



General Assembly

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Agenda item 127

Resolution adopted by the General Assembly on 24 December 2010

[on the report of the Fifth Committee (A/65/594)]

65/243. Financial reports and audited financial statements, and reports of the Board of Auditors

The General Assembly,

Recalling its resolutions 50/222 of 11 April 1996, 51/218 E of 17 June 1997, 52/212 B of 31 March 1998, 53/204 of 18 December 1998, 53/221, section VIII, of 7 April 1999, 54/13 B of 23 December 1999, 55/220 A, B and C of 23 December 2000 and 12 April and 14 June 2001, 57/278 A of 20 December 2002, 60/234 A and B of 23 December 2005 and 30 June 2006, 61/233 A and B of 22 December 2006 and 29 June 2007, 62/223 A and B of 22 December 2007 and 20 June 2008, 63/246 A and B of 24 December 2008 and 30 June 2009, 64/227 of 22 December 2009 and 64/268 of 24 June 2010,

Having considered, for the period ended 31 December 2009, the financial reports and audited financial statements and the reports and audit opinions of the Board of Auditors on the United Nations,¹ the International Trade Centre UNCTAD/WTO,² the United Nations University,³ the United Nations Development Programme,⁴ the United Nations Children's Fund,⁵ the United Nations Relief and Works Agency for Palestine Refugees in the Near East,⁶ the United Nations Institute for Training and Research,⁷ the voluntary funds administered by the United Nations High Commissioner for Refugees,⁸ the Fund of the United Nations Environment Programme,⁹ the United Nations Population Fund,¹⁰ the United Nations Human

*Reissued for technical reasons on 19 September 2011.

¹ *Official Records of the General Assembly, Sixty-fifth Session, Supplement No. 5*, vol. I (A/65/5 (Vol.I)).

² *Ibid.*, vol. III and corrigendum (A/65/5 (Vol. III) and Corr.1).

³ *Ibid.*, vol. IV (A/65/5 (Vol. IV)).

⁴ *Ibid.*, *Supplement No. 5A* and corrigendum (A/65/5/Add.1 and Corr.1).

⁵ *Ibid.*, *Supplement No. 5B* (A/65/5/Add.2).

⁶ *Ibid.*, *Supplement No. 5C* (A/65/5/Add.3).

⁷ *Ibid.*, *Supplement No. 5D* (A/65/5/Add.4).

⁸ *Ibid.*, *Supplement No. 5E* (A/65/5/Add.5).

⁹ *Ibid.*, *Supplement No. 5F* (A/65/5/Add.6).

¹⁰ *Ibid.*, *Supplement No. 5G* (A/65/5/Add.7).



Settlements Programme,¹¹ the United Nations Office on Drugs and Crime,¹² the United Nations Office for Project Services,¹³ the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994¹⁴ and the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991,¹⁵ the concise summary of principal findings and conclusions contained in the reports prepared by the Board of Auditors,¹⁶ the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its report on the United Nations for the biennium ended 31 December 2009¹⁷ and on the implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations funds and programmes for the financial period ended 31 December 2009,¹⁸ and the report of the Advisory Committee on Administrative and Budgetary Questions,¹⁹

1. *Accepts* the financial reports and audited financial statements and the reports and audit opinions of the Board of Auditors for the above-mentioned organizations;¹⁻¹⁵

2. *Approves* the recommendations and conclusions contained in the reports of the Board of Auditors;

3. *Endorses* the observations and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;¹⁹

4. *Notes with concern* the delay in the implementation of the International Public Sector Accounting Standards by all entities, from January 2010 to January 2012, with the United Nations and its entities further delaying implementation to January 2014;

5. *Decides* to consider the report requested in paragraph 19 of the report of the Advisory Committee on Administrative and Budgetary Questions¹⁹ in the context of the annual progress report of the Secretary-General on the International Public Sector Accounting Standards;

6. *Emphasizes* that the Board of Auditors shall be completely independent and solely responsible for the conduct of the audit;

7. *Decides* to consider further the reports of the Board of Auditors on the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia under the respective agenda items relating to the Tribunals;

8. *Commends* the Board of Auditors for the superior quality of its reports, in particular with respect to its comments on the management of resources and improving the presentation of financial statements;

¹¹ Ibid., *Supplement No. 5H* (A/65/5/Add.8).

¹² Ibid., *Supplement No. 5I* (A/65/5/Add.9).

¹³ Ibid., *Supplement No. 5J* (A/65/5/Add.10).

¹⁴ Ibid., *Supplement No. 5K* (A/65/5/Add.11).

¹⁵ Ibid., *Supplement No. 5L* (A/65/5/Add.12).

¹⁶ See A/65/169.

¹⁷ A/65/296, sects. I and II.

¹⁸ A/65/296/Add.1.

¹⁹ A/65/498.

9. *Takes note* of the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its report on the United Nations for the biennium ended 31 December 2009¹⁷ and on the implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations funds and programmes for the financial period ended 31 December 2009;¹⁸

10. *Reaffirms* its resolution 62/208 of 19 December 2007, in particular paragraphs 4, 10, 39, 40 and 86, and its resolution 64/289 of 2 July 2010, in particular the eighth preambular paragraph and paragraph 14;

11. *Notes* the concerns as contained in the qualified audit opinion of the Board of Auditors on the financial statements of the United Nations Population Fund for the biennium ended 31 December 2009, also notes the measures taken so far by the Fund in this regard, including strengthening internal control and increasing capacity in decentralized offices, and requests the Fund to further implement the recommendations of the Board;

12. *Notes with deep concern* the recurrence of system-wide problems previously identified by the Board of Auditors with regard to the improper management of non-expendable and expendable property;

13. *Recognizes* that the improper management of non-expendable and expendable property poses a financial and reputational risk to the Organization and, in this regard, calls upon the Secretary-General to take swift action to address the concerns identified by the Board of Auditors at all management levels, and to develop timelines, with benchmarks to monitor progress towards better recordkeeping;

14. *Recognizes also* the value of the observations and recommendations with regard to the efficiency of the administration and management of the United Nations and its funds and programmes, including the financial procedures, the accounting systems and the internal financial controls, without compromising the quality of the financial audit, and supports the continuation of these efforts;

15. *Reiterates its request* to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board of Auditors and the related recommendations of the Advisory Committee on Administrative and Budgetary Questions in a prompt and timely manner and to continue to hold programme managers accountable for non-implementation of the recommendations;

16. *Requests* the Secretary-General to provide in his reports on the implementation of the recommendations of the Board of Auditors on the accounts of the United Nations, as well as on the financial statements of its funds and programmes, a full explanation for the delays in the implementation of the recommendations of the Board, in particular those recommendations not yet fully implemented that are two or more years old;

17. *Also requests* the Secretary-General to indicate in future reports an expected time frame for the implementation of the recommendations of the Board of Auditors, as well as the priorities for their implementation and the office holders to be held accountable.

*73rd plenary meeting
24 December 2010*