Original Research

Trend analysis of UNICEF's financial statements (2018–2022): Future implications and ethical issues

Priyank Algotar[1]*, Jinal Vaghela[1], Vishal Bhadaraka[2], Piyush Patel[2]

[1]Department of Community Medicine, GMERS Medical College, Vadnagar, District - Mehsana, Gujarat, India; [2]Dr. N. D. Desai Faculty of Medical Science and Research, Nadiad, Gujarat, India

*Correspondence: algotarpriyank@gmail.com https://orcid.org/0009-0007-4130-5838

DOI: https://doi.org/10.4038/jccpsl.v32i1.8881

Received on 19 Sep 2025
Accepted on 27 Jan 2026

Abstract

Introduction: UNICEF is a United Nations agency whose operations rely primarily on voluntary contributions. Financial sustainability depends not only on the quantum of funding but also on its predictability and flexibility. Recent years have witnessed major shifts in the structure of UNICEF's income coupled with internal discrepancies and ethical challenges. In India, UNICEF made a film actor - Ayushman Khurana brand ambassador to promote voluntary donations. UNICEF hires volunteers also to collect donations by doing house to house visits.

Objectives: To examine UNICEF's financial trends between 2018 and 2022, with a particular focus on changes in revenue composition, payroll funding discrepancies and ethical concerns in investment practices

Methods: A descriptive financial review was conducted using UNICEF's audited financial statements (2018–2022) and reports of the UN Board of Auditors. Analysis focused on the evolution of revenue sources, discrepancies in payroll allocation and compliance with UNICEF's ethical investment policies.

Results: UNICEF's total voluntary contributions increased from USD 6.5 billion in 2018 to USD 10.02 billion in 2022 (+54%). Regular resources declined by 19%, while earmarked emergency resources grew by 126%. A payroll discrepancy revealed 4,165 fewer staff in cost allocation records than in payroll, creating risks of under-recovery and budget distortions. Ethical inconsistencies were noted in UNICEF's external investments, with $4.09 million allocated to alcohol-related companies.

Conclusions & Recommendations: While UNICEF's revenue expanded significantly, declining flexible funds, payroll misalignments, and investment inconsistencies present operational, ethical and reputational challenges. Strengthening financial governance, enhancing transparency, and aligning ethical standards are critical to sustaining UNICEF's mission.

Key words: *UNICEF, Financial trends, Payroll, Ethical investment, Budget management*

Introduction

The United Nations Children's Fund (UNICEF) plays a pivotal role in advancing the health, nutrition and rights of children worldwide. As a specialized UN agency, it is unique in being funded almost entirely through voluntary contributions, making financial stewardship a cornerstone of its operations (1). Predictable and flexible resources are vital for UNICEF's ability to sustain long-term programmes, while earmarked and emergency resources often reflect short-term donor priorities

In recent years, UNICEF has faced profound challenges in its financial architecture (2-3). While its total revenue has risen substantially, the proportion of core resources has declined constraining organizational flexibility. Simultaneously, audited reports reveal operational issues including discrepancies in staff payroll and concerns over external investment practices (1, 4). These issues have implications not only for UNICEF's operational effectiveness but also for its credibility, governance and alignment with its child-centred mission. This systematic analysis shows a trend analysis of UNICEF's financial statements from 2018 to 2022, identifies systemic vulnerabilities in payroll management, and discusses ethical concerns in investment practices (1). The study also outlines recommendations to strengthen UNICEF's financial governance and enhance its accountability to stakeholders.

Methods

This study employed a descriptive and analytical review of UNICEF's financial statements covering a five-year period from 2018 to 2022 (1). Data were obtained from audited financial reports published by the UNICEF and official reports of the UN Board of Auditors. The review focused on three domains:

- Revenue composition and trend analysis across regular resources, other resources (regular) and other resources (emergency)
- Payroll funding and cost allocation discrepancies identified in 2022
- Investment practices, with attention to ethical compliance in internal and external portfolios

Quantitative trends in revenue were calculated as percentage changes across years, while qualitative analysis was used to interpret governance, operational and ethical implications.

Results

Between 2018 and 2022, UNICEF's voluntary contribution revenue grew by 54%, rising from USD 6.5 billion to USD 10.02 billion. The growth was driven primarily by a 79% increase in other resources, both regular and emergency (Figure 1):

- Regular resources: Declined by 19% from USD 1.63 billion (2018) to USD 1.32 billion (2022)
- Other resources - Regular: Increased by 48% from USD 2.94 billion to USD 4.35 billion
- Other resources - Emergency: More than doubled (+126%) from USD 1.93 billion to USD 4.35 billion
- UNICEF's voluntary contribution: Increased by 54% from USD 6.5 billion to USD 10.02 billion

Growth was driven mainly by other resources, both regular and emergency. Regular resources—the most flexible component—declined steadily, while emergency resources more than doubled, reflecting donor preference for crisis-driven funding.

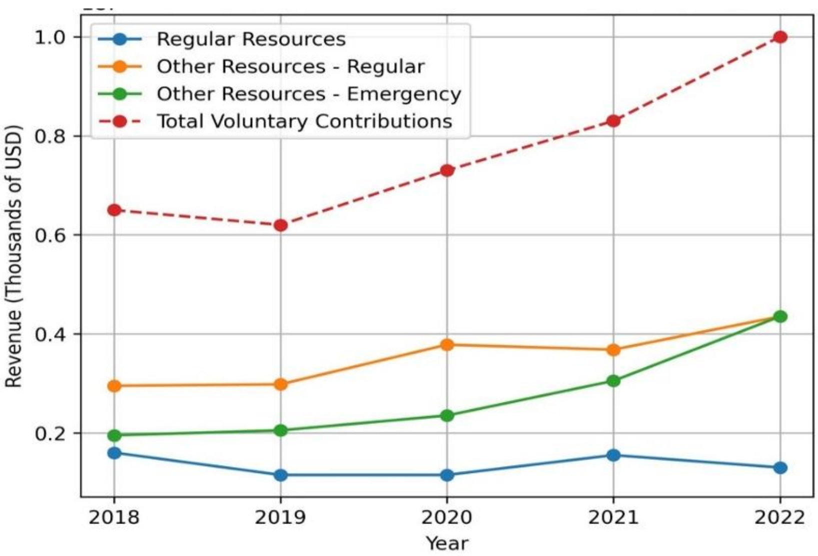

Figure 1: UNICEF five-year trend in revenue (2018-2022)

Payroll and staffing discrepancies

As of April 2023, UNICEF reported USD 8.54 million in unallocated payroll wages across 17 offices. Further, a headcount discrepancy emerged, with payroll system recorded as 18,490 and charge-back cost distribution reflected as 14,325, giving a net difference of 4165.

The payroll discrepancies underscore weaknesses in internal control systems and data integration between HR, finance, and shared services. The difference of more than 4000 staff between payroll and charge-back models indicates systemic lapses, which could lead to misallocation of costs, reduced cost recovery, and compromised workforce planning. If unresolved, such issues risk eroding donor trust and organizational efficiency. This misalignment risked inaccurate cost recovery, uneven office billing, and flawed workforce planning. Despite the overall revenue growth, UNICEF reported persistent payroll funding challenges. By April 2023, USD 8.54 million in staff wages remained unallocated across 17 offices, reflecting shortcomings in budget planning.

Ethical concerns in investments

In September 2022, UNICEF's external investment portfolio included USD 4.09 million in alcohol-related companies, representing 0.75% of the external portfolio (0.05% of total investments). Internal portfolios, however, followed stricter ethical restrictions. The inconsistency raised concerns regarding alignment with UNICEF's child-focused mission.

From an ethical standpoint, UNICEF's investment in alcohol-related companies—though financially minor—creates a perception of mission misalignment. While external portfolio rules are shared across UN agencies, the inconsistency between stricter internal policies and more lenient external ones undermines accountability. In an organization built on safeguarding children's welfare, even small deviations from ethical investment standards can have reputational consequences.

Discussion

The findings underscore a paradox: while total revenue increased, the quality of funding deteriorated due to declining regular resources. This shift reflects donors' growing preference for earmarked or emergency-driven support, undermining UNICEF's ability to sustain long-term development programs and stable staffing structures. Dependence on unpredictable emergency funding fosters a reactive rather than proactive operational model. The payroll shortfalls and staff headcount discrepancy highlight systemic weaknesses in data integration and internal controls between human resources (HR), finance and shared services. Inaccurate staffing figures risk budget misallocations, cost under-recovery and inefficiencies in strategic workforce planning. Unresolved, these discrepancies may compromise organizational credibility and donor confidence (5).

The investment inconsistency raises significant ethical concerns. While financially minor, investing in alcohol-related companies contradicts UNICEF's mission to safeguard child welfare. The misalignment between internal and external portfolio standards reflects governance gaps and exposes the organization to reputational risk. A harmonized investment policy across all portfolios would better reflect UNICEF's mandate and donor expectations

This study is subject to several limitations. First, the analysis is based exclusively on publicly available audited reports and therefore cannot account for internal corrective measures undertaken by UNICEF that are not disclosed. Second, the review covers only a five-year period (2018–2022), which may not reflect longer-term structural patterns. Third, while discrepancies and ethical concerns are highlighted, the study does not assess their operational impact in real time. Finally, the findings are specific to UNICEF and may not be generalizable to other UN agencies or international organizations.

Conclusions & Recommendations

UNICEF's financial performance between 2018 and 2022 shows both growth and vulnerabilities. While overall revenue increased, the decline in regular resources, payroll data discrepancies and investment inconsistencies highlight areas that require stronger monitoring and policy alignment. These findings should be interpreted cautiously as they rely on secondary sources and do not capture UNICEF's internal corrective actions. Strengthening budget oversight, system integration and harmonized investment policies can improve transparency and align operations more closely with UNICEF's mission.

UNICEF's financial growth between 2018 and 2022 conceals underlying vulnerabilities. The decline in regular resources, payroll funding shortfalls, staff data discrepancies and ethical inconsistencies in investments collectively highlight the need for stronger budget monitoring, system integration and unified investment standards. To strengthen financial resilience and accountability, UNICEF should advocate for predictable and flexible funding especially regular resources; integrate payroll, HR and finance systems with automated reconciliation; conduct routine audits of cost distribution models to prevent misallocation; and standardize ethical investment policies across all portfolios, internal and external.

Public Health Implications

- Sustained decline in regular (core) resources may weaken long-term investments in immunization, nutrition surveillance and primary child health system strengthening in low-resource settings.
- Payroll allocation discrepancies can affect operational efficiency, workforce stability and timely implementation of child health interventions.
- Strengthened financial governance and harmonized ethical investment policies are essential to maintain donor confidence and ensure sustainable financing for global child health.

Author Declarations

Competing interests: The authors declare that they have no competing interests.

Ethics approval and consent to participate: This study is based solely on publicly available financial data and does not involve human participants, animals, or personal data. Therefore, ethics approval was not required.

Funding: Self-funded

Author contributions: PA: Conceptualization, write up and correspondence; JV: Cross verification of data; VB: Data collection; PP: Data analysis

References

1. United Nations Children's Fund. *Financial Report and Audited financial statements for the year ended 31 December 2022 and Report of the Board of Auditors.* General Assembly, Official Records, 78th Session. Supplement No. 5C. New York: United Nations, 2023. Available from: https://www.unicef.org/executiveboard/media/28101/file/A-79-5-Add-3-Financial-report-UNBOA-2023-EN-ODS.pdf.
2. Iwunna O, Kennedy J, Harmer A. Flexibly funding WHO? An analysis of its donors' voluntary contributions. *BMJ Glob Health* 2023; 8(4): e011232. https://doi.org/10.1136/bmjgh-2022-011232.
3. Micah AE, Cogswell IE, Cunningham B, Ezoe S, Harle AC, Maddison ER, et al; Global Burden of Disease 2020 Health Financing Collaborator Network. Tracking development assistance for health and for COVID-19: a review of development assistance, government, out-of-pocket, and other private spending on health for 204 countries and territories, 1990-2050. *Lancet* 2021; 398(10308): 1317-1343. https://doi.org/10.1016/S0140-6736(21)01258-7.
4. Resource allocation processes at multilateral organizations working in global health. *Health Policy Plan* 2018; 33(suppl_1): i4-i13. https://doi.org/10.1093/heapol/czx140.
5. Yamey G, Jamison DT, Hanssen O, Soucat A. Financing global common goods for health: when the world is a country. *Health Syst Reform* 2019; 5(4): 334-349. https://doi.org/10.1080/23288604.2019.1663118.