

ADDITIONAL REPORTING REQUIREMENTS OF THE ORGANIZATION

Many of FAO's existing budget based reporting requirements are satisfied by its IPSAS based annual financial statements. The specific reporting requirement related to the biennial calculation of the accumulated surplus or deficit on a budgetary basis of accounting is included in the IPSAS based annual financial statements, every two years.

Furthermore, the Organization must be able to demonstrate that the income and expenditures which are reported to donors on a budgetary basis are adequately covered by External Audit review in order that the principles of the single audit principle are maintained.

In order to effectively address these issues an additional schedule, comprised of the following three components, will be prepared, subjected to audit and presented as a schedule with, but not a part of, the IPSAS based financial statements:

1. Income Statement on a budgetary basis of accounting for FAO's Regular Programme activities;
2. Income Statement on a budgetary basis of accounting for FAO's Trust Fund activities (including UNDP activities);
3. Reconciliation of expenditures per the income statement for FAO's Regular Programme (point 1) and the Statement of Comparison of Budget and Actual Amounts included in the IPSAS based financial statements.

In addition, in order to support the audit procedures required by the external auditors, the following additional schedules will be prepared and subjected to audit (but not presented in the IPSAS based financial statements or referenced in the opinion of the External Auditor):

1. Balance Sheet on a budgetary basis of accounting for FAO's Regular Programme activities;
2. Balance Sheet on a budgetary basis of accounting for FAO's Trust Fund activities (including UNDP activities).

Special Audits

In addition to the FAO consolidated accounts and related schedules and the audit of the Credit Union, special audit is required of certain specific reports, extracted from FAO accounting records, such as the funds statement of UNDP, UNFPA and GEF voluntary contributions. Additional special audits may be requested by the Finance Committee in line with Financial Regulation 12.6.