

**723rd Plenary Meeting**

PC Journal No. 723, Agenda item 3

**DECISION No. 856  
FINANCIAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2007 AND  
THE REPORT OF THE EXTERNAL AUDITOR**

The Permanent Council,

Acting in accordance with the relevant provisions of the Financial Regulations, particularly Regulations 7.05 and 8.06(e), as approved by the Permanent Council on 27 June 1996 (DOC.PC/1/96), as well as Step 5(b) of PC Decision No. 553 on the OSCE's Unified Budget Process,

Reiterating the importance of full transparency and accountability in the functioning of the OSCE,

Taking note of the Financial Report and Financial Statements for the year ended 31 December 2007 and the Report of the External Auditor (PC.ACMF/37/08 of 18 June 2008 and PC.ACMF/37/08/Add.1 of 8 July 2008),

Expressing its gratitude to the External Auditor, the Office of the Auditor General of Norway, for the work done,

1. Accepts the Financial Report and Financial Statements for the year ended 31 December 2007;
2. Requests the Secretary General to establish and submit to the Advisory Committee on Management and Finance not later than 31 October 2008 a work plan for follow-up to the recommendations of the External Auditor as reflected in its Report for 2007. Further requests the Secretary General to inform the Permanent Council through the Advisory Committee on Management and Finance about the implementation of this plan on a regular basis, taking into account guidance from the Advisory Committee on Management and Finance;
3. Welcomes the Audit Committee's continuous review of the OSCE's systems of internal and external controls.