

Annex I: Financial Results

Introduction and adoption of new accounting standards

The UN Board of Auditors issued its fourteenth unqualified audit opinion on the financial statements of UN-Women for the year ended 31 December 2024, noting, inter alia, that UN-Women maintained a sound financial position, with total assets exceeding total liabilities by more than eight times and consistently robust liquidity ratios, underscoring its capacity to meet both short- and long-term obligations.

UN-Women prepared the financial statements for the year ended 31 December 2025 in accordance with the International Public Sector Accounting Standards (IPSAS). Financial information presented in this section is unaudited and subject to change.

During 2025, UN-Women introduced two new IPSAS standards, the adoption of which had a significant impact on its reported financial positions and financial performance results. IPSAS 47: Revenue was early adopted and introduced a new framework under which revenue recognition is more closely aligned with the timing of fulfilment of performance and other obligations. The adoption of IPSAS 47 had a material impact on key financial statement line items, including net assets, contributions receivable, deferred revenue, and contribution revenue. UN-Women applied the standard retrospectively to all prior reporting periods presented in the 2025 financial statements to enhance comparability. A high-level summary of the resulting restatements is presented in the tables below.

Table 1: Impact of adoption of IPSAS 47: Revenue – financial position

(Thousands of United States dollars)

<i>Line description</i>	<i>Balances as at 1 January 2024, as reported in 2024 financial statements</i>	<i>Restatement following adoption of IPSAS 47: Revenue</i>	<i>Balances as at 1 January 2024, following restatement</i>
Net assets	1,281,296	(959,998)	321,298
Contributions receivable	528,606	(527,054)	1,552
Deferred revenue	-	432,944	432,944

Table 2: Impact of adoption of IPSAS 47: Revenue – financial performance

(Thousands of United States dollars)

<i>Line description</i>	<i>2024, as reported in 2024 financial statements</i>	<i>Restatement following adoption of IPSAS 47: Revenue</i>	<i>2024, following restatement</i>
Regular resources contribution revenue	97,616	55,618	153,234
Other resources contribution revenue	381,066	27,058	408,124
Regular budget funding	10,788	-	10,788
Total contribution revenue - net	489,470	82,676	572,146

UN-Women also adopted IPSAS 43: Leases, which establishes a single accounting model requiring recognition of right-to-use assets and corresponding lease liabilities for lease arrangements. UN-Women applied the standard retrospectively, with the cumulative effect recognized as at 1 January 2025. As part of IPSAS 43 implementation, UN-Women recognized right-to-use assets and associated lease liabilities primarily in respect of leases of premises with a duration exceeding 12 months and above a defined value threshold. A summary of the financial impact of adopting IPSAS 43 is provided in the table below.

Table 3: Impact of adoption of IPSAS 43: Leases – financial position

(Thousands of United States dollars)

<i>Line description</i>	<i>Balances as at 31 December 2024, as reported in 2024 financial statements</i>	<i>Restatement following adoption of IPSAS 43: Leases</i>	<i>Balances as at 1 January 2025, following restatement</i>
Right-to-use assets	-	45,123	45,123
Lease liabilities	-	49,741	49,741

Also as a result of adopting IPSAS 43: Leases, UN-Women recorded an additional \$1.4 million in expenses during 2025.

Revenue and expenses

While UN-Women recognizes contribution revenue in accordance with IPSAS requirements, it also monitors additional performance measures to provide a more comprehensive view of its funding, including contributions received, contributions committed under signed agreements but not yet paid, and the value of contribution agreements signed during the year.

For regular resources, contribution revenue amounted to \$142.0 million in 2025 (2024 (restated): \$153.2 million), which was recognized upon receipt of cash in accordance with IPSAS 47 requirements. Additional \$60.8 million was committed by donors based on signed agreements and is due for payment in future years (2024 (restated): \$43.2 million). Total contribution agreements signed during the year amounted to \$158.8 million (2024: \$97.6 million), with the year-on-year increase reflecting the cyclical nature of agreements for regular resources, which tend to peak in the period preceding a new Strategic Plan when multi-year funding arrangements are concluded.

For other (earmarked) resources, revenue recognized amounted to \$413.1 million (2024 (restated): \$408.1 million). Under IPSAS 47, revenue for earmarked contributions—other than fully flexible direct funding to Strategic Notes—is recognized as obligations from associated contribution agreements are fulfilled following the incurrence of eligible expenses, while revenue for fully flexible funding is recognized upon receipt of cash. Contributions received during 2025 totaled \$382.1 million (2024: \$429.9 million), with a further \$335.1 million (2024: \$383.2 million) committed under signed agreements, to be received in future periods. The value of earmarked contribution agreements signed during the year amounted to \$313.6 million, a decrease from \$432.3 million in 2024.

Table 4 below shows top donors to UN-Women based on contributions received during the year.

Table 4: Top 20 donors to UN-Women in 2025 by voluntary contributions received

(Thousands of United States dollars)

	<i>Regular resources</i>	<i>Other resources</i>	<i>2025</i>	<i>2024</i>
Multi-Partner Trust Fund Office	-	70,779	70,779	63,435
European Commission	-	59,207	59,207	37,805
Sweden	8,915	27,505	36,420	41,430
Germany	23,132	12,941	36,073	39,846
Finland	21,789	5,090	26,879	29,606
Norway	8,743	16,626	25,369	29,228
United Kingdom	4,400	16,554	20,954	17,286
Denmark	10,478	10,126	20,604	20,180
Australia	4,894	15,220	20,114	16,958
Canada	4,770	14,963	19,733	30,205
Switzerland	13,973	5,251	19,224	25,802
Spain	5,108	12,664	17,772	4,322
Japan	3,960	11,770	15,730	23,397
Republic of Korea	3,074	10,543	13,617	18,057
Netherlands	7,834	4,257	12,091	13,574
Peacebuilding Fund	-	9,566	9,566	11,642
United Nations Development Programme	-	7,074	7,074	3,791
Ireland	2,312	4,463	6,775	5,498
Luxembourg	3,368	2,114	5,482	6,349
Belgium	4,695	587	5,282	5,366
All other donors	9,657	64,791	74,448	137,978
Total contributions received	141,102	382,091	523,193	581,755

Total expenses incurred by UN-Women in 2025 amounted to \$638.4 million, representing the highest level on record (2024: \$622.8 million). The increase was primarily attributable to higher programme partner expenses, which increased by \$31.6 million, and employee benefits, which rose by \$15.1 million due to increased costs. This was partially offset by a decrease of \$15.5 million in travel costs, reflecting management's efforts to enhance cost efficiency in this area through measures such as increased use of remote participation and more effective travel planning, including smaller delegations and strengthened advance booking practices.

Table 5 presents total expenses recognized in 2025 and 2024, disaggregated by nature, with 2025 amounts further broken down by funding source.

Table 5: Expenses by funding source

(Thousands of United States dollars)

	2025					2024
	Regular resources	Other resources	Regular budget funding	Elimination ^a	Total	
Employee benefits	91,918	120,832	11,646	-	224,396	209,295
Non-employee compensation	63,370	35,002	59	-	98,431	98,816
Contractual services	6,753	24,757	-	-	31,510	37,828
Programme partner expenses	7,931	142,230	-	-	150,161	118,542
Grants and capacity development of partners	2,824	30,583	-	-	33,407	36,344
Travel costs	7,457	15,639	138	-	23,234	38,759
Operating and other costs	84,147	55,465	1,177	(63,489)	77,300	83,186
Total expenses	264,400	424,508	13,020	(63,489)	638,439	622,770

^a Elimination column represents cost recovery and cost attribution internally charged by UN-Women to different funding sources to recover the indirect costs associated with implementation of other resources-funded programme activities, and to fund centrally managed costs. At year-end, these amounts are eliminated from total expenses, in line with IPSAS requirements.

Basis of the budget

Budgetary presentation in UN-Women's annual financial statements follows the same format as adopted for the integrated budget, 2024–2025, with the additional inclusion of funding from the regular budget of the United Nations for UN-Women's normative work of \$9.7 million for 2025 (2024: \$10.8 million) with resources originating from assessed contributions of Members States to the United Nations.

Final budget for voluntary resources (regular and other) amounted to \$662.4 million for 2025 (2024: \$684.6 million). Regular resources included in the budget cover the institutional budget and core programme expenditures with funding allocated based on a set methodology.

Table 6 provides comparison between the approved budget and expenditures incurred (actual amounts). Since approved budget is prepared on a modified cash basis and expenses are recognized on a full accrual basis, actual amounts in table 6 were adjusted and are reported on a budget-comparable basis. The main changes relate to the treatment of property, equipment and intangible assets, lease accounting, staff-related accrued benefits, commitments for the acquisition of goods and services, and programme advances.

The variance between the original and final budgets is primarily attributable to higher-than-expected contributions to other resources and lower-than-projected regular resources. Budgets for other resources are revised throughout their implementation cycles, which are frequently multi-year and not calendar-year based, to reflect evolving internal and external conditions, further contributing to the variance.

The extent to which the final budget was utilized over the reporting period is measured by the budget utilization rate, defined as actual amounts on a comparable basis as a proportion of the final budget.

Budget utilization rate ranged between 91.9 per cent to 99.6 per cent for all budget lines, except the regular budget funding and programme, indicating that actual spending was at par with final budget projections for these budget lines.

Utilization of the regular budget funding was at 117.1 per cent, primarily due to after-service health insurance charges applied by UN-Women across all payroll funding sources, while the regular budget funds these costs on a pay-as-you-go basis. It also reflects staff taxes and rent for 2025 reimbursable from the regular budget in 2026.

Utilization for programme budget line, which includes both regular and other resources, was 84.7 per cent. This lower rate reflects the inherent differences between the calendar year-based final budget and actual implementation especially for other resources, which evolves over time in response to delivery progress, changing external environment, and lessons learned leading to periodic reprogramming of resources throughout multi-year implementation cycles. As a result, resources are often carried forward to subsequent periods. Additional contributing factors include staff vacancies and cost-saving measures, such as reduced travel.

Table 6: Comparison of budget and actual amounts for the year ended 31 December 2025

(Thousands of United States dollars)

	2025			
	Original budget	Final budget	Actual amounts on comparable basis	Difference between final budget and actual amounts
Regular budget funding	11,443	9,727	11,388	(1,661)
Development activities				
Programme	502,117	560,815	475,220	85,595
Development effectiveness	26,594	25,768	25,748	20
Subtotal	528,711	586,583	500,968	85,615
United Nations development coordination	18,781	16,778	16,156	622
Management activities	47,872	50,575	50,433	142
Independent oversight and assurance activities				
Evaluation	3,082	3,251	3,225	26
Audit and investigations	2,781	2,422	2,378	44
Subtotal	5,863	5,673	5,603	70
Special purpose activities	3,100	2,800	2,573	227
Total budget	615,770	672,136	587,121	85,015
Total institutional budget	102,210	101,594	100,513	1,081