



**ASSEMBLY - 37TH SESSION**

**ADMINISTRATIVE COMMISSION**

**Agenda Item 72: Review of expenditures, approval of accounts and examination of Audit Reports for the financial years 2007, 2008 and 2009**

**FINANCIAL STATEMENTS AND REPORT OF THE EXTERNAL AUDITOR FOR THE FINANCIAL YEAR 2009**

(Presented by the Council of ICAO)

**EXECUTIVE SUMMARY**

This paper contains the Financial Statements of the Organization for the financial year 2009 and the corresponding Auditor's Report and opinion.

**Action:** The Council recommends that the Assembly:

- a) note the Auditor's Report relating to the 2009 accounts;
- b) approve the audited accounts of the Organization for the financial year 2009 contained in document 9942; and
- c) approve draft Resolutions proposed in the Appendix.

<i>Strategic Objectives:</i>	This working paper relates to Supporting Implementation Strategy 1 and does not relate to any Strategic Objective.
<i>Financial implications:</i>	Not applicable.
<i>References:</i>	Doc 7300, Convention on International Civil Aviation, Chapter VIII, Article 49 (f) Doc 7515, <i>The ICAO Financial Regulations</i> Doc 9902, <i>Assembly Resolutions in Force</i> (as of 28 September 2007)

## 1. INTRODUCTION

1.1 This working paper presents the Financial Statements of ICAO for 2009 along with the External Auditor's Report and Opinion.

## 2. REPORTS OF THE EXTERNAL AUDITOR

2.1 The External Auditors have provided the Auditor's Report in which contains an audit opinion on the Financial Statements of the Organization, without reservation stating, that the Financial Statements of the Organization for 2009 presented fairly, in all material respects, the financial position of the Organization as at 31 December 2009 and the results of its operations, and that the transactions of the Organization that came to their notice during their audit of the Financial Statements had, in all significant respects, been in accordance with the Organization's Financial Regulations and legislative authority.

2.2 The External Auditors did not produce a long form Audit Report, but included their main observations within the text of the Auditor's Report (Audit Opinion letter). Also, the Report on the Status of Implementation of prior year credit observations is no longer included as an Annex to the Financial Statements, but reported separately to the Council.

## 3. REVIEW BY THE COUNCIL

3.1 On 31 May 2010, the Council reviewed the Financial Statements of the Organization for the financial year 2009, and the Audit Report thereon (Document 9942). After careful consideration of the Financial Statements and the Report of the External Auditor to the Assembly, the Council agreed to transmit the document and to recommend action to the Assembly as reflected in the Draft Resolutions in the Appendix.

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## APPENDIX

### DRAFT RESOLUTIONS

#### **Resolution 72/5: Approval of the accounts of the Organization for the financial year 2009 and examination of the Audit Report thereon.**

*Whereas* the Financial Statements of the Organization for the financial year 2009, and the Report of the External Auditor to the Assembly thereon, submitted by the Cour des Comptes of France - a member of the Panel of External Auditors of the United Nations and Specialized Agencies - as the External Auditor of ICAO, have been submitted to the Assembly after being circulated to Contracting States;

*Whereas* the Council has examined the audit report, Financial Statements and the Report of the External Auditor and submitted the same to the Assembly for its review; and

*Whereas* in accordance with Chapter VIII, Article 49 (f) of the Convention, expenditures have been reviewed;

*The Assembly:*

1. *Notes* the Report of the External Auditor on the Financial Statements for the year 2009; and
2. *Approves* the audited Financial Statements for the financial year 2009.

#### **Resolution 72/6: Approval of those Financial Statements with respect to the United Nations Development Programme activities administered by ICAO as Executing Agency for the financial year 2009 and examination of the Audit Reports on the Financial Statements of the Organization which also cover the United Nations Development Programme accounts.**

*Whereas* those accounts showing the status of funds allocated to ICAO by the Administrator of the United Nations Development Programme and administered by ICAO as Executing Agency for the financial year 2009 as well as the Audit Report on the financial statements of the Organization, which also cover the United Nations Development Programme accounts, submitted by the Cour des Comptes of France, a member of the Panel of External Auditors of the United Nations and Specialized Agencies, as the External Auditor of ICAO, have been submitted to the Assembly after being circulated to Contracting States;

*Whereas* the Council has examined the Financial Statements and Report of the External Auditor and submitted these to the Assembly for its review and for submission to the Administrator of the United Nations Development Programme; and

*Whereas* the Financial Regulations and Rules of the United Nations Development Programme provide that Organizations of the United Nations system entrusted with the execution or implementation

of UNDP Programme activities shall transmit, to the Administrator for submission to the Executive Board, accounts showing the status of funds allocated to them by the Administrator and that such accounts shall bear audit certificates from the External Auditors of the Organizations and shall be accompanied by their reports.

*The Assembly:*

1. *Notes* the Report of the External Auditor on the Financial Statements of the Organization, which also cover those accounts relating to the United Nations Development Programme administered by ICAO as Executing Agency, for the financial year 2009;
2. *Approves* those accounts with respect to the United Nations Development Programme administered by ICAO as Executing Agency for the financial year 2009; and
3. *Directs* that the Financial Statements of the Organization, which also include accounts of the United Nations Development Programme administered by ICAO, and the Audit Report be transmitted to the Administrator of the United Nations Development Programme for submission to the Executive Board.

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