

United Nations  Nations Unies

BOARD OF AUDITORS

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FAX: (212)

producing financial information streamlined and enhanced to further improve the timeliness and quality of financial reporting.

The Board highlights that IPSAS is a platform for generating new information. It is how this information is used that is crucial to realising the potential benefit. Despite previous Board recommendations only one entity (UNJSPF) had completed and implemented its IPSAS benefits realisation plan. Understandably entities prioritised the technical implementation of the new accounting framework, although the Board acknowledges the progress made in planning for benefits.

While some early benefits have been highlighted by the Board (paragraph 15), work needs to be expedited to realise the benefits that IPSAS adoption can deliver. For example, with some exceptions, the Board notes limited progress on the production of new management accounting data and in improving financial reporting for management so that it has regular and on-going in-year information on financial performance to aid timely decision making.

The new financial statements provide new insights about entities' financial health and operational and financial performance. The Board has included some limited ratio analysis in most of the entity reports, which indicates that the entities concerned appear to be in a healthy financial position. The financial statements also for the first time provide, for example:

- More complete and accurate assessments of entities running costs (by matching income and expenditure exactly to the 789(:)-2.53585()]TJ /R17 12 Tf58(h)-0.956417(e)3.15789()-0

familiarise themselves with new instructions and processes, especially given other demands such as Umoja implementation.

- We highlight continuing risks to implementation (paragraphs 56-58 of the report), including those identified by peacekeeping missions and offices away from headquarters. Progress on asset data cleansing, the readiness of accounting guidance and systems, and the absence of dedicated local resource, are the main concerns.
- We note the enhanced governance of the project, including the strengthening of the Steering Committee and the appointment of a Project Assurance Officer. We stress the need to urgently address deficiencies identified by the Project Assurance Officer in the accuracy of project progress reports from the field.

Finally, I can assure you Chair that the Board remains fully committed to actively supporting and advising the UN on all aspects of IPSAS implementation.

Chair, this concludes my introduction. The Audit Operations Committee will as ever be