



**Organization for Security and Co-operation in Europe  
Permanent Council**

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**1345th Plenary Meeting**  
PC Journal No. 1345, Agenda item 4

**DECISION No. 1419  
AMENDING OSCE FINANCIAL REGULATIONS**

The Permanent Council,

Acting in accordance with the relevant provisions of Financial Regulation 10.01,

Recalling Decision No. 705 (PC.DEC/705) of 1 December 2005 on the Common Regulatory Management System,

1. Takes note of the proposed revision to implement recommendation No. 5 of the Report of the External Auditor on the OSCE Financial Statements for 2020, as communicated under PC.ACMF/60/21;
2. Approves the enclosed amendment to the OSCE Financial Regulations as highlighted in the annex.

## AMENDING OSCE FINANCIAL REGULATIONS

### External audit report recommendation No. 5

In order to avoid any further ambiguity concerning the scope of his opinion on the OSCE's financial statements, the External Auditor recommends the Permanent Council to replace Article 7.02 (vi) of the Financial Regulation by a provision stating that, in addition to the five usual financial statements and related notes, segment reporting is to be provided, in compliance with established practices.

### Amendment to the OSCE Financial Regulations

Please note that the amendment below is made only to reflect the recommendation of the External Auditor. Only those subparagraphs affected by this change are shown below.

<b>Current text</b>	<b>Proposed revised text</b>
<p><b>Regulation 7.02 – Content of the Annual Financial Statements</b></p> <p>(a) The annual financial statements shall contain:</p> <ul style="list-style-type: none"> <li>(i) A statement of financial position;</li> <li>(ii) A statement of financial performance;</li> <li>(iii) A cash flow statement;</li> <li>(iv) A statement of changes in net assets;</li> <li>(v) A statement of comparison of budget and actuals;</li> <li>(vi) Segment reporting by Fund.</li> </ul> <p>(b) The annual financial statements shall be accompanied by such other information as may be requested by the Permanent Council or deemed necessary or useful by the Secretary General.</p>	<p><b>Regulation 7.02 – Content of the Annual Financial Statements</b></p> <p>(a) The annual financial statements shall contain:</p> <ul style="list-style-type: none"> <li>(i) A statement of financial position;</li> <li>(ii) A statement of financial performance;</li> <li>(iii) A cash flow statement;</li> <li>(iv) A statement of changes in net assets;</li> <li>(v) A statement of comparison of budget and actuals;</li> </ul> <p>(b) The annual financial statements shall be accompanied by segment reporting by Fund and such other information as may be requested by the Permanent Council or deemed necessary or useful by the Secretary General.</p>