



General Assembly

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Agenda item 131

Resolution adopted by the General Assembly on 24 December 2011

[on the report of the Fifth Committee (A/66/626)]

66/232. Financial reports and audited financial statements, and reports of the Board of Auditors

The General Assembly,

Recalling its resolutions 64/227 of 22 December 2009, 64/268 of 24 June 2010, 65/243 A of 24 December 2010 and 65/243 B of 30 June 2011,

Having considered the financial report and audited financial statements and the report of the Board of Auditors on the voluntary funds administered by the United Nations High Commissioner for Refugees for the year ended 31 December 2010,¹ the note by the Secretary-General transmitting to the General Assembly the letter dated 12 July 2011 from the Chair of the Board of Auditors transmitting the report of the Board on the implementation of its recommendations relating to the biennium 2008–2009² and the related report of the Advisory Committee on Administrative and Budgetary Questions,³

1. *Accepts* the financial report and audited financial statements and the report and audit opinion of the Board of Auditors on the voluntary funds administered by the United Nations High Commissioner for Refugees for the year ended 31 December 2010;¹

2. *Approves* the recommendations of the Board of Auditors;⁴

3. *Takes note* of the note by the Secretary-General transmitting to the General Assembly the letter dated 12 July 2011 from the Chair of the Board of Auditors transmitting the report of the Board on the implementation of its recommendations relating to the biennium 2008–2009;²

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

¹ *Official Records of the General Assembly, Sixty-sixth Session, Supplement No. 5E (A/66/5/Add.5).*

² A/66/139.

³ A/66/377.

⁴ See *Official Records of the General Assembly, Sixty-sixth Session, Supplement No. 5E (A/66/5/Add.5)*, chap. II.



5. *Commends* the Board of Auditors for the continued high quality of its report and the streamlined format thereof;

6. *Also commends* the Board of Auditors for its identification of common reasons for the lack of full implementation of the recommendations, as well as for good practices in relation to the implementation and follow-up of its reports;

7. *Invites* the Office of the United Nations High Commissioner for Refugees (UNHCR) to resume its efforts to develop, as a matter of priority, a simple organization-wide risk management approach without imposing onerous burdens on country operations;

8. *Acknowledges* the improvements made by the Office of the United Nations High Commissioner for Refugees (UNHCR) to implement the recommendations of the Board of Auditors, notes the concerns of the Board about the significant deficiencies found in the Office of the United Nations High Commissioner for Refugees (UNHCR) in matters relating to internal control and the management of assets, requests the Office of the United Nations High Commissioner for Refugees (UNHCR) to continue to implement the recommendations of the Board, and encourages the Office of the United Nations High Commissioner for Refugees (UNHCR) to expeditiously develop an action plan with a time frame to address the concerns and systemic problems previously identified by the Board;

9. *Reiterates* the need to strengthen administrative and institutional measures to address the root causes of recurring issues and to minimize the ageing of the previous recommendations of the Board of Auditors;

10. *Recalls* paragraph 4 of the report of the Advisory Committee on Administrative and Budgetary Questions,⁵ and requests the Office of the United Nations High Commissioner for Refugees (UNHCR) to ensure that any future arrangements provide for a sound and reliable internal audit;

11. *Requests* the Advisory Committee on Administrative and Budgetary Questions to request the Board of Auditors to report on the internal audit arrangements in line with paragraph 1 (d) of the annex to the Financial Regulations and Rules of the United Nations;⁶

12. *Emphasizes* that the implementation of the International Public Sector Accounting Standards is a tool for establishing better accountability and financial management, and requests the Secretary-General and the Office of the United Nations High Commissioner for Refugees (UNHCR) to ensure the arrangements necessary to realize the maximum benefits of the implementation of the Standards;

13. *Notes with concern*, in this regard, the reservations expressed by the Board of Auditors about the Office of the United Nations High Commissioner for Refugees (UNHCR) completing the preparations necessary for the successful implementation of the International Public Sector Accounting Standards in 2012, and requests the Office of the United Nations High Commissioner for Refugees (UNHCR) to ensure the further intensification of its efforts so that its financial statements are fully compliant with the implementation requirements of the Standards within the scheduled time frame;

⁵ A/66/376.

⁶ ST/SGB/2003/7 and Amend.1.

14. *Reiterates its request* to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure the 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, to continue to hold programme managers accountable for the non-implementation of the recommendations and to effectively address the root causes of the problems highlighted by the Board;

15. *Reiterates its request* to 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 which have not yet been fully implemented that are two or more years old;

16. *Also reiterates its request* to the Secretary-General to continue to indicate an expected time frame for the implementation of the recommendations of the Board of Auditors and the priorities for their implementation, including the office holders to be held accountable and measures taken in that regard;

17. *Requests* the Secretary-General and the executive heads of the funds and programmes of the United Nations to consider, where they have not done so, exploring web-based follow-up systems, in line with lessons learned and best practices, to track the recommendations of the Board of Auditors, including the updated status of their acceptance, implementation and impact.

*93rd plenary meeting
24 December 2011*