

UNITED NATIONS BOARD OF AUDITORS HOLDS
SIXTY-SEVENTH SESSION AT UN HEADQUARTERS,
NEW YORK (23-24 JULY 2013)

The Board held its sixty-seventh regular session at the United Nations Headquarters, New York, from 23 to 24 July 2013 and approved 15 reports for the General Assembly.

The Board acknowledged the significant achievement by nine funds and programmes in successfully implementing the International Public Sector Accounting Standards (IPSAS) and for the first time producing IPSAS-compliant financial statements with unqualified audit opinions (one entity receiving an unqualified audit opinion with an emphasis of matter). This is a positive step towards modernising UN entities business administration. The new financial statements provide for the first time complete information on entities asset and liabilities and important insights into financial and operational performance.

The Board noted that each entity has more to do to improve its financial management and that work needs to be expedited to realise the benefits that IPSAS adoption can deliver. The challenge is now for entities to use the financial information under IPSAS as a platform for improved accountability, control and financial sustainability, as well as more cost-effective decision making and delivery of the vital services they deliver. This is all the more important given the fiscal and economic constraints and increased financial risks facing UN entities.

Other common themes identified in the reports on the nine entities included:

- Implementing partners are integral to UN entity's ability to deliver their core mandate, either through delivering projects or raising funds. The Board notes the continuing need to improve the management and enhance control or monitoring over partners, and scope for better sharing of information and best practices across entities.

- The need to strengthen core business functions through enhancing skills in financial management and accounting, human resource management, commercial and contract management and project management.
- The need to enhance corporate oversight, accountability and governance for globally dispersed operations.

The Board approved its latest annual progress reports on the implementation of IPSAS, the United Nations new enterprise resource planning system (Umoja), and the United Nations refurbishment of its headquarters campus in New York (the Capital Master Plan).

The Board noted that the Capital Master Plan (CMP) is substantially complete (albeit with a reduced scope) and that the effects of Hurricane Sandy have been contained. The compressed timetable for the General Assembly building renovation, however, is now extremely tight and is the most significant delivery risk, given the commitment to hold the General Assembly General Debate in the renovated building in September 2014.

The Board considered that the United Nations's Umoja project is on a much sounder footing and good progress has been made on recovery following the very significant problems and delays reported last year. This is a vital business transformation, and at the heart of the United Nation's drive to modernise its business administration. Very significant challenges remain if the United Nations is to deliver the new ways of working across a complex and fragmented organisation, and realise the financial and improved service delivery benefits that could arise from improved data and reporting, and streamlined and standardised business processes.

Notes for the press

International Public Sector Accounting Standards (IPSAS) are independently developed accruals based standards, written specifically for the public sector. They are more precise and detailed than the internally developed United Nations system accounting standards (UNSAS), leaving far less scope for inconsistent interpretation.

IPSAS are based on International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The nine funds and programmes that implemented IPSAS in 2012 were the United Nations Development Programme (UNDP), United Nations Children Fund (UNICEF), United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), United Nations Population Fund (UNFPA), United Nations Office for Project Services (UNOPS), United Nations High Commissioner for Refugees (UNHCR), United Nations Entity for Gender Equality and Empowerment for Women (UN-Women), United Nations Capital Development Fund (UNCDF) and the United Nations Joint Staff Pension Fund (UNJSPF).

The United Nations Secretariat will implement IPSAS implementation from 1 July 2013 for peacekeeping operations and 1 January 2014 for United Nations operations. The United Nations Board of Auditors (the 'Board') was established in 1946 by the General Assembly and comprises the heads of the Supreme Audit Institutions of three Member States. The Board certifies the accounts of the UN and its funds and programmes. It also provides reports covering a wide array of managerial and value for money issues. The overarching goal of the Board is to use the unique perspective of public external audit to hold UN entities to account for the use of public resources, and add value by identifying ways to improve the delivery of international public services.

The Board comprises Mr. Amyas Morse (Chair), Comptroller and Auditor General, United Kingdom of Great Britain and Northern Ireland, Mr. Liu Jiayi, Auditor-General of the National Audit Office of the People's Republic of China and Mr. Ludovick S.L. Utouh, Controller and Auditor-General of United Republic of Tanzania. Each member has a limited tenure of six years.

Further background information on the Board is available on the United Nations Board of Auditors' website (<http://www.un.org/en/auditors/board/reports.shtml>). The Boards current round of reports will be available on the website in September 2013.