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|  | **Addendum 1 to Document C24/22-E** |
| **28 October 2024** |
| **Original: English** |
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| Report by the Secretary-General | |
| IMAC REVIEW OF 2023 AUDITED FINANCIAL STATEMENTS (SEPTEMBER 2024) | |
| **Purpose**  Review by the Independent Management Advisory Committee (IMAC) of the Audited Financial Statements.  **Action required by the Council**  The Council is invited to **note** this document.  **Relevant link(s) with the Strategic Plan)**  ITU Strategic Plan 2024-2027.  **Financial implications**  None  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  **References**  [*C24/144*](https://www.itu.int/md/S24-CL-C-0042/en) *(External Auditor's report on the audited ITU's 2023 financial statements)* | |

**IMAC Review of 2023 Audited Financial Statements   
(September 2024)**

In line with the IMAC terms of reference and its oversight duties regarding the ITU financial reporting, accounting, internal controls and Management of risks, the Committee reviewed and discussed ITU 2023 draft audited financial statements with management and External Auditor on September 19, 2024.

The Committee also reviewed and discussed with the External Auditor their findings set out in their audit report and their draft letter of representation and considered the nature and level of the adjusted and unadjusted misstatements.

The Committee is satisfied with the adequacy of the Management responses to the observations and recommendations of the External Auditor.

The committee took note of the intention of the External Auditor to issue an unqualified opinion and discussed their emphasis of the matter.

Based on the review and discussions referred to above the Committee advises the ITU Management and Council to proceed with the signing, approval and endorsement of the 2023 ITU Audited Financial Statements.

The Committee noted with appreciation the commendable efforts of ITU management to achieve a fair presentation of the 2023 financial Statements in accordance with ITU Financial Regulations and with the Public Sector Accounting Standards.

The Committee advises that the emphasis of the matter about the impairment in fiscal year 2024 of expenditures incurred for the new Building project as well as developments, progress, costing and funding of the revised project of the new building should warrant the attention of ITU management and Council.

The Committee looks forward to discussing in coming weeks the 2025 audit work plan with the External Auditor and ITU management and has advised a renewed focus on risk assessment and fraud prevention.

The Committee is appreciative of the quality of engagement with the External Auditor.

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