



External Audit of the World Food Programme

Annual session of the Executive Board

26 June 2024

Mr. Kay Scheller, President of the Bundesrechnungshof



Outline

- External Auditor – Executive Board
- External Auditor – ACABQ/FAO FC/Oversight Functions
- 2023 audit results
- Observations beyond 2023



External Auditor – Executive Board

- Audit reports
 - Annual financial statements – annual session
 - Field audit results – second regular session
- Specific examinations
 - Executive Board authorities delegated to the Executive Director
- Governance Review Working Group



External Auditor – Executive Board

- Governance Review
 - 2023 JIU Governance Review report of 5 United Nations entities
 - 2006 Secretary-General Comprehensive Review of Governance and Oversight within the United Nations
 - External Auditor's specific examination report
 - Governance Review Working Group

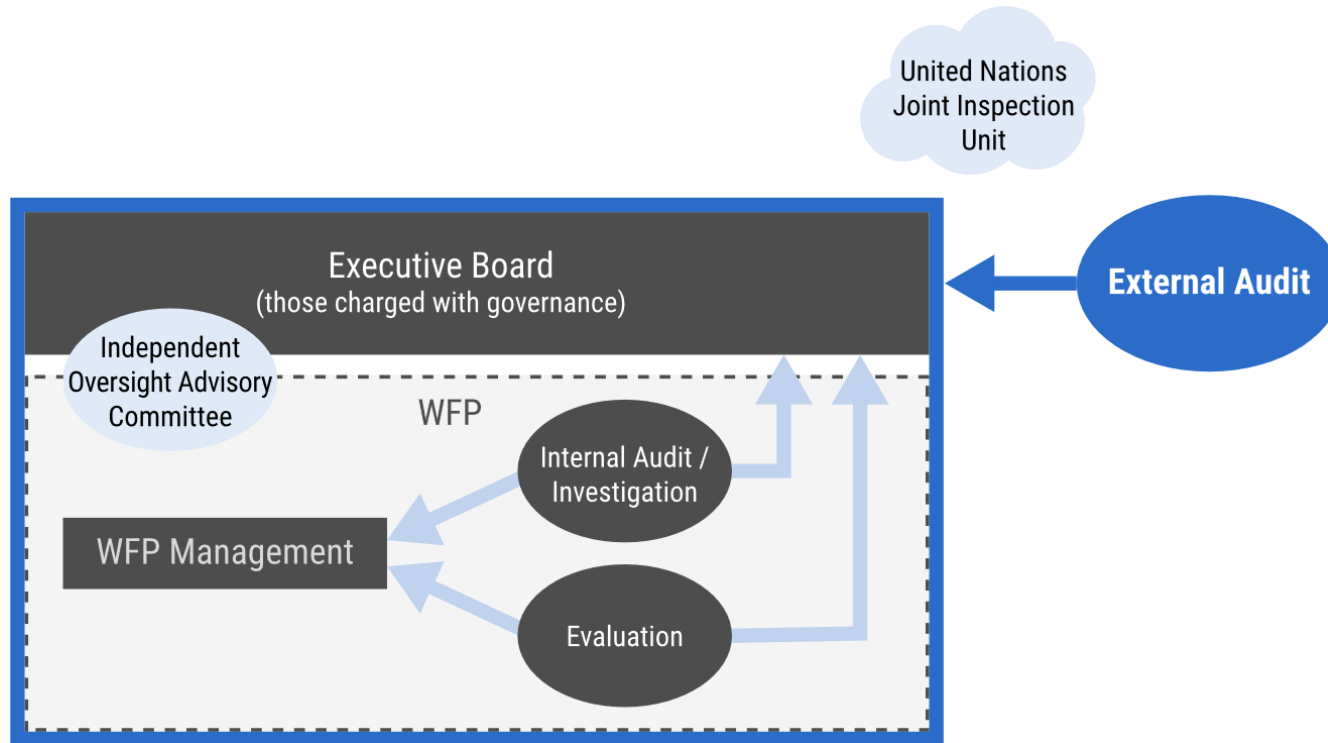


External Auditor – ACABQ, FAO Finance Committee

- Advisory Committee for Administrative and Budgetary Questions
 - Virtual session
- FAO Finance Committee
 - In-person session

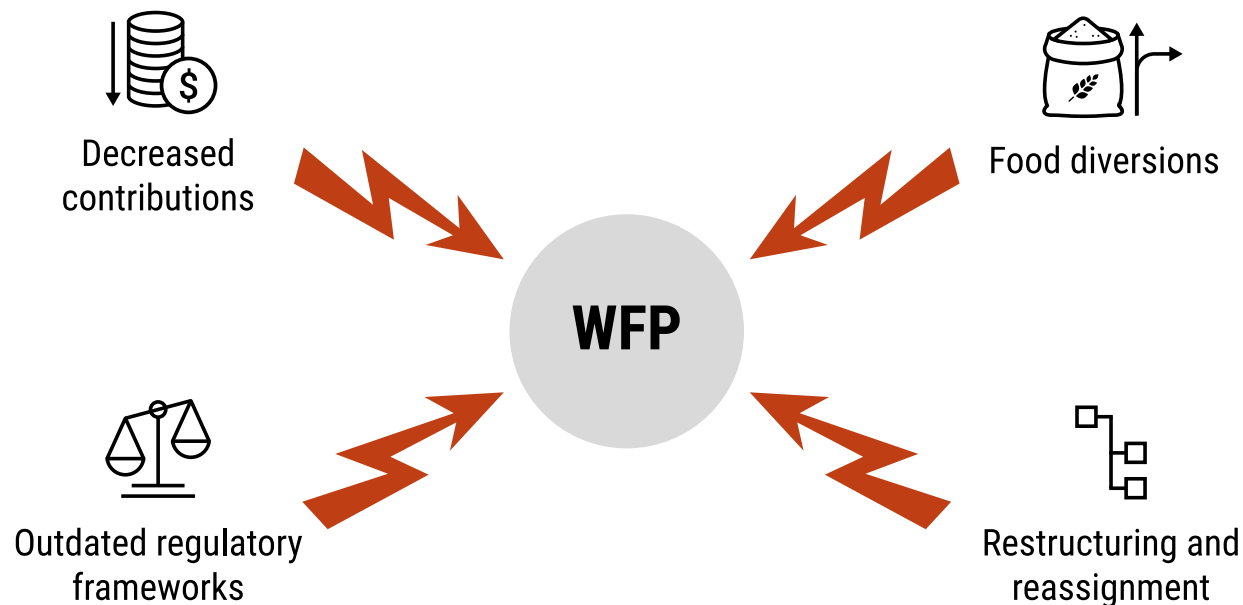


External Auditor – Oversight Functions





2023 Audit – WFP Operational Environment





2023 Audit – Audit Visits



- Headquarters
- Regional Bureaux
- Country Offices



2023 Audit – Procedure and Recommendations

- Contradictory procedure
 - WFP comments to observations
 - WFP – External Auditor consultations
 - Final WFP comments included
- 51 audit recommendations
- Follow-up of previous recommendations



2023 Audit – Audit Opinion

- Unmodified audit opinion

“In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of WFP as at 31 December 2023 and its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (IPSAS).”



2023 Audit Results – Budget

- Reliability of the funding forecast to be improved
- Criteria of required Management Plan revisions to be proposed to the Executive Board
- Transparent annual budget approval document to be developed
- Definitions and criteria of key budgetary terms to be developed to amend the General Rules and/or Financial Regulations



2023 Audit Results – Finance and Performance

- Accrual reporting for accurate accounting still inadequate
- Lack of UN Fleet legal and accounting framework
- Post-factum purchases due to poor planning and oversight
- No central responsibility for ED's delegation of authority
- Delegation of authority not aligned with accountabilities
- Consultants' engagement and reappointment to be better justified



Observations beyond the 2023 audit

- Global Assurance Project
- Restructuring impact
- Contributions' development



Thank you. Questions?