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Proposed programme budget for the biennium 2012-2013

Transitional measures concerning financial reporting by the Office of the United Nations High Commissioner for Refugees under the International Public Sector Accounting Standards

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered a note by the Secretary-General (A/66/352), by which the Secretary-General transmitted to the General Assembly a report of the United Nations High Commissioner for Refugees on transitional measures concerning financial reporting by the Office of the United Nations High Commissioner for Refugees (UNHCR) under the International Public Sector Accounting Standards (IPSAS).
2. During its consideration of the document, the Advisory Committee met with the Deputy High Commissioner and other representatives of the High Commissioner, who provided additional information and clarification.
3. The Advisory Committee recalls that the General Assembly, in its resolution 60/283, approved the adoption of IPSAS by the United Nations in replacement of the United Nations System Accounting Standards (UNSAS). UNHCR indicated in the report to the General Assembly (A/66/352, para. 2) that it aims to be compliant with IPSAS as of 1 January 2012. In this connection, the financial rules for voluntary funds administered by the High Commissioner for Refugees, which are currently in accordance with UNSAS, are being revised and will be submitted to the Executive Committee of the High Commissioner's Programme for its approval at its sixty-second session, to be held from 3 to 7 October 2011.
4. The Advisory Committee was informed by UNHCR that the proposed revisions to the UNHCR financial rules for voluntary funds would be required in order for the Office to be compliant with IPSAS. The Committee was also informed that a draft of the proposed revisions had been sent to the Board of Auditors and to the Office of Internal Oversight Services (OIOS) for comment. Upon enquiry, the Advisory Committee received copies of the correspondence from the Board and OIOS to



UNHCR. The Advisory Committee also exchanged views with the Board of Auditors regarding the proposed revisions to UNHCR financial rules for voluntary funds. **The Advisory Committee has no major objections to the proposed revisions to the UNHCR financial rules for voluntary funds.** The views of the Advisory Committee on the revisions are contained in section IV of its report on the proposed biennial programme budget 2012-2013 of UNHCR (A/AC.96/1100/Add.1).

5. UNHCR further indicated in its report to the General Assembly that, subject to the approval by the Executive Committee, its financial rules for voluntary funds are promulgated by the High Commissioner. They govern all financial activities pertaining to UNHCR voluntary funds and must be consistent with the Financial Regulations of the United Nations (A/66/352, para. 3).

6. However, noting the timing of the revision of the Financial Regulations and Rules of the United Nations to comply with IPSAS, UNHCR requested, for the sole purpose of its timely implementation of IPSAS, the General Assembly to authorize UNHCR to apply mutatis mutandis the Financial Regulations and Rules to its voluntary funds accounting processes and financial reporting in a manner that allows it to be compliant with IPSAS as of 1 January 2012 (A/66/352, para. 4). **The Advisory Committee has no objection to this request.**
