

# Report of the External Auditor



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थं सत्यनिष्ठा  
Dedicated to Truth in Public Interest

Presentation before  
the PCB

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# Mandate

- Comptroller and Auditor General of India appointed as External Auditor for 4 yr period 2024 – 2027
- Audit conducted in accordance with
  - financial & regulatory frameworks governing various activities of UNAIDS
  - International Standards on Auditing

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# Audit Objectives

To assess whether:

- FY 2025 financial statements complied with IPSAS & applicable regulations, & presented a true and fair view of UNAIDS operations.
- Funds and resources were used for approved purposes & key transactions comply with applicable regulations, agreements, and delegated authorities.
- Governance, risk management, & internal controls were adequate to safeguard assets, support reliable financial reporting, & enable effective programme delivery

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# Financial Audit

## Audit Opinion

- issued an unqualified opinion on financial statements

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# Compliance Audit

## Disposal of assets in compliance with Property Disposal Committee (PDC) approval

- Main issues in follow-up after asset disposal approvals:
  - delayed disposal
  - incomplete documentation
  - outdated asset register records
- Recommendation: ensure the implementation of the planned IT asset tracking platform to enhance monitoring of the complete disposal cycle, including the implementation of Property Disposal Committee decisions

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# Compliance Audit

## Procurement compliance

- Reviewed 2,052 service POs (US\$ 35.43 million) & 576 goods PO lines (US\$ 1.19 million)
- Identified two recurring issues:
  - retroactive purchase orders
  - overdue open purchase orders
- **930 of 2,052** service POs were retroactive
- Value of retroactive POs: **US\$ 24.93 million** (included 1 case of US\$ 10 million)
- **206** service POs remained open past completion date
  - **61** were overdue by more than one year
- Recommendation: strengthen internal controls so that POs are raised before services commence & completed contracts are formally closed in the ERP system without delay

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# Compliance Audit

## Compliance in respect of Programme Funding Agreement contracts

- We reviewed a sample of PFA-related purchase orders
- Main gaps identified:
  - incomplete documentation
  - non-adherence to payment terms
  - missing reports
  - weak closure evidence
- Recommendation: Strengthen the monitoring system in respect of Programme Funding Agreements to ensure compliance with applicable provisions before issuance of final payments, by minimizing the identified gaps

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# Status of implementation of previous external audit recommendations

- 7 outstanding recommendations (31.12.2025)
- 3 recommendations implemented
- 4 recommendations outstanding as on date

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# Thank You