

Opinion of the External Auditor

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**TRIBUNAL DE CUENTAS
DE ESPAÑA**

The Pan American Health Organization

Opinion of the External Auditor on the 2014 Financial Statements

I have audited the consolidated financial statements of the Pan American Health Organization for the year ended 31 December 2014. These comprise the Consolidated Statement of Financial Position, Consolidated Statement of Financial Performance, Consolidated Statement of Changes in Net Assets, Consolidated Statement of Cash Flow, Statement of Comparison of Budget and Actual Amounts and the related notes. These consolidated financial statements have been prepared following the Organization's accounting policies.

Director's Responsibility for the Consolidated Financial Statements

The Director is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Public Sector Accounting Standards and the requirements of the Financial Regulations as authorized by either the Pan American Sanitary Conference or the Directing Council. The Director is also responsible for such internal control as she determines necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the consolidated financial statements based on my audit in accordance with Article XIV of the Financial Regulations. I conducted my audit in accordance with International Standards on Auditing of the International Federation of Accountants (IFAC), the Audit Standards and Guidelines formulated by the United Nations Board of Auditors and the International Standards of Supreme Audit Institutions (ISSAIs). Those standards require me and my staff to comply with ethical requirements and to plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Pan American Health Organization's preparation and fair presentation of the consolidated financial statements in

order to design appropriate audit procedures. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Director, as well as the overall presentation of the financial statements.

In addition, I am required to obtain sufficient evidence to give reasonable assurance that the revenue and expenditure reported in the consolidated financial statements have been applied to the purposes intended by either the Pan American Sanitary Conference or the Directing Council and that the financial transactions are in accordance with the Financial Regulations and legislative authorities that govern them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinion on financial statements

In my opinion:

- the consolidated financial statements present fairly, in all material respects, the financial position of the Pan American Health Organization as at 31 December 2014 and the results for the year then ended;
- the consolidated financial statements have been properly prepared in accordance with International Public Sector Accounting Standards and the Financial Regulations which govern them and the stated accounting policies; and
- the accounting policies have been applied on a basis consistent with that of the preceding financial period.

Opinion on Regularity

In my opinion, in all material respects, the revenue and expenditure have been applied to the purposes intended by either the Pan American Sanitary Conference or the Directing Council and the financial transactions conform to the Financial Regulations and legislative authorities that govern them.

Matters on which I report by exception

I have nothing to report in respect of the following:

- proper accounting records have not been kept by the Pan American Health Organization;
- I have not received all of the information and explanations I require for my audit;
- the information given in the Director's Comments for the financial year for which the financial statements are prepared is inconsistent with the financial statements;
- the Statement on Internal Control does not fairly reflect the systems of internal control I reviewed for my audit.

External Auditor's Report

In accordance with Article XIV of the Financial Regulations and the Letter of Engagement, I have also issued an External Auditor's Report on my audit of the Pan American Health Organization's consolidated financial statements.

Madrid, April 9, 2015

A handwritten signature in blue ink, reading "Ramón A. de Miranda García". The signature is written in a cursive style with a horizontal line underneath the name.

Ramón Álvarez de Miranda García
President of the Spanish Court of Audit