



On behalf of the Board of Auditors (BoA) and my colleagues in the Audit Operations Committee, I have the honour to introduce to you the main findings from our second progress report on the implementation of the International Public Sector Accounting Standards (IPSAS) and our first progress report on the enterprise resource planning system (Umoja).

## **IMPLEMENTATION OF THE INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)**

### **Background**

In 2005, the UN decided to move its organisations from the internally developed

been done to develop a detailed implementation strategy, a key recommendation of the Board last year.

Despite the progress made, we consider that successful implementation of IPSAS within Peacekeeping Operations by mid July 2013 and the UN by January 2014 remains at high risk. Significant tasks, such as data collection and cleansing, remain to be completed, and the implementation environment is complex. So implementation is inherently risky.

*Table 1: Summary of the implementation of IPSAS in UN Peacekeeping Operations, 2010-2014*

The Board notes that senior management involvement and support, the availability of fit for purpose enterprise resource planning systems, and timely preparation of basic accurate accounting data are three important aspects that have aided the good progress made by these entities. There are, however, issues to be addressed, in particular:

- Ensuring that all key accounting data has been collected, cleansed and migrated. Despite its previous recommendations on these matters many entities had not yet completed their data cleansing exercises at the time of this report;
- Preparation of dry-run financial statements containing real accounting data ready for audit by the Board no later than 30 September 2012;

~~Developing benefits realisation plans and associated change management~~

The Board also requires that management in the respective Administrations are aware of:

benefits of the ERP system the organisation will need to introduce new ways of working  
and make changes to staff working practices roles and responsibilities. TI

existing business structure. Nor was due account taken of the wider inter-dependencies with other transformation projects, such as the implementation of International Public Sector Accounting Standards (IPSAS).

By way of final comment, our report reflects the position as at Spring 2012.