



AUDIT

OF

UNDP BANGLADESH

URBAN PARTNERSHIPS FOR POVERTY REDUCTION
(Directly Implemented Project, Output No. 58224)

Report No. 1386
Issue Date: 9 October 2014

Report on the audit of UNDP Bangladesh Urban Partnerships for Poverty Reduction (Output No. 58224) Executive Summary

The UNDP Office of Audit and Investigations (OAI), from 2 to 20 June 2014, through Moore Stephens LLP (the audit firm), conducted an audit of Urban Partnerships for Poverty Reduction, Output No. 58224 (the Project), which is directly implemented and managed by the UNDP Country Office in Bangladesh (the Office). The last audit of the Project was conducted by OAI in 2013.

The audit firm conducted a financial audit to express an opinion on whether the financial statements present fairly, in all material aspects, the Project's operations. The audit covered the Project's Combined Delivery Report, which includes expenditure for the period from 1 January to 31 December 2013 and the accompanying Funds Utilization statement¹ as of 31 December 2013. The audit did not include activities and expenses incurred or undertaken by the Government, other United Nations agencies or expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters), or where supporting documentation was not retained at the UNDP Country Office level. The audit did not cover the Statement of Assets as no assets were purchased by the Project. In addition, the audit did not cover the Statement of Cash Position as no separate bank account was established and maintained for the Project.

The audit was conducted under the general supervision of OAI in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

Audit results

Based on the audit report and corresponding management letter submitted by the audit firm, the results are summarized in the table below:

Project Expenditure		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
10,826*	Unqualified	NA	NA

* Expenditure recorded in the Combined Delivery Report for FY2013 was \$23,732,371. Excluded from the audit scope were transactions that relate to expenditures of other United Nations agencies (\$10,097,631), payroll expenditures not processed or approved at the Office level (\$2,311,512), and expenditures incurred by the Government (\$497,230). The expenditures incurred by the Government (\$497,230) were subject to a separate audit conducted by the Supreme Audit Institution of the Government of Bangladesh, which resulted in an unqualified opinion.

The audit firm issued an unqualified opinion on the Funds Utilization statement.

¹ The Funds Utilization statement includes the balance, as at a given date, of five items: (a) outstanding advances received by the project; (b) depreciated fixed assets used at the project level; (c) inventory held at the project level; (d) prepayments made by the project; and (e) outstanding commitments held at the project level.

Key recommendations: Total = 2 high priority = 1

For high (critical) priority recommendations, prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences for UNDP. The high (critical) priority recommendation is presented below:

Weaknesses in
monitoring of Socio-
Economic Fund
contracts
(Issue 1)

The audit noted weaknesses in the monitoring of Socio-Economic Fund activities, which included: (a) lack of reconciliation by the Project of UNDP funds transferred to/received by towns, including lack of regular reporting from the towns on funds transferred and expenditure disbursed at the community development committee and cluster levels; (b) limited tracking by the Project of unutilized fund balances at the community development committee and cluster levels due to non-completion of contracts; and (c) incomplete and inaccurate contract information, which impacted monitoring by the Project.

Recommendation: Implement a financial reporting system to reconcile funds received and expensed at the town, community development committee and cluster levels on a monthly or quarterly basis, supplemented by additional assurance activities. Additionally, develop a system to monitor unutilized fund balances to track pending contracts, and strengthen review procedures to ensure the accuracy of information.

Implementation status of previous OAI audit recommendations: Report No. 1212, 17 January 2014).

Total recommendations: 5

Implementation status: 100%

Management comments and action plan

The Resident Representative accepted both recommendations and is in the process of implementing them. Comments and/or additional information provided have been incorporated into the report, where appropriate.



Antoine Khoury
Officer-in-Charge
Office of Audit and Investigations

UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

AUDIT REPORT

01 October 2014

**FINANCIAL AUDIT OF THE UNDP DIRECTLY IMPLEMENTED (DIM)
PROJECT**

Urban Partnerships for Poverty Reduction (UPPR)

Project name:	Urban Partnerships for Poverty Reduction (UPPR)
UNDP Country Office:	Bangladesh
Atlas Project number:	00011492
Atlas Output number:	00058224
Auditor:	Moore Stephens LLP
Period subject to audit:	1 January to 31 December 2013

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EXECUTIVE SUMMARY

Moore Stephens LLP conducted the financial audit of Urban Partnerships for Poverty Reduction (UPPR) (Project ID 00011492 and Output 00058224) (the project), directly implemented by UNDP Bangladesh for the year ended 31 December 2013. The audit was undertaken on behalf of UNDP, Office of Audit and Investigations (OAI). We have issued audit opinions as summarised in the table below and as detailed in the next section:

Statement of Expenditure	Unqualified
Statement of Fixed Assets	Not Applicable
Statement of Cash Position	Not Applicable

As a result of our audit, we have raised two audit findings as summarised below:

No.	Description	Priority	Amount \$
1	Weaknesses in the financial monitoring of socio-economic fund contracts	High	-
2	Lack of follow up of final settlement reports of socio-economic fund activities from town offices	Medium	-
Total			-



Mark Henderson
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01 October 2014

THE AUDIT ENGAGEMENT

Audit Objectives and Scope

The objective of the financial audit was to express an opinion on the DIM project’s financial statements, which include:

- Expressing an opinion on whether the financial expenses incurred by the project between 1 January and 31 December 2013 and the funds utilization as at 31 December 2013 are fairly presented in accordance with UNDP accounting policies and that the expenses incurred were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations, rules, policies & procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents.
- Expressing an opinion on whether the statement of fixed assets presents fairly the balance of assets of the UNDP project as at 31 December 2013.
- Expressing an opinion on whether the statement of cash held by the project presents fairly the cash and bank balance of UNDP project as at 31 December 2013. Disbursements made against a DIM project are usually financed from the regular Country Office bank accounts.

The scope of the audit relates only to transactions concluded and recorded against the UNDP DIM project between 1 January and 31 December 2013. The audit scope did not include:

- Activities and expenses incurred or undertaken at the level of “responsible parties”, unless the inclusion of these expenses is specifically required in the request for proposal; and
- Expenses processed and approved in locations outside the country such as UNDP Regional Centres and UNDP Headquarters and where the supporting documentation is not retained at the level of the UNDP Country Office.

AUDIT OPINIONS

Independent Auditor’s Report to UNDP - Urban Partnerships for Poverty Reduction

Statement of Expenditure

We have audited the accompanying Combined Delivery Report (CDR) and Funds Utilization statement totalling \$23,732,371.70 (“the statement”) of the UNDP project 00058224 ‘Urban Partnerships for Poverty Reduction’ for the period from 1 January to 31 December 2013. CDR expenditure totalling \$12,906,373.29, comprised of other UN agency expenditure of \$10,097,630.72, government expenditure of \$497,230.38 and expenditure not processed or approved by UNDP Country Office Bangladesh of \$2,311,512.19, was not within the scope of our audit.

Management is responsible for the preparation of the statement for the Urban Partnerships for Poverty Reduction and for such internal control as management determines is necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project’s preparation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Unqualified Opinion

In our opinion, the attached CDR and Funds Utilization statement presents fairly, in all material respects, the expenses of \$10,825,998.41 incurred by the project ‘Urban Partnerships for Poverty Reduction’ for the period 1 January to 31 December 2013 in accordance with UNDP accounting policies and were i) in conformity with the approved budget; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents.

Independent Auditor’s Report to UNDP - Urban Partnerships for Poverty Reduction

Statement of Fixed Assets

We noted that the UNDP project Urban Partnerships for Poverty Reduction had no assets or equipment and accordingly a Statement of Fixed Assets was not produced.

Independent Auditor’s Report to UNDP - Urban Partnerships for Poverty Reduction

Statement of Cash Position

We noted that the UNDP project titled ‘Urban Partnerships for Poverty Reduction’ did not have a dedicated bank account for DIM project activities subject to audit and accordingly a Statement of Cash Position was not produced.

MANAGEMENT LETTER

The findings related to the audit of the financial statements are discussed in our management letter below:

Finding no.: 1	Title: Weaknesses in monitoring of socio-economic fund contracts
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Observation:

The Socio-Economic Fund (SEF) activities of the UNDP UPPR project are spread over 23 towns consisting of 253 clusters (high level community structures) and 2,583 community development committees (CDCs). Project activities are monitored by UNDP project offices. The towns as well as CDCs and clusters maintain separate bank accounts specifically for the project's socio-economic fund activities.

Contracts are signed between UNDP and CDCs / clusters, under which 100% of the contract amount is transferred from the UNDP project office to a municipal bank account in the relevant towns where the CDCs and clusters are located. The funds are then transferred by the towns to the CDCs / clusters in instalments.

During 2013, UNDP project offices disbursed \$6.62 million to municipal bank accounts in relevant towns. The project personnel based at the township level submitted monthly narrative progress reports to the SEF Unit within the UPPR project at the UNDP Country Office. The SEF Unit then prepared a consolidated report from the reports received from towns, called the 'Project Monitoring Report'. This report detailed the amounts received by the towns along with the dates of receipt.

The audit team visited Tongi town office and noted that there was a significant fund balance at town level of \$187,070 (BDT14,451,130) as at 31 December 2013. The team also visited Jui community development committee cluster and noted a project funding balance of \$14,365 (BDT1,109,703) at the same date. Both the town office and cluster office did not have the breakup of funds balance against the contracts either under execution, or pending for execution, at their level.

We noted the following weaknesses in the financial monitoring of SEF activities:

- At the date of audit there was no system in place for reconciliation of funds transferred to towns by the Country Office, and received by them. The 'Project Monitoring Report' may be used to reconcile the figures of funds received by each town. However, during the audit, the SEF Unit was not able to provide this information to the audit team. After the audit fieldwork had finished, the UNDP CO provided an excel document which tracked funds at town / CDC / cluster level.

Furthermore, there was no periodic financial reporting to the SEF Unit from towns, on funds transferred and expenditure disbursed at the CDC and cluster level. Such financial information was only reported when the final settlement report at the completion of the contract is prepared by towns (generally after 12 months).

According to the Country Office, the monthly reporting system has been revised and improved since August 2013, and the reporting system helps monitor the towns fund utilization status as well as contract implementation status.

The audit team noted that the project states that it has since improved procedures, However preliminary review of the 'compiled Final SEF financial Progress report' dated August 2013 was not sufficiently extensive in its coverage to allow us to accept that this weakness has been fully addressed.

- A tracking report indicating status of funds transferred but not expensed at town / CDC / cluster levels due to non-completion of contracts was also not maintained by the SEF Unit at the Project Offices.

According to the Country Office, the 'SEF Contracts Progress and Settlement Report' notes the fund status at different levels i.e. town level, and CDC / cluster level. The contract information is maintained by the project team at town level, and reported on a monthly basis.

The Auditors note and agree with the management comments but would stress that the observation relates to Project Offices, where such information was not available during the audit.

- In some cases, contract information was incomplete or filled in incorrectly, for example with incorrect dates of disbursement and settlement, or no dates at all. This impacted Project Offices in monitoring the total fund balance at the town / CDC / cluster level of on any particular date.

The Country Office maintains that that since the new reporting system was introduced last year, significant improvements continue to be made.

Priority: High

Recommendation:

The Country Office should strengthen the monitoring of socio-economic fund contracts. This should include:

- a) Implement a financial reporting system to reconcile funds received and expensed at the town, CDC and cluster levels on a regular basis (monthly or quarterly). A basic template for this report could be drawn up by the Country Office and circulated to reduce administrative time. Furthermore, a clause on regularity of financial reporting could be included in the socio-economic fund contracts.
 - b) Additional assurance activities such bank reconciliations and spot checks of fund balances and contract implementation status at the town / CDC / cluster levels be carried out, as part of project monitoring.
 - c) Develop a system that can track contracts pending execution or under execution as on a particular date, depicting the amount transferred to and received by towns against those contracts, utilization of funds by towns / CDCs / clusters and fund balance at their level.
 - d) Strengthen the review procedures prior to issuing contracts to ensure the information is complete.
-

Management comments:

The management stated that they have taken concrete steps to improve the monitoring of the contract status regarding socio-economic fund activities.

Further auditor comments:

Overall, the Auditors note that the project has made and continues to make improvements with regards to the weaknesses noted. Nonetheless the issues remain important and as such a high priority rating remains justified.

Finding no.: 2	Title: Lack of follow up of final settlement reports of socio-economic fund activities from town offices
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Observation:

On completion of contracted socio-economic fund activities, CDCs / clusters (high level community structures) are required to submit final reports along with the vouchers / invoices to town offices. Based on the documents received from CDCs / clusters, the town offices prepare a settlement report for each contract.

Until 2012, the final settlement report on completion of the contract was retained by the town offices. However, from 2013, the towns were asked to submit a copy of the final settlement report to the UNDP Project Offices.

Out of 5,962 completed contracts, the settlement reports for 851 contracts had not been submitted to UNDP Project Offices. There was limited evidence that the UNDP Project Offices followed up on these outstanding settlement reports. A list of missing settlement reports is summarized in the table below:

Town	No. of settlement reports not received
CTG	146
DSCC	3
HBG	114
JSR	1
KLN	3
MMS	243
NBG	145
RAJ	56
SRG	7
SVR	119
TNG	14
Total	851

Priority: Medium

Recommendation:

The Country Office should strengthen monitoring of final settlement reports as follows:

- Follow up with towns on the submission of missing settlement reports of completed contracts at the earliest opportunity.
- For future contracts, insert a clause to state the deadline for submission of settlement reports as well as stating that further funding can be withheld at the decision of UNDP where settlement reports for previous contracts are outstanding.

Management comments:

Reports are available at the town office level but need to be sent to UPPR Project Office in Dhaka. The delay in sending the reports is due to the introduction of a new indicator in the log-frame in August 2013, which also required towns to prepare certificates of the contracts that had been settled in previous years (2009, 2010, 2011 & 2012). The SEF team has been following up on a regular basis to receive these reports and meet the target indicator of the log-frame as well as ensure 'full implementation' status of the settled contracts.

The latest updated list of Settlement Reports from towns indicates that a number of towns have already submitted the reports and very few contracts need to be sent to UPPR Dhaka office.

Town	Status	
	Previous	Present
MYM*	243	*
CTG	146	19
HBG	114	29
NBG	145	20
RAJ	56	-
SVR	119	-
KLN	3	-
JSR	1	-
DSCC	3	-
SRG	7	-
TNG	14	14
Total	851	82

*Mymensingh's settlement certificates are being reviewed for accuracy.

Further auditor comments:

We note that the project has been following up on financial settlement reports not received but also note that this process has not yet finished



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01 October 2014

Annexes

Annex 1: Combined Delivery Report

Combined Delivery Report By Project

UN Development Programme
Report ID: unglcdrp

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Run Time: 08-04-2014 12:04:26

Selection Criteria :

Business Unit : BGD10
Period : Jan-Dec (2013)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : B0392
Selected Outputs : 00058224

Project Id : 00011492 URBAN POVERTY ALLEVIATION	Period : Jan-Dec (2013)
Output # : 00058224 Urban Partnerships for Poverty	Impl. Partner : 00256 National Execution
	Location :

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
Dept: 39201 (Bangladesh - Central)				
Fund : 30000 (PROGRAMME COST SHARING)				
71205 - Intl Consultants-Sht Term-Tech	0.00	0.00	329,686.29	329,686.29
71305 - Local Consult.-Sht Term-Tech	0.00	0.00	309,993.87	309,993.87
71605 - Travel Tickets-International	0.00	0.00	4,607.52	4,607.52
71635 - Travel - Other	0.00	0.00	14,259.36	14,259.36
72615 - Micro Capital Grants-Other	0.00	0.00	9,439,083.68	9,439,083.68
75105 - Facilities & Admin - Implement	0.00	706,834.16	0.00	706,834.16
Total for Fund 30000	0.00	706,834.16	10,097,630.72	10,804,464.88
Total for Dept : 39201	0.00	706,834.16	10,097,630.72	10,804,464.88
Dept: 39208 (Bangladesh - Poverty Reduction)				
Fund : 04000 (Core Programme, UNU Centre)				
61305 - Salaries - IP Staff	0.00	271,564.21	0.00	271,564.21
61310 - Post Adjustment - IP Staff	0.00	22,855.85	0.00	22,855.85
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	18,580.22	0.00	18,580.22
62315 - Contrib. to medical, social in	0.00	219.90	0.00	219.90
62320 - Mobility, Hardship, Non-remova	0.00	8,318.27	0.00	8,318.27
62340 - Annual Leave Expense - IP	0.00	5,170.80	0.00	5,170.80
63335 - Home Leave Trvl & Allow-IP Stf	0.00	1,233.36	0.00	1,233.36
63530 - Contribution to EOS Benefits	0.00	2,903.71	0.00	2,903.71
63535 - Contribution to Security	0.00	3,097.28	0.00	3,097.28
63540 - Contribution to Training	0.00	774.32	0.00	774.32
63545 - Contribution to ICT	0.00	1,161.49	0.00	1,161.49
63550 - Contributions to MAIP	0.00	154.87	0.00	154.87
63555 - Contribution to UN JFA	0.00	1,393.79	0.00	1,393.79
63560 - Contributions to Appendix D	0.00	232.30	0.00	232.30
65115 - Contributions to ASHI Reserve	0.00	6,194.56	0.00	6,194.56
65135 - Payroll Mgt Cost Recovery ATLA	0.00	553.52	0.00	553.52
71205 - Intl Consultants-Sht Term-Tech	0.00	33,722.69	0.00	33,722.69
71210 - Intl Consultants-Sht Term-Supp	0.00	40,722.00	0.00	40,722.00
71305 - Local Consult.-Sht Term-Tech	0.00	17,937.76	0.00	17,937.76
71310 - Local Consult.-Short Term-Supp	0.00	2,248.61	0.00	2,248.61
71405 - Service Contracts-Individuals	0.00	124,334.87	0.00	124,334.87
71410 - MAIP Premium SC	0.00	267.12	0.00	267.12
71610 - Travel Tickets-Local	0.00	791.52	0.00	791.52
71620 - Daily Subsistence Allow-Local	0.00	6,855.55	0.00	6,855.55
71635 - Travel - Other	0.00	2,774.46	0.00	2,774.46
72415 - Courier Charges	0.00	96.64	0.00	96.64
72420 - Land Telephone Charges	0.00	7.81	0.00	7.81
72515 - Print Media	0.00	845.46	0.00	845.46

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Project Id : 00011492 URBAN POVERTY ALLEVIATION		Period :	Jan-Dec (2013)	
Output # : 00058224 Urban Partnerships for Poverty		Impl. Partner :	00256 National Execution	
		Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72520 - Electronic Media	0.00	1,266.62	0.00	1,266.62
72805 - Acquis of Computer Hardware	0.00	11,612.52	0.00	11,612.52
73410 - Maint, Oper of Transport Equip	0.00	507.59	0.00	507.59
74210 - Printing and Publications	0.00	6,865.74	0.00	6,865.74
74325 - Contrib.To CO Common Security	0.00	9,821.00	0.00	9,821.00
74525 - Sundry	0.00	992.00	0.00	992.00
75705 - Learning costs	0.00	1,606.10	0.00	1,606.10
76125 - Realized Loss	0.00	193.99	0.00	193.99
76135 - Realized Gain	0.00	- 12.94	0.00	- 12.94
77305 - Salaries - IP Staff-TA	0.00	143,761.32	0.00	143,761.32
77310 - Post Adjustment - IP Staff-TA	0.00	12,919.67	0.00	12,919.67
77315 - Contrib-Med,SocIns-IP Staff-TA	0.00	1,068.27	0.00	1,068.27
77320 - Assg hardship & mob allow-TA	0.00	6,037.30	0.00	6,037.30
77350 - Rental Supplements-IP Staff-TA	0.00	2,996.30	0.00	2,996.30
77357 - Repat. Gr/Comm Ann Lv-IP-TA	0.00	0.00	0.00	0.00
77375 - Contrib-Jt Staff Pens Fd-IP-TA	0.00	9,031.53	0.00	9,031.53
77385 - Contribution to Security	0.00	1,696.04	0.00	1,696.04
77386 - Contribution to ICT_TA	0.00	636.00	0.00	636.00
77395 - MAIP Premium TA/IP	0.00	84.79	0.00	84.79
77396 - PAYROLL MGT COST RECOVERY	0.00	450.66	0.00	450.66
77397 - Appendix D TA/IP	0.00	127.20	0.00	127.20
Total for Fund 04000	0.00	786,674.64	0.00	786,674.64
Fund : 30000 (PROGRAMME COST SHARING)				
61305 - Salaries - IP Staff	0.00	- 25,313.43	0.00	- 25,313.43
61310 - Post Adjustment - IP Staff	0.00	80,935.29	0.00	80,935.29
61360 - Other payroll costs IP	0.00	443.00	0.00	443.00
62305 - Dependency Allowances-IP Staff	0.00	67.33	0.00	67.33
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	60,499.53	0.00	60,499.53
62315 - Contrib. to medical, social in	0.00	2,061.28	0.00	2,061.28
62320 - Mobility, Hardship, Non-remova	0.00	31,982.20	0.00	31,982.20
62340 - Annual Leave Expense - IP	0.00	1,851.19	0.00	1,851.19
63335 - Home Leave Trvl & Allow-IP Stf	0.00	6,474.95	0.00	6,474.95
63350 - Reimb of Income Tax-IP Staff	0.00	20,876.00	0.00	20,876.00
63530 - Contribution to EOS Benefits	0.00	10,091.20	0.00	10,091.20
63535 - Contribution to Security	0.00	10,764.01	0.00	10,764.01
63540 - Contribution to Training	0.00	2,691.01	0.00	2,691.01
63545 - Contribution to ICT	0.00	4,036.47	0.00	4,036.47
63550 - Contributions to MAIP	0.00	538.19	0.00	538.19
63555 - Contribution to UN JFA	0.00	4,843.81	0.00	4,843.81
63560 - Contributions to Appendix D	0.00	807.30	0.00	807.30
64306 - Appointment-Ticket Costs	0.00	6,961.00	0.00	6,961.00
64307 - Appointment-Subsistence Allow	0.00	5,265.00	0.00	5,265.00
64308 - Appointments-Lump Sum	0.00	13,102.91	0.00	13,102.91
64309 - Appointment-Shipments	0.00	16,000.00	0.00	16,000.00
65115 - Contributions to ASHI Reserve	0.00	21,528.03	0.00	21,528.03
65135 - Payroll Mgt Cost Recovery ATLA	0.00	1,506.64	0.00	1,506.64
71205 - Intl Consultants-Sht Term-Tech	0.00	11,497.50	0.00	11,497.50
71305 - Local Consult.-Sht Term-Tech	0.00	15,621.35	0.00	15,621.35
71310 - Local Consult.-Short Term-Supp	0.00	3,635.83	0.00	3,635.83
71405 - Service Contracts-Individuals	0.00	3,170,896.48	0.00	3,170,896.48
71410 - MAIP Premium SC	0.00	11,069.49	0.00	11,069.49

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Combined Delivery Report By Project

Project Id : 00011492 URBAN POVERTY ALLEVIATION		Period :	Jan-Dec (2013)	
Output # : 00058224 Urban Partnerships for Poverty		Impl. Partner :	00256 National Execution	
		Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
71605 - Travel Tickets-International	0.00	10,403.58	0.00	10,403.58
71610 - Travel Tickets-Local	0.00	10,168.32	0.00	10,168.32
71615 - Daily Subsistence Allow-Intl	0.00	5,729.64	0.00	5,729.64
71620 - Daily Subsistence Allow-Local	0.00	101,654.32	0.00	101,654.32
71630 - Shipment	1,202.84	0.00	0.00	1,202.84
71635 - Travel - Other	877.60	492.65	0.00	1,370.25
72105 - Svc Co-Construction & Engineer	0.00	148.22	0.00	148.22
72120 - Svc Co-Trade and Business Serv	0.00	9,000.00	0.00	9,000.00
72125 - Svc Co-Studies & Research Serv	0.00	- 127,338.86	0.00	- 127,338.86
72135 - Svc Co-Communications Service	0.00	2,392.28	0.00	2,392.28
72140 - Svc Co-Information Technology	0.00	2,459.23	0.00	2,459.23
72165 - Svc Co-Social Svcs, Social Sci	0.00	155,804.03	0.00	155,804.03
72175 - Svc Co-Urban, Rural & Regional	0.00	92,762.28	0.00	92,762.28
72205 - Office Machinery	1,342.04	3,434.87	0.00	4,776.91
72210 - Machinery and Equipment	0.00	1,633.44	0.00	1,633.44
72220 - Furniture	849.34	0.00	0.00	849.34
72405 - Acquisition of Communic Equip	0.00	2,215.00	0.00	2,215.00
72425 - Mobile Telephone Charges	0.00	384.53	0.00	384.53
72435 - E-mail-Subscription	20,388.50	1,312.00	0.00	21,700.50
72440 - Connectivity Charges	0.00	2,822.19	0.00	2,822.19
72505 - Stationery & other Office Supp	41,216.17	1,270.98	0.00	42,487.15
72515 - Print Media	0.00	5,307.66	0.00	5,307.66
72605 - Grants to Instit & other Benef	0.00	6,617,676.95	0.00	6,617,676.95
72615 - Micro Capital Grants-Other	0.00	97,388.54	0.00	97,388.54
72705 - Hospitality-Special Events	0.00	64.80	0.00	64.80
72805 - Acquis of Computer Hardware	6,282.95	56,944.39	0.00	63,227.34
72810 - Acquis of Computer Software	0.00	4,393.97	0.00	4,393.97
72815 - Inform Technology Supplies	0.00	28,305.00	0.00	28,305.00
73405 - Rental & Maint-Other Office Eq	7,663.58	3,327.51	0.00	10,991.09
73406 - Maintenance of Equipment	1,226.64	0.00	0.00	1,226.64
73410 - Maint, Oper of Transport Equip	72,064.58	- 3,992.31	0.00	68,072.27
74110 - Audit Fees	0.00	28,941.00	0.00	28,941.00
74205 - Audio Visual Productions	0.00	2,203.50	0.00	2,203.50
74210 - Printing and Publications	9,259.15	22,013.11	0.00	31,272.26
74325 - Contrib.To CO Common Security	0.00	75,000.00	0.00	75,000.00
74510 - Bank Charges	0.00	2.00	0.00	2.00
74525 - Sundry	25,998.38	3,065.70	0.00	29,064.08
75105 - Facilities & Admin - Implement	0.00	794,142.06	0.00	794,142.06
75705 - Learning costs	308,858.61	128,618.87	0.00	437,477.48
76120 - Unrealized Loss	0.00	730.94	0.00	730.94
76125 - Realized Loss	0.00	7,048.11	0.00	7,048.11
76130 - Unrealized Gain	0.00	- 3,919.31	0.00	- 3,919.31
76135 - Realized Gain	0.00	- 1,655.95	0.00	- 1,655.95
77305 - Salaries - IP Staff-TA	0.00	- 58,189.00	0.00	- 58,189.00
77306 - Appoint-Tk cost-IP Staff-TA	0.00	8,513.00	0.00	8,513.00
77309 - Appoint-shipment-IP Staff-TA	0.00	2,400.00	0.00	2,400.00
77310 - Post Adjustment - IP Staff-TA	0.00	23,876.10	0.00	23,876.10
77315 - Contrib-Med,SocIns-IP Staff-TA	0.00	1,736.80	0.00	1,736.80
77320 - Assg hardship & mob allow-TA	0.00	7,839.96	0.00	7,839.96
77357 - Repat. Grl/Comm Ann Lv-IP-TA	0.00	621.47	0.00	621.47
77375 - Contrib-Jt Staff Pens Fd-IP-TA	0.00	18,544.12	0.00	18,544.12
77385 - Contribution to Security	0.00	3,198.68	0.00	3,198.68
77386 - Contribution to ICT_TA	0.00	1,199.49	0.00	1,199.49
77395 - MAIP Premium TA/IP	0.00	159.92	0.00	159.92

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Combined Delivery Report By Project

UN Development Programme

Report ID: unglcdrp

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Run Time: 08-04-2014 12:04:26

Project Id : 00011492 URBAN POVERTY ALLEVIATION		Period :	Jan-Dec (2013)	
Output # : 00058224 Urban Partnerships for Poverty		Impl. Partner :	00256 National Execution	
		Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
77396 - PAYROLL MGT COST RECOVERY	0.00	772.56	0.00	772.56
77397 - Appendix D TA/IP	0.00	239.90	0.00	239.90
Total for Fund 30000	497,230.38	11,644,001.80	0.00	12,141,232.18
Total for Dept : 39208	497,230.38	12,430,676.44	0.00	12,927,906.82
Total for Output : 00058224	497,230.38	13,137,510.60	10,097,630.72	23,732,371.70
Project Total :	497,230.38	13,137,510.60	10,097,630.72	23,732,371.70

01.10.14
✓ Md. Abdur Rashid Khan
Project Director
Urban Partnerships for Poverty Reduction Project
Local Government Engineering Department
Agargaon, Sher-e-Bangla Nagar, Dhaka-1207

Pauline Tamesis

Pauline Tamesis
Country Director
UNDP Bangladesh

Signed By : _____ Date : 01 October 2014

Signed By : _____ Date : _____

Mark Henderson

Mark Henderson
Partner
Moore Stephens LLP
01 October 2014

Selection Criteria :

Business Unit : BGD10
Period : Jan-Dec (2013)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : B0392
Selected Outputs : 00058224

Project Id : ALL Output # : ALL	Period : Jan-Dec (2013) Impl. Partner : Location :			Total Exp
	Govt Exp	UNDP Exp	UN Agencies Exp	
39201 - Bangladesh - Central	0.00	706,834.16	10,097,630.72	10,804,464.88
39208 - Bangladesh - Poverty Reduction	497,230.38	12,430,676.44	0.00	12,927,906.82

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Funds Utilization

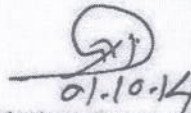
Selection Criteria :

Business Unit : BGD10
Period : Jan-Dec (2013)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : B0392
Selected Outputs : 00058224

Project/Award: 00011492 URBAN POVERTY ALLEVIATION


Period : As at Dec 31, 2013

Output #	00058224	Impl. Partner :00256 National Execution	UNDP AMOUNT
Outstanding NEX advances			45,935.00
Undepreciated Fixed Assets			0.00
Inventory			0.00
Prepayments			0.00
Commitments			215,773.92


01.10.14
✓ Md. Abdur Rashid Khan
Project Director
Urban Partnerships for Poverty Reduction Project
Local Government Engineering Department
Agargaon, Sher-e-Bangla Nagar, Dhaka-1207



Pauline Tamesis
Country Director
UNDP Bangladesh


Mark Henderson
Partner
Moore Stephens LLP
01 October 2014



Annex 2: Audit finding priority ratings

The following categories of priorities are used:

High (Critical)	Action is considered imperative to ensure that UNDP is not exposed to high risks. Failure to take action could result in major consequences and issues.
Medium (Important)	Action is considered necessary to avoid exposure to significant risks. Failure to take action could result in significant consequences.
Low	Action is considered desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the Auditors directly with the Office management, during the exit meeting and through a separate memo subsequent to the fieldwork. Therefore, low priority recommendations are not included in the audit report.