

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP SYRIAN ARAB REPUBLIC

SOCIO-ECONOMIC RECOVERY PROJECT
(Directly Implemented Project No. 74098, Output No. 86651)

Report No. 1653
Issue Date: 8 July 2016

**Report on the Audit of UNDP Syrian Arab Republic
Socio-Economic Recovery Project
(Project No. 74098, Output No. 86651)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Talal Abu-Ghazaleh & Co. (the audit firm), from 3 to 9 May 2016, conducted an audit of the Socio-Economic Recovery Project (Project No. 74098, Output No. 86651) (the Project), which is directly implemented and managed by the UNDP Country Office in the Syrian Arab Republic (the Office). This was the first audit of the Project.

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 2015 and the accompanying Funds Utilization statement¹ as of 31 December 2015 as well as Statement of Assets as of 31 December 2015. 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
4,415	Unqualified	2	Unqualified

The audit did not result in any recommendations.



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

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.

Auditor's Report

Financial audit of “Socio-economic Recovery Project” (The Project) implemented by UNDP - Syria for the year ended 31 December 2015.

PROJECT TITLE AND IDs:

Title: “Socio-Economic Recovery”

IDs: (Atlas Project ID: 00074098, Output ID: 00086651)

FUNDED BY

TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Talal Abu – Ghazaleh & Co.

Certified Public Accountants



Financial audit of Output ID: 00086651 titled “Socio-Economic Recovery Project” for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.

Socio-Economic Recovery Project

Implemented by UNDP Syria

Funded by

**TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany,
Government of Kuwait, Government of Russia, Swiss-Development Cooperation,
Central Emergency Response Fund (CERF-OCHA) and World Assembly of
Muslim Youth.**

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**To: Director of Office of Audit and Investigations (OAI)
United Nations Development Programme**

This report represents the results of our financial audit of Output ID 00086651 titled “Socio-Economic Recovery”, for the year ended 31 December 2015.

This financial audit was mandated in accordance with the audit contract for professional services signed with UNDP/OAI (Ref. Project ID 00074098 - Emerg. Assist for the Restor/St – Output ID 00086651 Socio-Economic Recovery dated 1 May 2016).

Sincerely yours,

Jamal Milhem, CPA

Certified Accountant License # (100/98)

Talal Abu-Ghazaleh & Co.

License No. 251/1997

Ramallah - Palestine, 6 May 2016



1. PART I – EXECUTIVE SUMMARY

The Executive Summary recapitulates the important issues raised in the financial audit of the “Socio-Economic Recovery Project”.

1.1. Background information about the Project

The project aims to restore the livelihoods of affected people through business revival, employment creation, provision of productive assets and startup tool kits, and provision of vocational training. The project started in 2013 and ended in December 2015.

The main objective of the project is restoration and stabilization of disrupted livelihoods of affected populations in Syria through creating and supporting income-generating activities. Key indicative activities include:

1. Revival/Support to small businesses and productive workshops
2. Creation of sustainable employment opportunities
3. Provision/Replacement of productive assets and startup tool kits.
4. Provision of vocational training
5. The HLP project ended in December 2015.

1.2. Project identification information

The following table summarizes the amount of expenditures for the year under review.

Output Name	Atlas Project ID	Atlas Output ID	2015 Budget (USD)	2015 Actual expenditures as per CDR (USD)
Social-Economic Recovery	00074098	00086651	4,474,015	4,414,717

The audit covered the Project activities during the period from 1 January to 31 December 2015. During the period under review, the Office recorded project expenditures totaling USD 4,414,717 as reported through the Combined Delivery Report (CDR).

1.3. Project budget:

The total budget for the year 2015 is USD 4,474,015.

1.4. Project duration:

Based on the agreements signed with UNDP, the Project duration is from 01 April 2013 to 31 December 2015.

1.5. Audit objectives

The objective of the financial audit is to express an opinion on the project's financial statements which include:

- 1) Expressing an opinion on whether the expenses incurred by the Project from 1 January to 31 December 2015 and the funds utilization as at 31 December 2015 were 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 and rules, policies and procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents. The Combined Delivery Report (CDR) and the accompanying Funds Utilization statement are the mandatory and official statements upon which the audit opinion should be expressed. Other forms of statement of expenses that may be prepared by a project office are not accepted.
- 2) Expressing an opinion on whether the statement of fixed assets presents fairly the balance of assets of the UNDP Project as at 31 December 2015. This statement should include all assets available as at 31 December 2015 and not only those purchased in the period under audit.
- 3) 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 2015. Disbursements made against a DIM project are usually financed from the regular country office bank accounts. Exceptionally, a dedicated bank account may be opened and used solely for the cash transactions of a DIM project, e.g. if the project is in a remote location. The audit firm is required to express an opinion on the Statement of Cash only where a dedicated bank account for the DIM project has been established. In cases where the cash transactions of the audited DIM project are made through the country office bank accounts, this type of opinion is not required

We performed our financial audit in accordance with the International Standards on Auditing (ISA 700) and in compliance with the UNDP rules and regulations.

1.6. Scope of Audit:

The scope of the audit relates only to transactions concluded and recorded against the UNDP DIM project for the period from 1 January 2015 to 31 December 2015. The scope of the audit did not include:

- Activities and expenses incurred or undertaken at the level of "responsible parties"; and

Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery" for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.

- 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.

Specifically, the audit covered the following:

- a) The expenses incurred and recorded in the Combined Delivery Report (CDR) of the project ID 00074098 - output ID 00086651 "Socio-Economic Recovery" during the period from 1 January 2015 to 31 December 2015 and the Funds Utilization Statement as at 31 December 2015;
- b) The value and existence of the fixed assets held by the project ID 00074098 - output ID 00086651 "Socio-Economic Recovery" as at 31 December 2015; and
- c) The value and existence of Cash held by the Project ID 00074098 - output ID 00086651 "Socio-Economic Recovery" as at 31 December 2015 (in the case there is a separate bank account for the DIM project under review).

Accounting principles:

The Combined Delivery Report (CDR) was prepared on the accrual basis accounting system, therefore expenditures were recognized when incurred rather than when paid.

All assets included in the Statement of Fixed Assets were accounted for according to their historical costs, and in compliance with UNDP's Asset Management Guidelines.

Since 2012, UNDP started applying IPSAS and as a result, fixed assets depreciation expenses are included in the CDR.

Financial audit of Output ID: 00086651 titled “Socio-Economic Recovery” for the year ended 31 December 2015.

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Implemented by: United Nations Development Programme in Syria.

1.7. Summary of the Audit performed and results:

1.7.1 Audit performed:

This summary represents the results of our financial audit of project ID 00074098 - output ID 00086651 titled “Socio-Economic Recovery”, for the year ended 31 December 2015.

The total expenditures incurred by UNDP on the above Project are USD 4,414,717. The audit tests approximately covered 62 percent of the total expenditures, as shown in the following table:

Project location	No. of samples	Total expenditures as per CDR (USD)	Total expenditures tested	Percentage
Syria	104	4,414,717	2,733,059	62%

1.7.2 Results of the Audit:

- **The Combined Delivery Report (CDR) and Funds Utilization Statement**

The review did not disclose any financial errors in the Project's CDR for the period from 1 January to 31 December 2015 and Funds Utilization statement as at 31 December 2015.

- **The Statement of Fixed Assets**

The results of our review did not disclose any material misstatement that could affect the presentation of the statement of fixed assets as at 31 December 2015.

- **The Statement of Cash held by the Project**

In accordance with the Terms of Reference for the audit, we did not issue an opinion on the Statement of Cash Position as there was no separate bank account for the project under review.

Jamal Milhem, CPA

Certified Accountant License # (100/98)

Talal Abu-Ghazaleh & Co.

License No. 251/1997

Ramallah - Palestine, 6 May 2016



2. PART II – AUDITOR’S REPORT WITH OPINION

2.1. Auditor’s Report

REPORT OF THE INDEPENDENT AUDITORS TO UNDP DIM PROJECT “SOCIO-ECONOMIC RECOVERY”

**To the Director of the Office of Audit and Investigations
United Nations Development Programme**

Report on the Project Financial Statement

We have audited the accompanying Combined Delivery Report (CDR) and Funds Utilization Statement (the Statement) of the UNDP output ID 00086651 “Socio-Economic Recovery”, for the period from 1 January to 31 December 2015.

Management’s Responsibility

Management is responsible for the preparation and fair presentation of the statement for “Socio-Economic Recovery Project” 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the 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 statements are 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 statements 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.

Unmodified Opinion

In our opinion, the attached Combined Delivery Report (CDR) and Funds Utilization statement gives a true and fair view of the expenditures of USD 4,414,717 incurred by the “Socio-Economic Recovery Project”, for the period from 1 January to 31 December

Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery" for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.

2015 in accordance with UNDP accounting policies and were: (i) in conformity with the approved project budgets; (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.

Jamal Milhem, CPA

Certified Accountant License # (100/98)

Talal Abu-Ghazaleh & Co.

License No. 251/1997

Ramallah – Palestine, 6 May 2016




Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery Project" for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.

2.2. CDR Output ID. 00086651 for the year ended 31 December 2015:

Combined Delivery Report by Activity



UN Development Programme
 Report ID: unglcdrb

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Run Time: 24-02-2016 10:02:30

Selection Criteria :

Business Unit : SYR10
 Period : Jan-Dec (2015)
 Selected Project Id : ALL
 Selected Fund Code : ALL
 Selected Dept. IDs : B0472
 Selected Outputs : 00086651

Project Id : 00074098 Emerg.Assist for the Restor/St	Period : Jan-Dec (2015)
Output # : 00086651 Socio-economic Recovery	Impl. Partner : 99999 UNDP
	Location : Project Building
	</

Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery Project" for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.



UN Development Programme
Report ID: unglcdrv

Combined Delivery Report by Activity

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Project Id : 00074098 Emerg.Assist for the Restor/St		Period :	Jan-Dec (2015)	
Output # : 00086651 Socio-economic Recovery		Impl. Partner :	99999 UNDP	
		Location :	Project Building	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
74520 - Storage	0.00	2,243.29	0.00	2,243.29
74696 - PP&E Expensed Items	0.00	96,725.68	0.00	96,725.68
74725 - Other L.T.S.H.	0.00	3,055.61	0.00	3,055.61
75105 - Facilities & Admin - Implement	0.00	197,950.50	0.00	197,950.50
76135 - Realized Gain	0.00	- 77,122.09	0.00	- 77,122.09
77205 - Salaries - GS Staff-TA	0.00	3,150.67	0.00	3,150.67
77210 - Contrib to UNJSPF-GS-TA	0.00	491.67	0.00	491.67
77215 - Contrib-Med,SocIns-GS Staff-TA	0.00	97.67	0.00	97.67
77260 - Other payroll costs GS-TA	0.00	248.99	0.00	248.99
77265 - Hazard Duty Stat Allow-GS-TA	0.00	918.00	0.00	918.00
77295 - MAIP Premium TA/GS	0.00	12.61	0.00	12.61
77297 - Appendix D TA/GS	0.00	9.45	0.00	9.45
77385 - Contribution to Security	0.00	204.79	0.00	204.79
77386 - Contribution to ICT_TA	0.00	47.26	0.00	47.26
77396 - PAYROLL MGT COST RECOVERY	0.00	44.82	0.00	44.82
Total for Fund 30000	0.00	2,595,209.75	0.00	2,595,209.75
Total for Activity ACTIVITY02	0.00	2,698,912.20	0.00	2,698,912.20
Activity : ACTIVITY03 (Vocational Training)				
Fund : 04000 (Core Programme, UNU Centre)				
71620 - Daily Subsistence Allow-Local	0.00	321.60	0.00	321.60
73410 - Maint, Oper of Transport Equip	0.00	137.17	0.00	137.17
Total for Fund 04000	0.00	458.77	0.00	458.77
Fund : 30000 (PROGRAMME COST SHARING)				
72105 - Svc Co-Construction & Engineer	0.00	233,349.00	0.00	233,349.00
75105 - Facilities & Admin - Implement	0.00	18,667.92	0.00	18,667.92
76135 - Realized Gain	0.00	- 1,666.79	0.00	- 1,666.79
Total for Fund 30000	0.00	250,350.13	0.00	250,350.13
Total for Activity ACTIVITY03	0.00	250,808.90	0.00	250,808.90
Activity : ACTIVITY04 (Project Management)				
Fund : 04000 (Core Programme, UNU Centre)				
71305 - Local Consult.-Sht Term-Tech	0.00	1,660.00	0.00	1,660.00
71405 - Service Contracts-Individuals	0.00	10.45	0.00	10.45
71610 - Travel Tickets-Local	0.00	450.00	0.00	450.00
71615 - Daily Subsistence Allow-Intl	0.00	1,706.00	0.00	1,706.00
71620 - Daily Subsistence Allow-Local	0.00	4,816.64	0.00	4,816.64
71635 - Travel - Other	0.00	314.96	0.00	314.96
72145 - Svc Co-Training and Educ Serv	0.00	2,795.00	0.00	2,795.00

Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery Project" for the year ended 31 December 2015.

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Implemented by: United Nations Development Programme in Syria.



UN Development Programme
Report ID: unglcdrb

Combined Delivery Report by Activity

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Project Id : 00074098 Emerg.Assist for the Restor/St		Period : Jan-Dec (2015)		
Output # : 00086651 Socio-economic Recovery		Impl. Partner : 99999 UNDP		
		Location : Project Building		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72210 - Machinery and Equipment	0.00	1,836.36	0.00	1,836.36
72310 - Minerals,Mining & Metal Prdcts	0.00	893.90	0.00	893.90
72405 - Acquisition of Communic Equip	0.00	431.45	0.00	431.45
72505 - Stationery & other Office Supp	0.00	1,692.59	0.00	1,692.59
72615 - Micro Capital Grants-Other	0.00	5,000.00	0.00	5,000.00
72705 - Hospitality-Special Events	0.00	42.72	0.00	42.72
73104 - Leased Building	0.00	68.86	0.00	68.86
73410 - Maint, Oper of Transport Equip	0.00	1,621.92	0.00	1,621.92
74210 - Printing and Publications	0.00	1,487.26	0.00	1,487.26
74215 - Promotional Materials and Dist	0.00	767.79	0.00	767.79
74220 - Translation Costs	0.00	252.59	0.00	252.59
74525 - Sundry	0.00	1,699.67	0.00	1,699.67
76135 - Realized Gain	0.00	-230.66	0.00	-230.66
77360 - Med Exams(incl Pre-empl)-TA	0.00	0.00	0.00	0.00
Total for Fund 04000	0.00	27,317.50	0.00	27,317.50
Fund : 11888 (Country Co-Financing CS)				
71405 - Service Contracts-Individuals	0.00	16,182.83	0.00	16,182.83
71410 - MAIP Premium SC	0.00	37.22	0.00	37.22
71415 - Contribution to Security SC	0.00	604.77	0.00	604.77
73104 - Leased Building	0.00	15,000.00	0.00	15,000.00
73410 - Maint, Oper of Transport Equip	0.00	21.82	0.00	21.82
75105 - Facilities & Admin - Implement	0.00	2,547.73	0.00	2,547.73
Total for Fund 11888	0.00	34,394.37	0.00	34,394.37
Fund : 30000 (PROGRAMME COST SHARING)				
71405 - Service Contracts-Individuals	0.00	57,138.34	0.00	57,138.34
71410 - MAIP Premium SC	0.00	135.24	0.00	135.24
71415 - Contribution to Security SC	0.00	2,197.04	0.00	2,197.04
71620 - Daily Subsistence Allow-Local	0.00	3,758.92	0.00	3,758.92
73125 - Common Services-Premises	0.00	15,410.85	0.00	15,410.85
74120 - Capacity Assessment	0.00	23,576.50	0.00	23,576.50
74325 - Contrib.To CO Common Security	0.00	53,000.00	0.00	53,000.00
75105 - Facilities & Admin - Implement	0.00	12,442.82	0.00	12,442.82
75710 - Participation of counterparts	0.00	318.47	0.00	318.47
76125 - Realized Loss	0.00	0.00	0.00	0.00
76135 - Realized Gain	0.00	-1,986.08	0.00	-1,986.08
Total for Fund 30000	0.00	165,992.10	0.00	165,992.10
Total for Activity ACTIVITY04	0.00	227,703.97	0.00	227,703.97
Activity : ACTIVITY05 (Supp to micro Busi Start up-K3)				
Fund : 04000 (Core Programme, UNU Centre)				
72615 - Micro Capital Grants-Other	0.00	17,248.00	0.00	17,248.00

Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery Project" for the year ended 31 December 2015.

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Implemented by: United Nations Development Programme in Syria.



UN Development Programme
Report ID: unglcdrb

Combined Delivery Report by Activity

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Project Id : 00074098 Emerg.Assist for the Restor/St		Period : Jan-Dec (2015)		
Output # : 00086651 Socio-economic Recovery		Impl. Partner : 99999 UNDP		
		Location : Project Building		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
Total for Fund 04000	0.00	17,248.00	0.00	17,248.00
Fund : 11888 (Country Co-Financing CS)				
72210 - Machinery and Equipment	0.00	48,626.62	0.00	48,626.62
72305 - Agri & Forestry Products	0.00	2,028.99	0.00	2,028.99
72320 - Wood & Paper Products	0.00	24,083.62	0.00	24,083.62
72399 - Other Materials and Goods	0.00	29,016.46	0.00	29,016.46
72615 - Micro Capital Grants-Other	0.00	94,576.00	0.00	94,576.00
74215 - Promotional Materials and Dist	0.00	4,927.54	0.00	4,927.54
74225 - Other Media Costs	0.00	19,000.00	0.00	19,000.00
75105 - Facilities & Admin - Implement	0.00	17,780.74	0.00	17,780.74
76135 - Realized Gain	0.00	-3,325.63	0.00	-3,325.63
Total for Fund 11888	0.00	236,714.34	0.00	236,714.34
Fund : 30000 (PROGRAMME COST SHARING)				
64308 - Appointments-Lump Sum	0.00	8,000.00	0.00	8,000.00
64309 - Appointment-Shipments	0.00	2,200.00	0.00	2,200.00
71305 - Local Consult.-Sht Term-Tech	0.00	1,670.00	0.00	1,670.00
71405 - Service Contracts-Individuals	0.00	103,615.99	0.00	103,615.99
72105 - Svc Co-Construction & Engineer	0.00	850.39	0.00	850.39
72315 - Food & Textile Products	0.00	5,315.03	0.00	5,315.03
72399 - Other Materials and Goods	0.00	62,917.29	0.00	62,917.29
72505 - Stationery & other Office Supp	0.00	25.44	0.00	25.44
72615 - Micro Capital Grants-Other	0.00	739,919.00	0.00	739,919.00
74505 - Insurance	0.00	800.00	0.00	800.00
74725 - Other L.T.S.H.	0.00	1,150.00	0.00	1,150.00
75105 - Facilities & Admin - Implement	0.00	74,450.48	0.00	74,450.48
75705 - Learning costs	0.00	23.20	0.00	23.20
75707 - Learning - subsistence allowan	0.00	3,679.47	0.00	3,679.47
76125 - Realized Loss	0.00	0.05	0.00	0.05
76135 - Realized Gain	0.00	-21,965.74	0.00	-21,965.74
77360 - Med Exams(incl Pre-empl)-TA	0.00	465.24	0.00	465.24
Total for Fund 30000	0.00	983,115.84	0.00	983,115.84
Total for Activity ACTIVITY05	0.00	1,237,078.18	0.00	1,237,078.18
Total for Output : 00086651	0.00	4,414,716.84	0.00	4,414,716.84
Project Total :	0.00	4,414,716.84	0.00	4,414,716.84

YD

[Signature]

Signed By : Samuel Rizk, UNDP Country Director

Date : 11/3/2016

2. A
AS



[Signature]

Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery Project" for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.



UN Development Programme
Report ID: ungicdrb

Combined Delivery Report by Activity

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Run Time: 24-02-2016 10:02:32

Selection Criteria :

Business Unit : SYR10
Period : Jan-Dec (2015)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : B0472
Selected Outputs : 00086651

Project Id : ALL		Period : Jan-Dec (2015)		
Output # : ALL		Impl. Partner : Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
47201 - Syria - Central	0.00	58,324.92	0.00	58,324.92
47203 - Syria - Crisis Prev & Rcvry	0.00	4,356,391.92	0.00	4,356,391.92

Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery Project" for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.



UNDP UN Development Programme
Report ID: unglcdrb

Combined Delivery Report by Activity

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Funds Utilization

Selection Criteria :

Business Unit : SYR10
Period : Jan-Dec (2015)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : B0472
Selected Outputs : 00086651

Project/Award: 00074098 Emerg.Assist for the Restor/St

Period : As Of Dec31,2015

Output #	00086651	Impl. Partner :99999 UNDP	UNDP AMOUNT
Outstanding NEX advances			0.00
Undepreciated Fixed Assets			1,868.93
Inventory			0.00
Prepayments			0.00
Commitments			46,247.00

3. CERTIFICATION OF THE STATEMENT OF FIXED ASSETS - 2015

To the Director of the Office of Audit and Investigations

United Nations Development Programme

Report on the Statement of Fixed Assets

We have audited the accompanying statement of Fixed Assets (the Statement) of the UNDP Output ID: 86651, "Socio-Economic Recovery Project", as at 31 December 2015.

Management's Responsibility

Management is responsible for the preparation of the Statement for "Socio-Economic Recovery Project" and for such internal control as management determines is necessary to enable the preparation of the statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the 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 schedule 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.

Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery Project" for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.

Unmodified Opinion

In our opinion, the attached Statement of assets presents fairly in all material respects the balance of fixed assets of the UNDP project "Socio-Economic Recovery" amounting to USD 1,869 as at 31 December 2015 in accordance with UNDP accounting policies.

Jamal Milhem, CPA

Certified Accountant License # (100/98)

Talal Abu-Ghazaleh & Co.

License No. 251/1997

Ramallah – Palestine, 6 May 2016



Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery Project" for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.

3.1 Statement of Fixed Assets – 2015

**Socio-Economic Recovery Project
STATEMENT OF FIXED ASSETS
AS AT 31 DECEMBER 2015**

Category	No. of Items	Net Book Value USD
Computer	1	1,869
Net Book Value		1,869

Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery Project" for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.

3.2 List of Assets and Equipment:

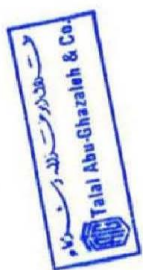
Socio-Economic Recovery Project
STATEMENT OF FIXED ASSETS
AS AT 31 DECEMBER 2015

Asset ID	DESCRIPTION	Serial Number	Location	Acquisition Date	In Service Date	Cost, USD	Quantity	Net Book Value	Depreciation Value	Project
1665	A Computer printers	MFP525DN	SYR101 101	10/23/2014	10/23/2014	2,135.92	1	1,868.93	266.99	86651

Signature:
Name:
Date:

Samuel K. K. K.
7/6/2014

Talal Abu-Ghazalah



1. A
2. A

Financial audit of Output ID: 00086651 titled "Socio-Economic Recovery Project" for the year ended 31 December 2015.

Funded by: TRAC 1, 2 & Interest on Cost Sharing Fund, Government of Germany, Government of Kuwait, Government of Russia, Swiss Development Cooperation, Central Emergency Response Fund (CERF-OCHA) and World Assembly of Muslim Youth.

Implemented by: United Nations Development Programme in Syria.

4. PART III – MANAGEMENT LETTER

We have not identified reportable issues during our audit of the Output ID: 00086651 "Socio-Economic Recovery" (The Project) implemented by UNDP – Syria for the year ended 31 December 2015.