

**OPENING REMARKS AT FIFTH COMMITTEE
BY MR. LIU YU CHAIR, AUDIT OPERATIONS COMMITTEE (AOC)
OF THE BOA OF AUDITORS (BoA)
FRIDAY, 12TH OCTOBER 2012
IN CONNECTION WITH
THE REPORTS OF THE BOA**

Good morning Mr. Chairman and Distinguished Delegates.

On behalf of the Board of Auditors (BoA) and my colleagues in the Audit Operations Committee, I have the honour to introduce to you the main findings from our reports and the audits conducted for the period 2010-11.

Firstly, I want to inform you that the Board of Auditors has undergone a change in its composition. In July this year, the Auditor General of South Africa was replaced by the Controller and Auditor General of Tanzania. This change in Board membership had no impact on the responsibility for the reports before you today. Mr. Ravhuhali, Director, South Africa is available to the Committee for the discussion of the South Africa portfolio of reports. In the meantime the Board has made every effort to facilitate a smooth handover between the two Board members to ensure continuity in the service to the Fifth Committee.

Mr. Chairman,

Audit Opinions

This biennium, in terms of audit opinions, for the 18 organisations audited (including PKO), 16 entities received clear audit opinions. Two entities, UN-Women and UNRWA, as opposed to 8 in 2008-2009, were given opinions with either an ‘

Key messages in the long form reports

This

Asset Management

There were weaknesses in stewardship of assets, including both expendable and non

cent. In essence there was lack of effective oversight by UNICEF of the activities of National Committees.

Governance

In general, all deficiencies identified in the report through the Board's work across all entities this biennium can be linked to weaknesses in governance, which include weaknesses in:

- a) a clear and well understood systems of accountability;
- b) internal control framework; and
- c) effective organisational level risk management.

This concludes our brief introduction of the Board's report for the period of 2010/11. Thank you very much for this opportunity to communicate with the Fifth Committee on the main results of the BoA reports. My colleagues and I will endeavor, as always, to answer any questions you may have during the informal session of the Committee.

Liu YU
Director of External Audit, China
Chairman of the Audit Operations Committee