



Forty-first Regular Meeting of the Executive Committee

**Twenty-seventh report of the
Audit Review Committee (ARC)**

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San Jose, Costa Rica
28-29 June 2021

TWENTY-SEVENTH ANNUAL REPORT OF THE AUDIT REVIEW COMMITTEE

ESTABLISHMENT OF THE COMMITTEE

The Audit Review Committee (ARC) was established in September 1993 by Resolution 231 of the Inter-American Board of Agriculture (IABA).

MANDATE

Pursuant to the Statute of the Audit Review Committee, the only reporting requirement of the Audit Review Committee is to report to both the Executive Committee and the Inter-American Board of Agriculture anything that, in the judgment of the Audit Review Committee, may constitute a violation of the rules and procedures governing the operations of the General Directorate.

MEMBERS OF THE AUDIT REVIEW COMMITTEE

The present members of the ARC are:

- Carla Pike, Director of Audit, National Audit Office, Saint Kitts and Nevis
- Mitzila Samudio, National Director of Administration and Finance, Ministry of Agricultural Development, Panama
- Gustavo Pereira da Silva Filho, Director of Governance and Management of the Executive Secretariat of the Ministry of Agriculture, Livestock and Supply, Brazil

ACTIVITIES OF THE AUDIT REVIEW COMMITTEE

The ARC met on 19 May 2021, with the purpose of conducting the annual review of the Financial Statements for the year that ended December 31, 2020.

Discussions were held with the following management and administrative personnel of IICA:

- Manuel Otero, Director General
- Lloyd Day, Deputy Director General
- Miguel Arvelo, Chief of Staff
- Braulio Heinze, Director of Corporate Services
- Karen Kleinheinz, Financial Manager
- Grettel Loría, Accounting Chief, Financial Management
- Yensy Casanova, Coordinator of the Consolidation Unit, Financial Management
- Jorge Sánchez, Internal Auditor, a.i.
- Emmanuel Picado, Manager of Information and Communication Technologies Unit and Digital Agriculture

The ARC reviewed the draft report of the external auditor, Deloitte, and held discussions with the Audit Partner, Jose Amador, the Audit Manager, Kelly Preciado and the Audit Lead, Karen Bohórquez.

REPORT TO THE EXECUTIVE COMMITTEE OF IICA

Based on these discussions, the ARC found that the work performed by the external auditors complies with International Auditing Standards and IICA's rules. The external auditors opined IICA's financial statements present fairly, in all material respects, the financial position of IICA as of December 31, 2020 and 2019 and the changes in its net assets and its cash flows for the years then ended, in accordance with generally accepted accounting principles in the United States of America. The ARC accepts the external auditors' opinion and related report. We commend IICA for its 2020 audit results and the achievement of an unmodified audit opinion for three consecutive years.

Quotas Receivable

The ARC acknowledges the difficult economic situation that countries are experiencing as a consequence of the COVID-19 pandemic. However, we would like to highlight the fact that quotas received from Member States allow IICA to fulfill its mission to encourage, promote and support Member States in their efforts to achieve agricultural development.

In light of this, the ARC encourages IICA to pursue timely collection of quotas receivables.

Subsequent Events COVID-19

The ARC recommends that IICA continue its cost saving initiatives to safeguard its financial position.

We are making no additional recommendations.

Prepared by:

Carla Pike
Saint Kitts and Nevis

Mitzila Samudio
Panama

Gustavo Pereira da Silva Filho
Brazil