

## **AMENDMENTS TO IARC FINANCIAL REGULATIONS**

1. IARC and WHO have been gradually implementing the International Public Sector Accounting Standards (IPSAS), as part of a United Nations System-wide effort.
2. As mentioned in document GC/53/6 (Unaudited interim financial report for the year 2010): “In accordance with IPSAS, annual audited financial statements will be published as of 2012 and the issuance of unaudited interim financial reports will be discontinued.”
3. Paragraphs 6.1 and 6.2 of Article VI “Reports and Audit” of the IARC Financial Regulations need to be amended in order to reflect the new situation. They are reproduced below for ease of reference:

### **Article VI – Reports and Audit**

- 6.1 At the end of the first year of the financial period the Director shall prepare an interim financial report describing the main features of the financial operations during the year. At the end of the second year of the financial period the Director shall prepare a final financial report for the financial period including the biennial accounts. Both reports shall be submitted for the approval of the Governing Council. These financial reports shall be presented in euros. The accounting records may, however, be kept in such currencies as the Director, IARC may deem necessary.
  - 6.2 Audits of the accounts of the Agency shall be carried out by the internal as well as external auditors of the World Health Organization in accordance with their respective terms of reference. The external auditor shall report to the Governing Council on the biennial accounts for the financial period.
4. The Governing Council is requested to amend the IARC Financial Regulations as follows:

The proposed revised paragraphs 6.1 and 6.2 of Article VI would read:

### **Article VI – Financial Statements and Audit**

- 6.1 Financial statements shall be prepared annually in accordance with International Public Sector Accounting Standards, together with such other information as may be necessary to indicate the current financial position of the Agency. The report shall be submitted annually for the approval of the Governing Council. The financial statements shall be presented in euros. The accounting records may, however, be kept in such currencies as the Director, IARC may deem necessary.
- 6.2 Audits of the accounts of the Agency shall be carried out by the internal as well as external auditors of the World Health Organization in accordance with their respective terms of reference. The external auditor shall report to the Governing Council on the annual accounts.