2016 financial statements year

- Unqualified audit opinion
- Continued improvement in quality of financial statements
- No key audit findings noted in the IPSAS compliance area
- Observations noted in:
  - fundraising activities; investment management; inventory management; procurement and contract management; supply management; internal audit and investigations; and programme
- Last minute surprises in areas such as Workers’ compensation valuation and UNJSPF disclosures
Main changes in UNICEF Financial Statements

- End of IPSAS transitional provisions - additional 6,000 assets added to the financial records.

- ASHI investments managed by external fund manager included for the first time - expanded financial instrument disclosures.

- Segment note change - Regional split of expenses by segment.

- New IPSAS standards formally adopted on joint activities.
Other areas of audit concern

Financial accounting recommendations included in audit report

- Services in Kind
- Revenue recognition
- Fully depreciated assets still in use
- Value added tax exemption
- Alternate payee – HACT transfers

Other observations of concern noted during audit

- Discounting of receivables
- Review of actuarial valuation roll over data
- Expensing of IP advances at issuance
- Provision for refunds to donors
Current ongoing IPSAS activities

- Revenue recognition policy revision
- Disclosure of services in kind – SIK collection included in closure process
- Proper planning on ASHI data audit to ensure consistent with process