



**TWELFTH REGULAR SESSION
FINANCE AND ADMINISTRATION COMMITTEE
Ninth Session
Bali, Indonesia
2 - 8 December 2015**

APPOINTMENT OF AN AUDITOR

**WCPFC12-2015 –FAC9-06
26 October 2015**

Purpose

1. The purpose of this paper is to table for the Committee's consideration the proposal to recommend to the Commission the appointment of the external auditor for the 2015 and 2016 financial statements and accounts.

Introduction

2. The current two year appointment of the external auditor, Deloitte and Touche LLP, ended after the audit of the 2014 accounts was completed. The Commission's Financial Regulation 12 sets out the requirements for the appointment of an external auditor and provides for the option of reappointment. There are no other audit firms in Pohnpei, or currently servicing Pohnpei, that meet the requirements set out in the Financial Regulations.

3. Deloitte and Touche LLP is an internationally recognized auditing firm. The performance and services provided by Deloitte and Touche LLP have been satisfactory and the fees are reasonable when compared to the cost of bringing in an auditor from outside that does not have a presence in Pohnpei.

4. The fees for the 2014 audit for Deloitte and Touche LLP were USD7,000. It is estimated that the cost of hiring an auditor from off island may be around USD35,000-40,000.

Recommendation

5. The Committee is invited to recommend to the Commission that Deloitte be reappointed for two years to undertake the audits of the 2015 and 2016 financial statements and accounts.