Management response to the report of the Board of Auditors on the financial statements for the year ended 31 December 2016
Assets $457.5m (2015: $449.2m)
- Includes Cash, Investments, Receivables, Advances, Other assets, Inventory and Property, plant and equipment, Intangible assets and Other assets

Liabilities $109.8m (2015: $90.7m)
- Includes Accounts payables, Employee benefits and Other liabilities

Net Assets $347.7m (2015: $358.5m)
Revenue $334.6m (2015: $319m)
- Includes Voluntary contributions, Assessed contributions, Investment income, Other revenue and Exchange revenue

Expenditures $340m (2015: $314.9m)
- Includes Employee benefits, Contractual services, Grants and other transfers, Supplies and maintenance, Operating costs, Travel costs, Depreciation, Finance costs and Other expenses

Deficit for the year $5.5m (2015: surplus $4m)
### IPSAS Financial Statements

**Comparison of Budget vs. Actual amounts (millions of USD)**

<table>
<thead>
<tr>
<th>Activities</th>
<th>Budget</th>
<th>Actual Expenditure</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regular budget activities</strong></td>
<td>7.7</td>
<td>8.7</td>
<td>(1.0)</td>
</tr>
<tr>
<td>Development activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Programme</strong></td>
<td>383.2</td>
<td>343.8</td>
<td>39.4</td>
</tr>
<tr>
<td><strong>Institutional budget</strong></td>
<td>93.2</td>
<td>78.7</td>
<td>14.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$390.9</td>
<td>$352.5</td>
<td>38.4</td>
</tr>
</tbody>
</table>
Audit opinion issued by the UN Board of Auditors:

“In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of UN-Women as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with IPSAS.”

“Furthermore, in our opinion, the transactions of the UN-Women that have come to our notice or that we have tested as part of our audit have, in all significant respects, been in accordance with the Financial Regulations and Rules of the UN-Women and legislative authority.”
Prior Years’ Audit Recommendations

➢ Implemented **83%** (or 25 recommendations) of the 30 prior years’ recommendations issued as at 31 December, 2015

➢ Significant 51 percentage points increase in implementation rate (2015 32%)

➢ On-track on the implementation of the remaining 5 recommendations issued in years 2014 and 2015
Three Key Audit Findings out of 20
Issued in 2016

Key Finding #1:
Need follow-up plans on risk mitigation actions

UN-Women Actions:
- Established procedure and design of controls to ensure follow-up of risk mitigating actions
- Additional OneApp upgrade for a task management module to facilitate follow-up on risk mitigation actions
- ERM OneApp System upgrades done to include:
  ✓ Mitigation actions due date
  ✓ Mitigation actions owner
Key Finding #2:

Need policy on establishment of programme and field presence

UN-Women Actions:

- Corporate evaluation on regional architecture completed
- Country presence assessment tool being developed to define criteria for establishment
- Policy and guidance on establishment of programme presence to be rolled out together with the tool
Key Finding #3:

a) Improve management of ICT user access
b) Improve ICT gateway protections

UN-Women Actions:

➢ Built formal processes for managing user access rights
➢ Reviewing and enhancing ICT Section’s Infrastructure team to provide stronger advisory services to field offices and ensure compliance to ICT standards, including gateway protections
Other Audit Recommendations
Issued in 2016

Areas of findings:

➢ Financial Management
  * Staff advances

➢ Governance, accountability and business transformation
  * Standard Basic Assistance Agreement (2 field offices)
  * Policies and procedures for operating in crises conditions (rapid response procedures for HR deployed; for procurement and finance completed ready for deployment)
  * Assessment of UNDP services under the Service Level Agreements (6 field offices)
Other Audit Recommendations
Issued in 2016

Areas of findings:

➢ Programme and project management
  * Assessment and selection of implementing partners (6 field offices)
  * Implementing partners support costs (6 field offices)
  * Monitoring, Evaluation and Research Plans (6 field offices)
  * Donor reporting
  * Closure of projects
  * Advances to implementing partners
  * System support for NGO /NIM project audit activities
Other Audit Recommendations
Issued in 2016

Areas of findings:

➢ Asset management
  * Asset handling, controls and disposal (6 field offices)

➢ Human resources
  * Leave requests submission (6 field offices)
  * Staff performance assessment (6 field offices)
Other Audit Recommendations Issued in 2016

Areas of findings:

➢ Travel management [UN-Women assessed as “Implemented” by July 2017]

➢ Information communication and technology
  * Need to update job descriptions of IST staff to ensure proper segregation of duties;
  * Weaknesses in ICT asset disposal process [UN-Women assessed as “Implemented” by July 2017]
5 Remaining Prior Years’ Audit
Recommendations
issued in 2014 and 2015

Topics of 5 remaining prior years’ audit recommendations, on track with implementation:

1. Results Based Management (2014)
5. Enhance results based budgeting in line with harmonization requirements with other UN Agencies (2015) [UN-Women assessed as “Implemented” by July 2017]
Thank You