses) / gains	185 209				174 410	5 662	5 137	185 209
Unrealised Foreign exch (losses) / gains	(26 475)				(24 932)	(809)	(734)	(26 475)
Unrealised Price (losses) / gains	640 249				602 917	19 572	17 760	640 249
Restricted Financial result	765 437	-		-	720 807	23 399	21 232	765 437
Surplus (Deficit) for the year	(515 009)	(59 849)	-	-	(499 790)	23 399	21 232	(515 009)
OCI impact								
Pension	(50 412)		(50 412)					(50 412)
Additional Funds received for IBF	34 842					34 842		34 842
31 December 2019	(565 421)	948 738	173 118	4 223	5 937 425	267 203	210 849	7 541 556

NOTE 8 –EMPLOYEE BENEFITS

	December 31, 2020 CHF	December 31, 2019 CHF	Variance CHF
Wages and Salaries	1 151 585	1 369 267	(217 682)
Social security costs	162 899	179 880	(16 981)
Other expenses related to personnel	29 646	99 287	(69 641)
Pension costs – defined benefit plan	162 912	128 789	34 123
Total personnel costs	**1 507 042**	**1 777 223**	**(270 181)**

* Included in "personnel costs" are pension payments to former staff following a World Executive Committee decision in 1963 to supplement the original pensions of these persons until their death. These pension payments are recorded when made as a period expense. The last payment of pension to former staff was in 2018.

Number of full time equivalent staff at year-end (all located in Switzerland) are 11 for 2020 (2019: 13.5).

Defined benefit obligation

For all staff, in addition to their salaries, the organisation also contributes to a pension plan on a ratio of approximately 60% employer and 40% employee.

The assets of the plan are held separately from the World YWCA in a collective Foundation Patrimonia, Geneva. For the purpose of IAS 19 accounting, this plan has been evaluated as a defined benefit scheme, using the projected unit credit method.

The following table shows reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

	Defined benefit obligation		Fair value of plan assets		Net defined benefit liability	
CHF	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Balance at 1 January	**1 942 721**	**1 371 629**	**1 616 887**	**1 120 386**	**325 834**	**251 243**
Included in profit or loss						
Current service cost	152 828	136 491	-	-	152 828	136 491
Interest cost	2 825	10 013	2 493	8 810	332	1 203
Administrative costs	-	-	(5 970)	(5 662)	5 970	5 662
total Included in profit or loss	**155 653**	**146 504**	**(3 477)**	**3 148**	**159 130**	**143 356**
Included in OCI						
DBO gain due to changes in demographic assumptions	(67 090)	(39 415)	-	-	(67 090)	(39 415)
DBO loss due to changes in financial assumptions	33 598	186 460	-	-	33 598	186 460
DBO (gain)/loss due to experience	(9 571)	194 255	-	-	(9 571)	194 255
Return on plan assets excluding amount included in interest income	-	-	(640)	290 888	640	(290 888)
total Included in OCI	**(43 063)**	**341 300**	**(640)**	**290 888**	**(42 423)**	**50 412**
Other						
Contributions paid by the employer	-	-	96 625	119 177	(96 625)	(119 177)
Contributions paid by the employee	65 278	80 923	65 278	80 923	-	-
Benefits paid	(74 287)	2 365	(74 287)	2 365	-	-
Balance at 31 December	**2 046 302**	**1 942 721**	**1 700 386**	**1 616 887**	**345 916**	**325 834**

The sensitivity of the DBO to change in the principal assumption is:

Impact on the DBO

	Change in assumption	Increase in assumption	Decrease in assumption
Discount Rate	0.50%	decrease by 7.9%	Increase by 9.0%

Key assumptions used:

	December 31, 2020	**December 31, 2019**
Interest rate credited to Account balance	1.50%	1.50%
Inflation	1.00%	1.00%
Discount rate	0.05%	0.15%
Expected return on plan assets *	0.05%	0.15%
Future salary increases	1.25%	1.25%
Mortality rate	LPP/BVG 2020 (generational)	LPP/BVG 2015 (generational)

* The expected return on plan assets is calculated as weighted average by target allocation of estimated return for each category of assets.

The weighted average duration of the Defined Benefit Obligation (DBO) at the end of the current financial year is 16.9 years

The following table shows expected charge in respect to defined benefits plan to be recognised through profit or loss in 2021:

	2021 CHF	**2020 CHF**
Service cost	126 286	152 828
Net interest on the Net Defined Benefit Liability	129	332
Administration expenses	4 986	5 970
Total charge / (Credit) recognised in Profit and Loss	**131 401**	**159 130**
Normal cost	192 958	232 040
Interest on normal cost	96	348
Expected employee Contributions	(66 768)	(79 560)
Net Current Service Cost	**126 286**	**152 828**

NOTE 9 - DONATIONS RECEIVED IN ADVANCE

The World YWCA celebrated its centenary year in 1994. Donations were received in advance for work in its second century. The intent of the donors in giving these donations was first to assist in financing the expenses of the renovations of the headquarters (which is being leased for 25 years) and thereafter to increase the Endowment Fund. Therefore, the World YWCA recognizes the original donation as an income split over 25 years.

These donations in advance for the renovations of the headquarters have been recorded as follows:

	December 31, 2020 CHF	December 31, 2019 CHF
Donations received in advance	317 417	317 417
Amount recognised as income – previous years	(301 820)	(289 345)
Amount recognised as income – current year	(12 477)	(12 477)
Donations received in advance - end of year	**3 118**	**15 595**

Short term portion	3 118	12 477
Long term portion	-	3 118
Total donations received in advance	**3 118**	**15 595**

NOTE 10 – DEFERRED INCOME

Deferred income represents signed donor commitments for future period as of the balance sheet date and it is presented in current and non-current portion in the statement of Financial Position. Deferred revenue is composed of:

	December 31, 2020 CHF	December 31, 2019 CHF
Australian Government Department of Foreign Affairs and Trade	4 098 826	62 479
Australian Mission	-	4 839
Bread for the World	-	264 738
World Service Council	90 437	-
Ministry for Foreign Affairs of Finland	136 955	569 277
Total	**4 326 218**	**901 333**
Current portion	*1 309 205*	*901 333*
Non - current portion	*3 017 013*	-
Total	**4 326 218**	**901 333**

NOTE 11 – OTHER PAYABLES AND ACCRUED LIABILITIES

	December 31, 2020 CHF	December 31, 2019 CHF
Other payables	116 345	251 267
Accrued liabilities	92 184	268 148
Total Other Payables and Accrued Liabilities	**208 529**	**519 415**

NOTE 12 - INCOME

Contributions were received from the following donors:

	2020 CHF	2019 CHF
Australian governmemt department of Foreign Affairs and Trade	170 774	292 579
Bread for the World	287 430	264 158
Christian Aid - Great Britain	38 635	36 010
Ministry for Foreign Affairs of Finland	408 223	666 132
Member YWCAs	-	76 702
Norwegian Church Aid	47 437	50 641
World Day of Prayer	-	45 732
World Service Council	69 534	109 299
Y Global	20 907	44 004
Individuals and Legacies	101 727	22 770
Membership Affiliation Fees	380 972	369 872
Other donations & headquarter income	46 009	103 536
Other income	27 108	490 441
Total contributions as per Statement of Comprehensive Income	**1 598 756**	**2 571 876**

NOTE 13 – PROGRAMME SERVICES

CHF	2020				2020 TOTAL RESULT	2019 TOTAL RESULT
	EXPENSES	REVENUE				
ACTIVITY	Grand Total	Restricted	Unrestricted	Grand Total		
TOTAL ADVOCACY	268 794	**103 305**	**2 203**	**105 507**	**(163 287)**	**(69 399)**
ADVOCACY CSW	48 527	8 933	-	8 933	**(39 594)**	**(38 319)**
ADVOCACY	220 267	94 372	2 203	96 574	**(123 693)**	**(27 832)**
WOMEN DELIVER	-	-	-	-	-	**(3 248)**
TOTAL WORLD COUNCIL	39 742	-	-	-	**(39 742)**	**(657 402)**
WORLD COUNCIL 2019	39 742	-	-	-	**(39 742)**	**(657 402)**
TOTAL LEADERSHIP	369 965	**156 981**	**46 285**	**203 266**	**(166 699)**	**(85 261)**
YWLEADER	369 965	156 981	46 285	203 266	**(166 699)**	**(85 261)**
TOTAL MOVEMENT BUILDING	4 901	-	**253**	**253**	**(4 648)**	**(2 664)**
MONITORING & EVALUATION	4 648	-	-	-	**(4 648)**	**(2 664)**
NEW AND REVITALIZING ASSOCIATIONS	253	-	253	253	-	-
TOTAL POWER TO CHANGE GLOBAL INITIATIVES	153 458	-	-	-	**(153 458)**	**(57 584)**
POWER TO CHANGE	153 458			-	**(153 458)**	**(57 584)**
TOTAL VAW, PEACE AND JUSTICE	36 409	-	-	-	**(36 409)**	**(3 004)**
UNSCR 1325 PROJECT	36 409				**(36 409)**	**(3 004)**
TOTAL WOMEN' RIGHTS (Including SRHR and HIV)	404 346	**292 969**	-	**292 969**	**(111 377)**	**(59 488)**
OTHER SRHR AND HIV	404 346	292 969	-	292 969	**(111 377)**	**(59 488)**
TOTAL CORE	1 220 283	**453 684**	**543 078**	**996 761**	**(223 522)**	**(477 040)**
CORE	1 193 021	453 684	539 652	993 336	**(199 685)**	**(282 846)**
CORE FUNDRAISING	21 824	-	-	-	**(21 824)**	**(117 008)**
CORE GOVERNANCE	5 438	-	3 425	3 425	**(2 013)**	**(77 186)**
GRAND TOTAL	**2 497 898**	**1 006 938**	**591 818**	**1 598 756**	**(899 142)**	**(1 411 842)**

NOTE 14 – FOREIGN CURRENCY EXCHANGE

The net gain / (loss) on foreign currency exchange as at December 31 includes the following:

	December 31, 2020 CHF	December 31, 2019 CHF
FX Net realised gain / (loss)	78 379	212 536
FX Unrealised gain / (loss)	(162 640)	(30 382)
Total net gain / (loss) on foreign currency	**(84 261)**	**182 154**

NOTE 15 – FINANCIAL INSTRUMENTS

A) Accounting classifications and fair values

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is reasonable approximation of fair value.

	Carrying amount in CHF				Fair value in CHF			
31 DECEMBER 2020	**Loans and Receivables**	**Financial assets at FVPL**	**Other financial liabilities**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value								
Other investments	-	6 897 248	-	6 897 248	6 710 141	102 467	84 640	6 897 248
Derivative financial instruments	-	1 315 851	-	1 315 851	763 984	538 455	13 412	1 315 851
Total	-	8 213 099	-	8 213 099	7 474 125	640 922	98 052	8 213 099
Financial assets not measured at fair value								
Receivable Member Associations	87 414	-	-	87 414				
Donations receivable	3 082 677	-	-	3 082 677				
Other receivables	75 222	-	-	75 222				
Withholding tax receivable	11 245	-	-	11 245				
Cash and cash equivalents	1 714 903	-	-	1 714 903				
Total	4 971 461	-	-	4 971 461				
Financial liabilities measured at fair value								
Derivative financial instruments	-	1 140 048	-	1 140 048	618 555	521 493	-	1 140 048
Financial liabilities not measured at fair value								
Payable to Member Associations	-	-	176 502	176 502				

	Carrying amount in CHF				Fair value in CHF			
31 DECEMBER 2019	**Loans and Receivables**	**Financial assets at FVPL**	**Other financial liabilities**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value								
Other investments	-	7 586 535	-	7 586 535	7 055 021	307 335	224 180	7 586 536
Derivative financial instruments	-	1 337 253	-	1 337 253	-	1 321 638	15 615	1 337 253
Total	-	8 923 788	-	8 923 788	7 055 021	1 628 973	239 795	8 923 789
Financial assets not measured at fair value								
Receivable Member Associations	68 857	-	-	68 857				
Donations receivable	699 629	-	-	699 629				
Other receivables	128 622	-	-	128 622				
Withholding tax receivable	12 953	-	-	12 953				
Cash and cash equivalents	807 204	-	-	807 204				
Total	1 717 265	-	-	1 717 265				
Financial liabilities measured at fair value								
Derivative financial instruments	-	1 189 485	-	1 189 485	-	1 189 485	-	1 189 485
Financial liabilities not measured at fair value								
Payable to Member Associations	-	-	185 431	185 431				

B) Measurement of fair values

a. Valuation techniques and significant unobservable inputs

- Investments- Lombard Odier Bank

Most of the underlying investments are "plain vanilla" and fall in the level 1 category (i.e. quoted prices in active markets). In the level 2 bucket, are only included Lombard Odier individual bonds (i.e. fair values based on broker quotes) and hedge funds positions (i.e. NAV published by the administrator and regularly audited). No changes vs. 2019.

Moreover, Lombard Odier Bank have been voluntary very conservative in classifying the fixed income single lines in the Level 2 category (i.e. 9% of the total assets). As those instruments are liquid and have quoted prices available in the market, they could perfectly be included in Level 1.

- Investments- Pictet Bank

Level 1 - Deposits, Bonds, Equities and Mutual Funds i.e. instrument typically quoted in active markets. Assets are valued at latest available market price for 31.12.2020, converted to CHF.

Level 2- Forex Forwards / Forex Swaps. Forward valuation based on market exchange rates, adjusted for applicable Libor rates.

Level 3- Structured products and alternative investments. NAV for the two Hedge Funds is calculated monthly, according to the industry's standards. Full audited annual reports are available online.

C) Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- Market risk
- Credit risk, and
- Liquidity risk.

a. Risk management framework

The Board has overall responsibility for the establishment and oversight of the World YWCA's risk management framework. The Board has established an Investment Advisory Group, which monitors these risks for the financial assets at FVPL and advises management of the portfolio.

b. Market Risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rate and equity prices – will affect the World YWCA’s income or the value of its holdings or financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

World YWCA uses derivatives to manage market risks

- Currency risk

Exposure to fluctuations in foreign currency exchange rates arises from the financial assets at FVPL and the transactions denominated in currencies other than the World YWCA's functional currency, which is the Swiss Franc. As a result of the foreign currency exposure, exchange rate fluctuations can have a significant impact in the profit or loss. The World YWCA may also incur foreign currency risk on pledged contributions that are denominated in a currency other than Swiss Francs. The currencies giving rise to this risk are primarily the Euro and the US Dollar.

The International Building Fund and a portion of the Leadership Permanent Fund are both denominated in US Dollars. The foreign currency risks on these funds are managed through corresponding securities at FVPL held in US Dollars. All other funds are denominated in Swiss Francs.

In respect of other monetary assets and liabilities denominated in foreign currencies, the World YWCA ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term needs.

The summary quantitative data about the World YWCA’s exposure to currency risk as reported to the management of the World YWCA and expressed in thousands of CHF is as follows:

	December 31, 2020						**December 31, 2019**					
	USD	**AUD**	**EUR**	**JPY**	**CAD**	**ZAR**	**USD**	**AUD**	**EUR**	**JPY**	**CAD**	**ZAR**
Cash and cash equivalents	238	679	75	59	8	-	177	161	8	22	1	190
Other investments, including derivatives	-		-	-	-	-	-		-	-	-	-
Net Exposure	**238**	**679**	**75**	**59**	**8**	**-**	**177**	**161**	**8**	**22**	**1**	**190**

The following significant exchange rates have been applied:

	December 31, 2020	December 31, 2019
USD 1 = CHF	0.8812	0.9864
EUR 1 = CHF	1.0830	1.0857
AUD 1 = CHF	0.6792	0.6788
CAD 1 = CHF	0.6919	0.7423
JPY 1 = CHF	0.0085	0.0089
GBP 1 = CHF	1.2035	1.2709

The cash and other investments including derivatives held with Bank Pictet and Lombard Odier were revalued according to each bank's exchange rate at the end of the year.

Sensitivity Analysis

A reasonably possible 10 percent strengthening of the US Dollar and Euro against the Swiss Franc at December 31 would have increased the measurement of the fund balances and reserves and increased total comprehensive income by the amounts shown below. This analysis assumes that all other variables would have remained constant. A 10 percent weakening would have had an equal but opposite effect.

	December 31, 2020	December 31, 2019
Effect of a 10 percent strengthening of the:	KCHF	KCHF
USD	24	18
EURO	8	1
AUD	68	16
CAD	1	-
JPY	6	2
ZAR	-	19

- Other market price risk

The World YWCA is exposed to equity price risk, which arise from equity securities at FVPL held. The management of the World YWCA monitors the proportion of equity securities in its investment portfolio based on market indices.
The primary goal of the World YWCA's investment strategy is to secure the financial assets then to maximise investment returns. Management is assisted by external advisers in this regard.

The investment portfolio is comprised of:

	December 31, 2020	December 31, 2019
Bonds	39%	43%
Shares and Portfolio Investments	55%	52%
US Treasury notes	0%	0%
Derivatives	3%	0%
Other short term investments	3%	5%
Total	**100%**	**100%**

In 2019, IFRS 9 is applied; the unrealised gains and losses resulting from changes in market price are recorded in the Profit and Loss.

The World YWCA mitigates market risk on the portfolio by ensuring that the financial securities at FVPL held are listed on major United States and European stock exchanges, that the bonds, notes and equivalents have been issued by high quality debtors, and that the portfolio's investments are diversified.

Sensitivity Analysis

All the World YWCA's securities are listed on the Swiss Market Index, the New York Stock Exchange or European stock exchanges. For such investments classified at financial assets FVPL, a 2% increase in the underlying stock indices would have increased the fund balances and other reserves by CHF 85’895 (2019: CHF 87’674 An equal change in the opposite direction would have resulted in an equal but opposite effect.

(C) Credit Risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligation and arises principally from World YWCA’s receivables. The carrying amount of financial assets represents the maximum credit exposure. The World YWCA has no significant concentrations of credit risk.

Cash and cash equivalents and financial assets at FVPL are placed with credit worthy financial institutions.

The accounts receivable are mainly affiliation fees due from member associations. From 2018 the new approach to calculate the credit losses related to affiliation fees receivables from member associations is based on IFRS 9.

(D) Liquidity Risk

Liquidity risk is the risk that the World YWCA will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The World YWCA's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due under both normal and stressed conditions. Timing of donor contributions has a direct impact on liquidity risk.

The World YWCA's objective is to strike a balance between continuity of funding and flexibility by maintaining sufficient funds as cash in hand or short-term investments with maturities of three months or less to meet short-term liabilities.

The following are the contractual maturities of financial liabilities expressed in thousands of CHF:

December 31, 2020			Short term		Long term		
		Carrying amount *	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non derivative financial liabilities							
Payable to Member Associations	(1)	177	177	-	-	-	-
Total liabilities		**177**	**177**	**-**	**-**	**-**	**-**

(1) these funds are available and should be distributed when the financed operations of the member associations are finalized
(1) including 96,370 CHF of Oenlager fund , availabe for the member associations.

December 31, 2019			Short term		Long term		
		Carrying amount *	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non derivative financial liabilities							
Payable to Member Associations	(1)	185	185	-	-	-	-
Total liabilities		**185**	**185**	**-**	**-**	**-**	**-**

(1) these funds are available and should be distributed when the financed operations of the member associations are finalized
(1) including 96,370 CHF of Oenlager fund , availabe for the member associations.

NOTE 16 – LEASES

Office Lease

The World YWCA had a lease with Grand-Saconnex in the Canton of Geneva for a period of 25 years, ending in December 2020. In accordance with the lease terms, the lease automatically renewed for another five years, with some possibility to mutually negotiate the terms for that time period. In 2020, the rent was automatically renewed for another 5 years under the same conditions and restrictions. The conditions and restrictions of the lease are as follows:

- Renovate the house into offices
- Insure the building
- Maintain the building
- Do not sublet any space in the building

NOTE 17 – RELATED PARTIES

Under International Financial Reporting Standards, related parties relationships are those where one party controls or exercises significant influence over another in making financial and operating decisions. The World YWCA has a related party relationship with its Board members and key management personnel.

Board members serve on a voluntary basis and receive no remuneration. They are compensated for travel and accommodation and incidental expenses for participation in Board meetings.

Board expenses and organisation of meeting total expenses were CHF 1’744 for 2020 and CHF 19’904 for 2019.

NOTE 18 – TAXES

The World YWCA is exempt from taxes in Switzerland and is a 501 (c) (3) charity for US tax purposes.

NOTE 19 – COVID19 IMPACT ON 2020

The COVID19 pandemic had greatly impacted the operations of World YWCA in 2020, as it did most, if not all, YWCA Member associations. Affiliation fees, a primary unrestricted revenue source of the organization decreased, with many Member Associations making no or partial payment of the invoiced amount, and donations from Member Associations also diminished completely. The World YWCA Board of Directors granted a one-time 33% reduction in affiliation fees to all Member Associations, and almost all Member Associations took advantage of that reduction and in many cases, asked for additional exemptions to full payment. In 2019, the World YWCA World Council, the highest governing body of the World YWCA, adopted a new affiliation fee formula, as part of a larger strategy to revitalize the business of the World YWCA. The results of year one of that four year strategy to recover affiliation fee revenue was significantly undermined by the economic impacts of the pandemic.
Similarly, time and resources intended to invest in resource mobilization efforts, to increase unrestricted revenue, were diverted to respond to the COVID19 crisis rather than for some operational plans and needs. In 2020, Trust and Foundations and other types of unrestricted funding were diverted and focused on a global response to the COVID19 pandemic and leveraged current relationships with grantees instead of new relationships. Therefore, progress on cultivation of unrestricted funding, part of the same four year strategy, was negatively impacted. However, cultivation of individual donors continued and with the strong and effective respond to the COVID19 crisis by World YWCA, progress was made in this area.

Travel related to young women's engagement, programmatic and advocacy workshops, and training were drastically affected, as travel was not allowed or severely restricted, and isolation measures make in person meetings almost impossible and not advisable. Constant communication and negotiations with donors were done to successfully, creatively, and relevantly reallocate unspent funds allocated to travel and meetings and similar expenses, but it was impossible to expend the full amounts in 2020.

NOTE 20 – SUBSEQUENT EVENTS

The global pandemic of COVID 19 may have a material impact on World YWCA operations in 2021, more specifically on unrestricted revenue, including affiliation fees, member association donations, and trusts/foundations.

Given the various state of YWCA associations around the globe, due to isolation and containment measures and other economic, social and political impacts, the financial position for many YWCA member associations continues to be significantly affected. It is difficult to project how significant the reduction of fee income might be, given that member associations are in every region of the world and with differing business models; however, a disruption is highly likely.

Pursuit of funding from trusts and foundations was an important strategy for resource mobilization in 2021. World YWCA will still pursue cultivation efforts, but most trusts and foundations are prioritizing funding for pandemic related issues and only with current grantees.

There will continue to be a remarkable impact on project implementation, especially initiatives that include travel and international in-person meetings in their design. However, communication with funders to mitigate the impact on planned outcomes of such initiatives began in February 2020, in order that similar impact can be made, but by new designs and methods.