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of the  
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Development Programme**

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UNFPA

P O L I C Y

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Amendments to UNFPA Financial Regulations

Summary

This document contains details of proposed amendments to UNFPA Financial Regulation 16.3, as recommended by the United Nations Board of Auditors, and the Information Annex to the UNFPA Financial Regulations, which contains additional terms of reference governing the audit of accounts by the United Nations Board of Auditors.

## I. BACKGROUND

1. In document DP/1984/61, the UNDP Administrator has proposed amendments to UNDP Financial Regulation 16.3 arising from a recommendation made by the United Nations Board of Auditors, and the Information Annex to these Regulations. As the UNFPA Financial Regulations are based on those of UNDP, the Executive Director proposes similar amendments to the UNFPA Financial Regulations. The UNDP Administrator has given detailed explanations of these proposed amendments in document DP/1984/61.

### Regulation 16.3

2. The words "for examination and opinion" are to be added to the existing text of Financial Regulation 16.3 which would then read as follows:

"Regulation 16.3: The accounts shall be submitted by the Executive Director, not later than 30 April following the end of each calendar year, to the United Nations Board of Auditors for examination and opinion".

### Information Annex - Additional terms of reference governing the audit of the United Nations

3. Article XII of the United Nations Financial Regulations, together with its annex, which provides the additional terms of reference governing the audit of the United Nations, are accordingly contained in an information annex to the UNFPA Financial Regulations and constitute an integral part thereof. At its thirty-eighth session, the General Assembly of the United Nations by decision 38/408 amended this annex to the Financial Regulations of the United Nations based on proposals made by the United Nations Board of Auditors and transmitted to the General Assembly by the Secretary-General. A copy of General Assembly decision 38/408 authorizing the amendments to the said annex is contained in the annex to this document.

4. The Executive Director proposes to reflect these amendments in the information annex to UNFPA Financial Regulations and to make no change to UNFPA Financial Regulation 17.1, so that the amended terms of reference governing the audit of the United Nations would apply equally to the audit of UNFPA.

5. These proposed changes are being submitted to the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the comments of ACABQ on these changes will be transmitted in its report (DP/1984/40) to the Council.

## II. RECOMMENDATION

6. The Executive Director recommends that the Governing Council:

(a) Approve the amendment to Regulation 16.3 of the UNFPA Financial Regulations, relating to the submission of annual accounts to the United Nations Board of Auditors;

(b) Note the amendments to the annex to the Financial Regulations of the United Nations, approved by the General Assembly in its decision 38/408, concerning additional terms of reference governing the audit of the United Nations, and note that these will consequently be reflected in the Information Annex to the UNFPA Financial Regulations;

(c) Request the Executive Director to revise the UNFPA Financial Regulations incorporating the above amendments thereto.

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Annex

GENERAL ASSEMBLY DECISION 38/408

Amendments to the annex to the Financial Regulations of the United Nations:  
Additional terms of reference governing the audit of the United Nations

Date: 25 November 1983  
Adopted without a vote

Meeting 71  
Report: A/38/492

The General Assembly decided to amend paragraphs 5, 6 and 8 of the annex to the Financial Regulations of the United Nations entitled "Additional terms of reference governing the audit of the United Nations", to read as follows:

Paragraph 5

"5. The Board of Auditors (or such of its officers as it may designate) shall express and sign an opinion on the financial statements in the following terms:

'We have examined the following appended financial statements, numbered ... to ..., properly identified, and relevant schedules of (name of the body) for the financial period ended 31 December 19... Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.'

and which states, as appropriate, whether:

(a) The financial statements present fairly the financial position as at the end of the period and the results of its operations for the period then ended;

(b) The financial statements were prepared in accordance with the stated accounting principles;

(c) The accounting principles were applied on a basis consistent with that of the preceding financial period;

(d) Transactions were in accordance with the Financial Regulations and legislative authority."

Paragraph 6

"6. The report of the Board of Auditors to the General Assembly on the financial operations of the period should mention:

..."

Paragraph 8

"8. Whenever the scope of the audit of the Board of Auditors is restricted, or whenever the Board is unable to obtain sufficient evidence, it shall refer to the matter in its opinion and report, making clear in its report the reasons for its comments and the effect on the financial position and the financial transactions as recorded."

and to add a new paragraph 10, as follows:

"10. The Board is not required to mention any matter referred to in the foregoing which, in its opinion is insignificant in all respects."

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