



ASSEMBLY – 41ST SESSION

ADMINISTRATIVE COMMISSION

Agenda Item 52: Review of expenditures, approval of accounts and examination of Audit Reports for the financial years 2019, 2020 and 2021

**FINANCIAL STATEMENTS AND REPORTS OF THE EXTERNAL AUDITOR
FOR THE FINANCIAL YEAR 2021**

(Presented by the Council of ICAO)

EXECUTIVE SUMMARY

This paper contains the Financial Statements of the Organization for the financial year 2021 and the corresponding Auditor's Report and opinion as well as the Secretary General's comments to the Auditor's Report.

Action: The Council recommends that the Assembly:

- a) note the Auditor's Report relating to the 2021 accounts;
- b) approve the audited accounts of the Organization for the financial year 2021 contained in Document 10175; and
- c) adopt the draft Resolution proposed in the Appendix.

<i>Strategic Objectives:</i>	This working paper relates to SIS - Management and Administration: Budget and Financial Management.
<i>Financial implications:</i>	Implementation of audit recommendations referred to in this paper is expected to be undertaken within the resources available in the current and 2023-2025 Regular Budget and/or from extra-budgetary contributions as guided by the ICAO Business Plan 2023-2025.
<i>References:</i>	Doc 10140, <i>Assembly Resolutions in Force</i> (as of 4 October 2019) Doc 7515, <i>The ICAO Financial Regulations</i> Doc 7300, <i>Convention on International Civil Aviation</i> , Chapter VIII, Article 49 (f)

1. INTRODUCTION

1.1 This working paper presents the Financial Statements of ICAO for 2021 along with the External Auditor's Report and opinion and the Secretary General's comments.

2. REPORTS OF THE EXTERNAL AUDITOR

2.1 The External Auditor has provided the Auditor's Report which contains an audit opinion on the Financial Statements of the Organization, without reservation, stating that the Financial Statements of the Organization for 2021 presented fairly, in all material respects, the financial position of the Organization as at 31 December 2021 and the results of its operations, and that the transactions of the Organization that came to their notice during their audit of the Financial Statements had, in all significant respects, been in accordance with the Organization's Financial Regulations and legislative authority.

2.2 The External Auditor produced a report which is presented in Part V under Addendum No. 2 entitled *Report of the External Auditor to the Assembly on the Audit of the Financial Statements of the International Civil Aviation Organization for the Financial Year Ended 31 December 2021*.

3. REVIEW BY THE COUNCIL

3.1 On 10 June 2022, the Council reviewed the Financial Statements of the Organization for the financial year 2021, and the Audit Report thereon (Document 10175). After careful consideration of the Financial Statements and the Report of the External Auditor to the Assembly as well as the Secretary General's comments to the Report, the Council agreed to transmit the document and to recommend action to the Assembly as reflected in the Draft Resolution in the Appendix.

APPENDIX

DRAFT RESOLUTION

Resolution 52/3

Approval of the accounts of the Organization for the financial year 2021 and examination of the Audit Report thereon

Whereas the Council examined the Financial Statements of the Organization and Report of the External Auditor for the financial year 2021, and submitted them to the Assembly for its review and approval;

Whereas in accordance with Chapter VIII, Article 49 (f) of the Convention, expenditures have been reviewed;

The Assembly:

1. *Notes* the **unqualified** Report of the External Auditor on the Financial Statements as well as the Secretary General's comments to the Report of the External Auditor for the year 2021; and
2. *Approves* the audited Financial Statements for the financial year 2021.

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