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Financial reports and audited financial statements, and reports of the Board of Auditors

Report of the Fifth Committee

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I. Introduction

1. The previous recommendation made by the Fifth Committee to the General Assembly under agenda item 115 appears in the report of the Committee contained in document A/55/689.
2. The Fifth Committee resumed its consideration of the item at its 49th and 50th meetings, on 20 and 22 March 2001. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/55/SR.49 and 50).
3. For its further consideration of the item, the Committee had before it the note by the Secretary-General transmitting the comments of the Board of Auditors concerning action taken by the United Nations Development Fund, the United Nations Population Fund and the United Nations International Drug Control Programme towards removing the reasons for the qualified audit opinion on their financial statements for the biennium ended 31 December 1999 (A/55/820) and the report of the Advisory Committee on Administrative and Budgetary Questions thereon (A/55/836).

II. Consideration of draft resolution A/C.5/55/L.44

4. At the 50th meeting, on 22 March, the representative of Egypt, coordinator of the informal consultations on this item, introduced a draft resolution entitled "Financial reports and audited financial statements, and reports of the Board of Auditors" (A/C.5/55/L.44), which was submitted by the Chairman on the basis of informal consultations.



5. At the same meeting, the Committee adopted draft resolution A/C.5/55/L.44 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financial reports and audited financial statements, and reports of the Board of Auditors

The General Assembly,

Recalling its resolution 55/220 of 23 December 2000,

Having considered the note by the Secretary-General transmitting the comments of the Board of Auditors concerning action taken by the United Nations Development Programme, the United Nations Population Fund and the United Nations International Drug Control Programme towards removing the reasons that led to the qualified audit opinion on their financial statements for the biennium ended 31 December 1999,¹

Having also considered the related report of the Advisory Committee on Administrative and Budgetary Questions,²

1. *Takes note* of the comments of the Board of Auditors contained in the note by the Secretary-General;¹

2. *Endorses* the observations and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;²

3. *Accepts* the financial reports and audited financial statements and reports and qualified audit opinions of the Board of Auditors regarding the United Nations Development Programme,³ the United Nations Population Fund⁴ and the Fund of the United Nations International Drug Control Programme⁵ for the biennium ended 31 December 1999;

4. *Requests* the United Nations Development Programme, the United Nations Population Fund and the United Nations International Drug Control Programme to adhere to the plans they submitted to the Board of Auditors to correct the deficiencies which led to the qualified audit opinions of the 1998-1999 financial statements for the biennium ended 31 December 1999 and to take all the necessary steps to prevent such shortcomings from occurring again.

¹ A/55/820.

² A/55/836.

³ *Official Records of the General Assembly, Fifty-fifth Session, Supplement No. 5A* (A/55/5/Add.1), chap. IV.

⁴ *Ibid.*, *Supplement No. 5G* (A/55/5/Add.7), chap. V.

⁵ *Ibid.*, *Supplement No. 5I* (A/55/5/Add.9), chap. IV.