

# Financial report and audited financial statements

**for the year ended 31 December 2015  
and Report of the Board of Auditors**

# IPSAS Financial Statements

## 2015 Statement of Financial Position

- Assets \$449.2m (2014: \$427.3m)
  - Includes Cash, Investments, Receivables, Advances, Other assets, Inventory and Property, plant and equipment, Intangible assets and Other assets
  
- Liabilities \$90.7m (2014: \$81.7m)
  - Includes Accounts payables, Employee benefits and Other liabilities
  
- Net Assets \$358.5m (2014: \$345.6m)

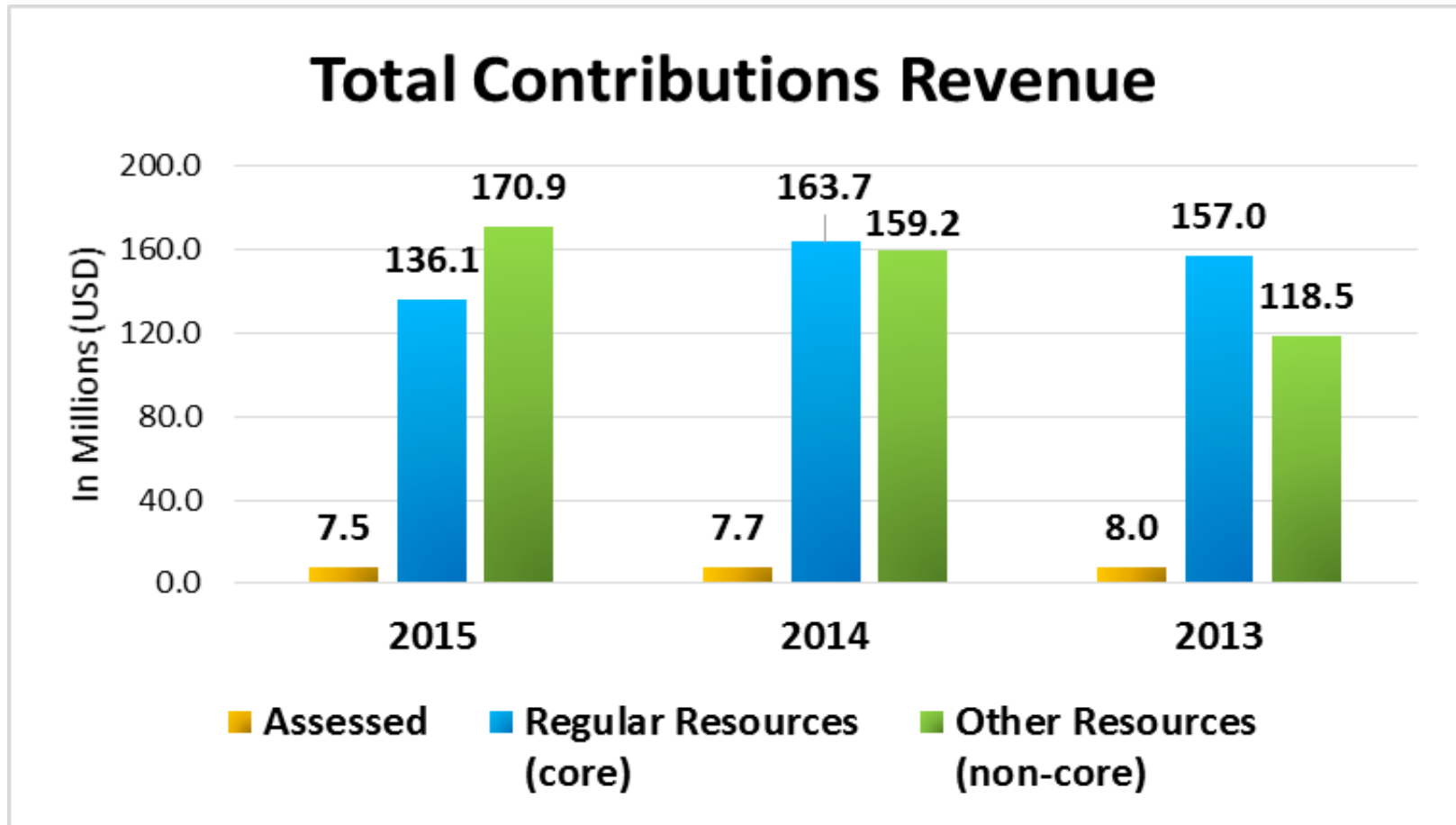
# IPSAS Financial Statements

## 2015 Statement of Financial Performance

- Revenue \$318.9m (2014: \$332.9m)
  - Includes Voluntary contributions, Assessed contributions, Investment income, Other revenue and Exchange revenue
  
- Expenditures \$314.9m (2014: \$270.5m)
  - Includes Employee benefits, Contractual services, Grants and other transfers, Supplies and maintenance, Operating costs, Travel costs, Depreciation, Finance costs and Other expenses
  
- Surplus for the year \$4.0m (2014: \$62.4m)

# IPSAS Financial Statements

## 2015 Statement of Financial Performance



# IPSAS Financial Statements

## Comparison of Budget vs. Actual amounts

Activities	Final Budget (Millions of USD)	Actuals (Millions of USD)	Variances (Millions of USD)
<b>Regular budget activities</b>	<b>7.7</b>	<b>8.6</b>	<b>(0.9)</b>
<b>Development activities:</b>	<b>350.9</b>	<b>323.1</b>	<b>27.8</b>
<i>Programme</i>	<i>257.6</i>	<i>240.6</i>	<i>17.0</i>
<i>Institutional budget</i>	<i>93.3</i>	<i>82.5</i>	<i>10.8</i>
<b>Total</b>	<b>\$358.6</b>	<b>\$331.7</b>	<b>26.9</b>

# Unqualified Audit Opinion

- Audit opinion issued by the UN Board of Auditors:
- “In our opinion, the financial statements present fairly, in all material respects, the financial position of UN-Women as at 31 December 2015 and its financial performance and cash flows for the year then ended in accordance with IPSAS.”

# Three Key Audit Findings out of 17 Issued in 2015

## Finding #1:

Delayed financial closure of projects in Atlas

## UN-Women Response:

- Need to dedicate more staff capacity and automation
- Measures to address the issue:
  - ✓ Extensive trainings and updated project closure checklist
  - ✓ New dashboard tool
  - ✓ Month-end closure instructions
  - ✓ New regional offices & headquarters working group reviewing design of automated tool



# Three Key Audit Findings out of 17 Issued in 2015

## Finding #2:

Long-outstanding project advances

## UN-Women Response:

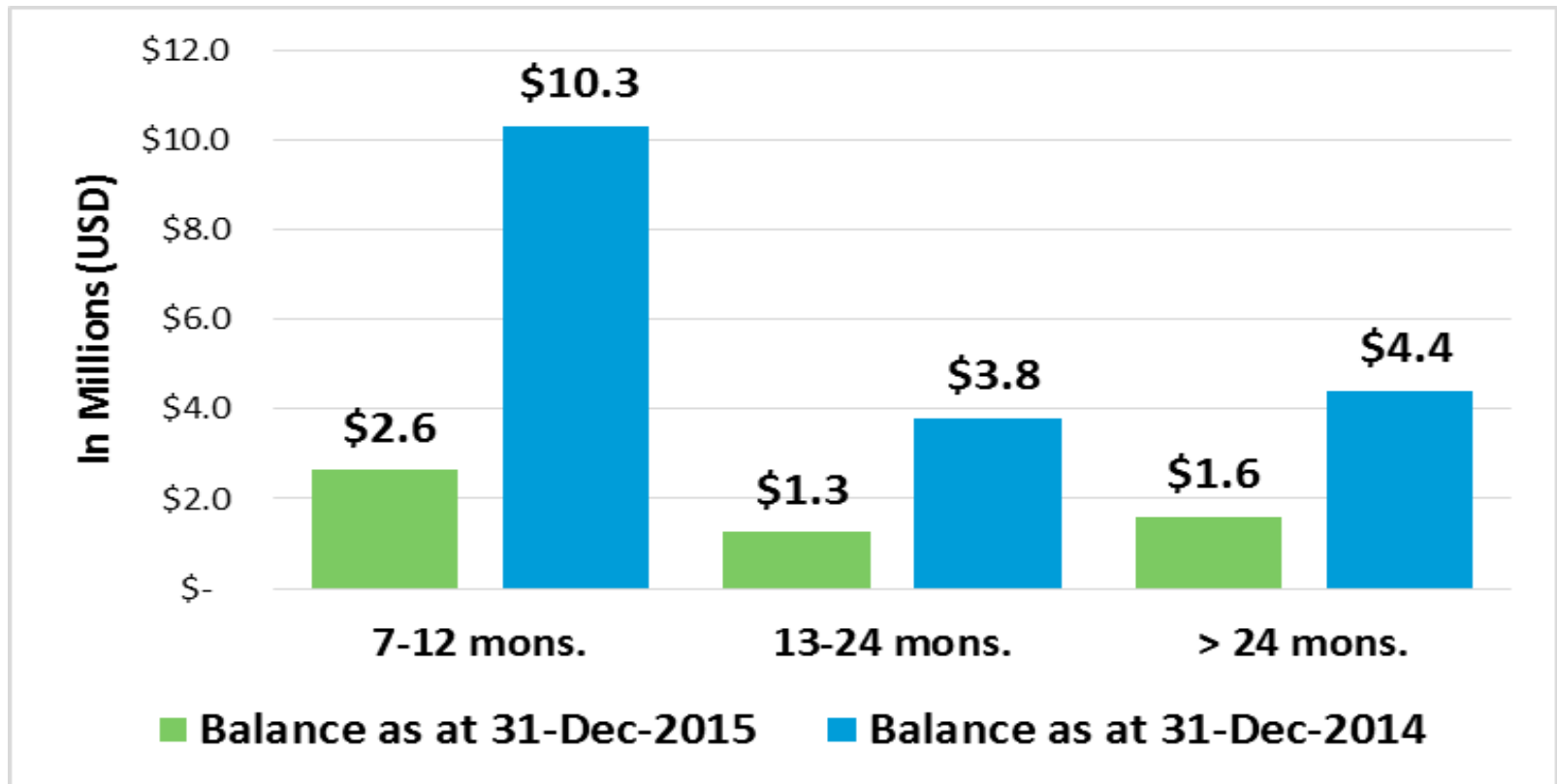
- Significant reduction **2015 \$5.2m vs 2014 \$18.4m** for advances older than 7 months
- Measures to address the issue:
  - ✓ New automated aged partner advance reports live in April 2016
  - ✓ Due diligence policy on liquidation of unrecoverable advances
  - ✓ New corporate training of partners and recurrent training of staff
  - ✓ Revision of capacity assessment policies for partners
  - ✓ Monthly monitoring of County Office follow up actions by Regional Offices
  - ✓ New regional offices & headquarters working group to monitor liquidation of all advances > 7 months



# Three Key Audit Findings out of 17 Issued in 2015

## Finding #2:

Long-outstanding project advances



# Three Key Audit Findings out of 17 Issued in 2015

## Findings #3:

Lack of awareness training on information security

## UN-Women Response:

- 2015 Information security programme provided information security guidance through information circulars
- Measures to address the issue:
  - ✓ January 2016 contracted United Nations International Computing Centre (ICC) to create Information security awareness training
  - ✓ Training will be rolled out in October 2016



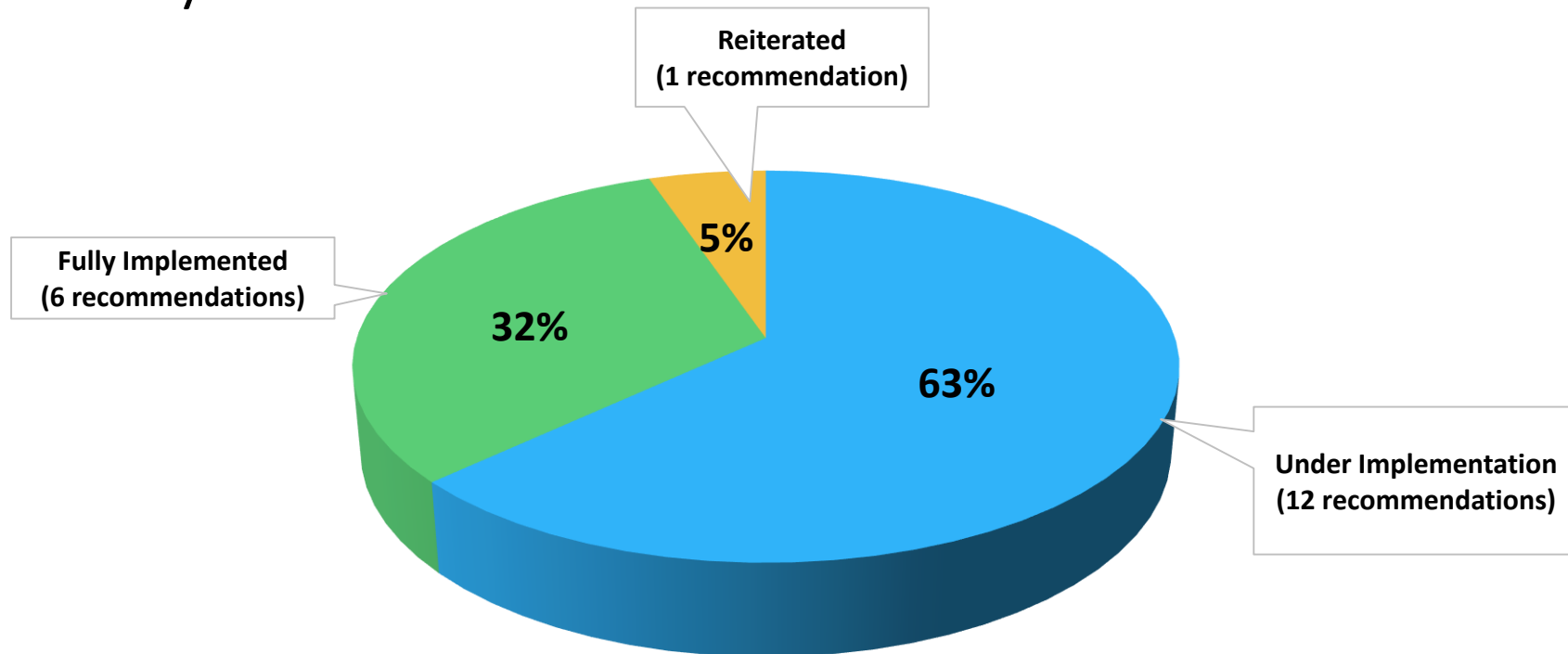
# Current Year's Recommendations

## Implementation status for 2015 Audit recommendations since June 2016:

- Two recommendations already implemented
  - ✓ ICT Board membership and terms of reference updated
  - ✓ Information Security Awareness training program developed
- 15 recommendations under implementation

# Prior Years' Recommendations for 2012 to 2014

Prior years' recommendation status:



# Implementation dates for all outstanding audit recommendations as at 31 August 2016

<b>Due Date*</b>	<b># of recommendations</b>	<b>% of total recommendations</b>	<b>Cumulative % of implementation</b>
<b>Q3 2016</b>	<b>2</b>	<b>7%</b>	<b>7%</b>
<b>Q4 2016</b>	<b>11</b>	<b>39%</b>	<b>46%</b>
<b>Q1 2017</b>	<b>7</b>	<b>25%</b>	<b>71%</b>
<b>Q2 2017</b>	<b>3</b>	<b>11%</b>	<b>82%</b>
<b>Q3 2017</b>	<b>1</b>	<b>4%</b>	<b>86%</b>
<b>Q4 2017</b>	<b>4</b>	<b>14%</b>	<b>100%</b>
<b>Total</b>	<b>28</b>	<b>100%</b>	

\* Due date per Secretary General's report on "Implementation of the recommendations of the Board of Auditors on the financial statements of the United Nations funds and programmes for the financial period ended 31 December 2015"

# Thank You

## Comments and Questions