



2017
INTERNATIONAL YEAR
OF SUSTAINABLE TOURISM
FOR DEVELOPMENT



General Assembly

Twenty-second session
Chengdu, China, 11-16 September 2017
Provisional agenda item 10(III)(a)

A/22/10(III)(a)
Madrid, 29 June 2017
Original: English

Report of the Secretary-General

Part III: Administrative and statutory matters

(a) Closing of the Audited Financial Statements of the twentieth financial period (2014-2015)

I. Introduction

1. The present document presents the audited Financial Statements for the years ended 31 December 2014 and 2015, the budgetary cash balance of the Regular Budget and the Working Capital advance at 31 December 2015 for closure.
2. In accordance with the provisions of Article 23(2) of the Statutes, paragraph 11 of the Financing Rules attached to the Statutes, and regulation 17(2) of the Financial Regulations (FR), the audited Financial Statements for the two years of the twentieth financial period (2014-2015) were submitted to the Executive Council for examination at its 100th and 103rd sessions.
3. Accordingly, the audited Financial Statements for the year ended 31 December 2014 were examined and approved by the Executive Council at its 100th session (CE/DEC/11(C)), as reported to the twenty-first session of the General Assembly. The Assembly took note of them in resolution A/RES/648(XXI).
4. UNWTO implemented IPSAS (International Public Sector Accounting Standards) at 1 January 2014 and prepared the first UNWTO Financial Statements compliant with IPSAS for the year ended 2014 receiving an unqualified (clean) opinion by the External Auditors as shown in document CE/100/5(b). In the said report the External Auditors noted in particular that:

“Overall, the External Auditors have been impressed with the level of enthusiasm and energy with which the UNWTO tackled the implementation project of IPSAS, even with the limited staff of the IPSAS team....” (Paragraph 2)

“The efforts of UNWTO in moving to an internationally recognized accounting framework



will provide Member States and management with better financial information to use in managing the day to day business of the Organization. The benefits that IPSAS can now bring should be utilized to ensure that the efforts made contribute towards more efficient and effective use of resources as a result of the improved management information.” (Paragraph 33)

5. It should also be noted that the UN Joint Inspection Unit (JIU) management letter of July 2015 to the UNWTO Secretary-General on the “UNWTO efforts towards IPSAS compliance” included the following references as presented in document A/21/8(II)(b) Add.1:

“...the Inspector was impressed by the quality, the quantity and the diversity of the preparatory work undertaken and achieved in order to prepare the UNWTO for the implementation of IPSAS...” (Paragraph 1)

“The Inspector is of the opinion that... taking into account the limitations imposed on the financial and human resources for the IPSAS project and the limited time span...UNWTO secretariat applied the best possible strategy to ensure ‘unqualified and compliance of FS with IPSAS’...” (Paragraph 34)

6. In accordance with FR 17(2), the audited Financial Statements for the year ended 31 December 2015 were examined and approved by the Executive Council at its 103th session (CE/DEC/9(CIII)). The Executive Council reports on these Financial Statements to the twenty-second session of the General Assembly in document A/22/6.

II. Budgetary cash balance of the Regular Budget and Working Capital Fund advance of the twentieth financial period (2014-2015) at 31 December 2015

7. This section shows the budgetary cash balance of the Regular Budget and the Working Capital Fund (WCF) advance of the twentieth financial period (2014-2015) at 31 December 2015.

Budgetary cash balance of the Regular Budget and WCF advance of the twentieth financial period (2014-2015) at 31 December 2015

Euro

	2014	2015	2014-2015
Approved budget - Regular Budget	13,124,000.00	13,492,000.00	26,616,000.00
Budgetary cash balance	-906,599.16	372,645.87	-533,953.29
<i>Budgetary income</i>	<i>11,303,175.41</i>	<i>11,883,256.17</i>	<i>23,186,431.58</i>
Assessed contributions	10,659,175.41	11,340,256.17	21,999,431.58
Amount spent from the allocations approved by the GA	644,000.00	543,000.00	1,187,000.00
Allocation from accumulated surplus - RB	394,000.00	293,000.00	687,000.00
Allocation from accumulated surplus - Publications store	250,000.00	250,000.00	500,000.00
<i>Budgetary expenditure</i>	<i>-12,973,017.16</i>	<i>-13,061,287.95</i>	<i>-26,034,305.11</i>
Cash deficit/advance made from the WCF (FR 10.2(b))	-1,669,841.75	-1,178,031.78	-2,847,873.53
<i>Arrear contributions receipts in the financial year</i>	<i>763,242.59</i>	<i>1,550,677.65</i>	<i>2,313,920.24</i>
WCF accumulated balance, after reimbursement with arrears (FR 10.2(b))	-906,599.16	-533,953.29	-533,953.29

III. Actions to be taken by the General Assembly

8. The General Assembly is invited:

(a) To endorse Executive Council decision CE/DEC/11(C)) supported by resolution

A/RES/648(XXI) and decision (CE/DEC/9(CIII)) on the Financial Statements for the years ended 31 December 2014 and 2015, respectively;

(b) To approve the closing of the Audited Financial Statements of the twentieth financial period (2014-2015); and

(c) To take note of the budgetary cash balance of the Regular Budget and Working Capital Fund advance for 2014 and 2015.