

Updates of Accounting issues on TCTF

(Submitted by WMO)

ACTION REQUIRED:

The Committee is invited:

- a) To review WMO external auditors recommendations on TCTF
- b) To discuss those recommendations and propose ways to improve the management of the TCTF in alignment with the rules of TCTF and WMO Financial regulations.

APPENDICES:

Appendix A – Draft Text for Inclusion in the Session Report

Appendix B - Outcomes of AWG meeting on recommendations by WMO external auditors on the TCTF account, and actions taken by WMO thereafter.

Appendix A: Draft Text for Inclusion in the Session Report

- 1 WMO representative presented to the Committee with the outcomes of the AWG meeting in Chiang Mai, Thailand, 9 November 2018, with regard to the auditing results of the TCTF by WMO external auditors, and the follow-up actions taken by WMO.
- 2 The Committee discussed the WMO external auditors recommendations on TCTF, noted with appreciation the actions taken by WMO in response to the outcomes from the above AWG meeting
- 3 The Committee agreed:
 - To continue with the current practice, i.e. to present the IPSAS financial statements for TCTF in CHF for auditors, and to report the TCTF to the Committee in USD.
 - That the Committee's annual workplan be formulated in alignment with WMO financial cycle, i.e. 1 January – 31 December, with additional three months of the following year to be included in the annual workplan to facilitate the convenience of implementing the activities of the Committee.

Appendix B: Outcomes of AWG meeting on recommendations by WMO external auditors on the TCTF account, and actions taken by WMO thereafter,

AWG meeting in Chiang Mai, Thailand, 9 November 2018

1 During the AWG meeting in Chiang Mai, Thailand, 9 November 2018, the auditing result of the TCTF by WMO external auditors were discussed.

2 WMO representative presented the external auditor report for TCTF and mentioned that since 2010 WMO uses the accounting system of IPSAS. The results of auditing mentioned that balance is well maintained and meets rules and procedures of TCTF and WMO financial regulations.

3 The auditing procedures had made the following recommendations to the Committee related to TCTF:

- Annual Financial Cycle: 1 January – 31 December, in alignment with WMO financial cycle.
- Allow annual workplan to request TCTF to include additional three months of the following year.
- Voluntary contribution from Members shall be paid in CHF instead of USD.

4 AWG discussed these recommendations as it might impact in some Members contribution to the TCTF, especially for the payment in CHF instead of USD.

5 WMO mentioned to AWG that the external auditors report were important and must be followed. However the report is confidential and could not be widely circulated to the Members.

6 AWG requested WMO to circulate the auditor report for review my Members, at least for TCS to understand the procedures and recommendations.

7 Since this is a Committee fund, managed by WMO, AWG requested WMO to clarify what would happen if the Committee does not agree with the recommendations proposed by WMO auditors.

8 AWG requested TCS to notify Members, after reading the WMO reports, and discussed this matter during TC51 with the Committee.

Actions taken by WMO

9 WMO representative after internal consultation circulated the WMO external auditors report to Typhoon Committee Secretary.

10 WMO representative in the AWG meeting brought the issues to WMO Secretariat. WMO Secretariat staff responsible for managing WMO finance and budget organized several meetings with WMO external auditors to discuss the issues, and drew the following conclusions:

- The result: we can continue with the current practice. The IPSAS financial statements for TCTF and PTC in CHF are presented for auditors. Reporting to the Committee and the Panel can be made in USD.
- Agreed that the Committee's annual workplan shall be formulated in alignment with WMO financial cycle, i.e. 1 January – 31 December, with flexibility to include additional three months of the following year in the annual workplan.