



**AUDIT**

**OF**

**UNDP PERU**

**ENHANCEMENT OF COMMERCIALIZATION SERVICES OF GRAN MERCADO DE  
BELEN – IQUITOS**

**(Directly Implemented Project No. 88902, Output No. 95376)**

**Report No.1839**

**Issue Date: 25 July 2017**

**Report on the Audit of UNDP Peru**  
**Enhancement of Commercialization Services of Gran Mercado de Belén - Iquitos**  
**(Project No. 88902, Output No. 95376)**  
**Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Moore Stephens LLP (the audit firm), from 5 to 16 June 2017, conducted an audit of Enhancement of Commercialization Services of Gran Mercado de Belén – Iquitos, Project No. 88902 Output No. 95376 (the Project), which is directly implemented and managed by the UNDP Country Office in Peru (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 2015 to 31 December 2016 and the accompanying Funds Utilization statement<sup>1</sup> as of 31 December 2016 as well as Statement of Assets and Statement of Cash Position as of 31 December 2016. The audit did not include activities and expenses incurred or undertaken at the "responsible party" level, or expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters). 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*	
Amount (in \$ '000)	Opinion
12,552	Unqualified

\*Expenditures recorded in the Combined Delivery Report were \$12,886,119. Excluded from the audit scope were transactions that relate to expenditures processed and approved by other UNDP offices outside of the country, and expenditures incurred by other UN agencies (\$334,324).

### Key recommendations: Total = 2, high priority = 0

The audit did not result in any high (critical) priority recommendations. There are 2 medium (important) priority recommendations, which means, "Action is required to ensure that UNDP is not exposed to risks. Failure to take action could result in negative consequences for UNDP." These recommendations include actions to address the lack of annual and quarterly progress reports, and financial offer not clarified.

<sup>1</sup> 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.

The two recommendations aim to ensure the reliability and integrity of financial and operational information.

**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.



Brett Simpson  
Officer-in-Charge  
Office of Audit and Investigations



**UNITED NATIONS DEVELOPMENT PROGRAMME  
(UNDP)**

**FINAL AUDIT REPORT**

**20 July 2017**

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

**“Enhancement of commercialization services of Gran  
Mercado de Belén – Iquitos”**

<b>UNDP Country Office:</b>	<b>Perú</b>
<b>Atlas Project ID:</b>	<b>00088902</b>
<b>Atlas Output ID:</b>	<b>00095376</b>
<b>Auditor:</b>	<b>Moore Stephens LLP</b>
<b>Period subject to audit:</b>	<b>1 January 2015 to 31 December 2016</b>

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## EXECUTIVE SUMMARY

Moore Stephens LLP conducted the financial audit of "Enhancement of commercialization services of Gran Mercado de Belén – Iquitos" (Project ID 00088902) and Output 00095376 ('the project'), directly implemented by UNDP Peru ('the Office') for the period 1 January 2015 to 31 December 2016. 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:

<b>Statement of Expenditure</b>	Unqualified
<b>Statement of Assets and Equipment</b>	Not applicable
<b>Statement of Cash Position</b>	Not applicable

As a result of our audit, we have raised two audit findings with no net financial impact, as summarised below:

No.	Description	Priority	Net financial impact \$
1	Lack of annual and quarterly reports	Medium	-
2	Financial offer not clarified	Medium	-
<b>Total</b>			-

The project was not audited in the prior year.



Mark Henderson  
Partner

Moore Stephens LLP  
150 Aldersgate Street  
London EC1A 4AB

20 July 2017

**MOORE STEPHENS**

## 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 2015 and 31 December 2016 and the funds utilization as at 31 December 2016 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 and rules, policies and 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 2016. This statement must include all assets available as at 31 December 2016 and not only those purchased in a given period. Where a DIM project does not have any assets or equipment, it will not be necessary to express such an opinion.
- 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 2016. 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.

The Financial Audit will be conducted in accordance with the International Standards of Auditing (ISA), the 700 series.

The scope of the audit relates only to transactions concluded and recorded against the UNDP DIM project between 1 January 2015 and 31 December 2016. The scope of the audit 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 – “Enhancement of commercialization services of Gran Mercado de Belén – Iquitos”

#### Statement of Expenditure

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

#### Unqualified Opinion

We have audited the accompanying Combined Delivery Reports (CDRs) and Funds Utilization statements totalling \$ 12,886,119 (“the statement”) of the UNDP project 00088902 “Enhancement of commercialization services of Gran Mercado de Belén – Iquitos” for the period from 1 January 2015 to 31 December 2016. CDR expenditure totalling \$ 334,324, comprised of payslips processed and directly paid by UNDP HQ (registered under accounts group 6), was not within the scope of our audit.

In our opinion, the attached Combined Delivery Report (CDR) and Funds Utilization statement presents fairly, in all material respects, the expenses of \$ 12,551,795 incurred by the project “Enhancement of commercialization services of Gran Mercado de Belén – Iquitos” for the period 1 January 2015 to 31 December 2016 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those provisions and standards are further described in the ‘Auditor’s responsibilities for the audit of the Statement of Expenditure’ section of this report.”

We are independent of UNDP in accordance with the IESBA Code of Ethics for Professional Accountants. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management responsibilities

UNDP project management is responsible for the preparation of the Statement and other financial records for the project’s activities and for such internal control as management determines is necessary to enable the preparation of the Statement to be free from material misstatement, whether due to fraud or error.

#### Auditor’s responsibilities

Our objectives are to obtain reasonable assurance about whether the Statement is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material



misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.

We communicate with UNDP project management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Mark Henderson  
Partner

Moore Stephens LLP  
150 Aldersgate Street  
London EC1A 4AB

20 July 2017

MOORE STEPHENS

## Independent Auditor’s Report to UNDP – “Enhancement of commercialization services of Gran Mercado de Belén – Iquitos”

### Statement of Assets and Equipment

We noted that the UNDP project 00088902 “Enhancement of commercialization services of Gran Mercado de Belén – Iquitos” had no assets or equipment and accordingly a Statement of Assets and Equipment was not produced.

## Independent Auditor’s Report to UNDP – “Enhancement of commercialization services of Gran Mercado de Belén – Iquitos”

### Statement of Cash Position

We noted that the UNDP project 00095376 “Enhancement of commercialization services of Gran Mercado de Belén – Iquitos” 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:

<b>Finding n°: 1</b>	<b>Title: Lack of quarterly progress reports</b>
<p><b>Observation:</b></p> <p>Section IV Monitoring and evaluating matrix of the Project Document (PRODOC) states that a quality assessment including the progress towards the achievement of key results should be done on a quarterly basis. Furthermore, the Project Manager should prepare a Project Progress Report using the standard report template available.</p> <p>Likewise, the PRODOC establishes that the Project will be monitored annually through the Annual Review Report, which shall be prepared by the National Directorate and shared with the Project and Result Board. The Annual Report, as a minimum requirement, will use the same format as the Quarterly Project Progress Report (QPR), considering the achievements in relation to the annual goals defined at a Product level.</p> <p>However, quarterly Project Progress Reports were not produced during the period under audit.</p> <p>We also noted that the Annual Reports of the project for 2016 contained several inaccuracies and therefore, it has not yet been approved by UNDP.</p>	
<b>Priority: Medium</b>	
<p><b>Recommendation:</b></p> <p>The Office should ensure compliance with PRODOC rules by producing and delivering the required progress reports. Regular follow-up with the Ministry of Production (PRODUCE) is highly recommended in order to obtain the reports to comply with the PRODOC.</p>	
<p><b>Management comments:</b></p> <p>The Office agrees with the recommendation and will reinforce the follow-up with the National Director of the Ministry of Production to obtain the mandatory reports on due time. However, it is important to point out that the Office discussed the importance of submitting the quarterly and annual reports as stipulated in the PRODOC in several meetings with PRODUCE.</p> <p>Progress regarding the project implementation related to the most important part of the project which is the market construction, has been very modest since the second trimester of 2016. This is due to the FAO report that recommended substantial changes to the design, requiring modifications to the final technical dossier, pending for approval since October 2016. This situation has been continually discussed with PRODUCE and has been profoundly explained during the audit mission.</p> <p>Concerning the Annual Report: despite our insistence PRODUCE didn't send its report on time. In the Project Board organized on 2 June the presentation of the Annual Report was a point of the agenda as required by PNUD. PRODUCE mentioned they would send a draft on 5 June. On 15 June PRODUCE sent the report without UNDP previous review. UNDP has detected several inaccuracies in this report and has prepared an internal document highlighting and explaining these points. Furthermore, UNDP is currently coordinating several meetings with PRODUCE in order to clarify this issues.</p>	

<b>Finding n°: 2</b>	<b>Title: Financial offer not clarified</b>
<p><b>Observation:</b></p> <p>Section III of the Terms of Reference of the Project Document (PRODOC) states with regard to procurement: "Ensure, under the direction and supervision of the Project Manager (direct supervisor), the execution of procurement processes for goods and /or services and processes for the selection and contracting of natural persons, according to the assigned portfolio, in the pre-purchase phases, purchase and post-purchase, applying the established norms and within the principles of competence, transparency and equality, that contribute to the fulfilment of proposals, within the country's development framework."</p> <p>We noted that as part of the tendering process IPI No. UNDP/IAL-375/2015 for the design and construction of the Belén market, the selected supplier included a list of 'improvements' to the list no. 10 of the financial offer. As such, the financial offer did not follow the format required, and these 'improvements' were not clearly separated from the basic services offered.</p> <p>The format used by the supplier leads to confusion as to what final price of the services is. The Office did not ask for a clarification on the final price or a modified financial offer following the required format and instead calculated the final price themselves, which presents a risk that the final price used for evaluation was not correct.</p>	
<b>Priority: Medium</b>	
<p><b>Recommendation:</b></p> <p>We recommend that procurement notices be sufficiently detailed to allow prospective bidders to submit offers addressing all the relevant criteria. Any lack of clarity with any offer received should be communicated with the bidder to avoid confusion during the evaluation process. This is especially important considering the procedure followed to rule out bidders as stated in Section IV of the bidding rules: an evaluation and comparison of tenders based on the list of prices and tariffs submitted is performed first. Once the lowest bid is determined, the entire proposal is evaluated (quality of preliminary design, experience in construction, staff background, financial capacity and other requirements based on ToR).</p>	
<p><b>Management comments:</b></p> <p>In relation to the issue mentioned in the procurement process, it is not related to the bidding process itself, but refers to a lack of clarity of the supplier during the presentation of its offer. While it is true that establishing the lowest bid to be evaluated in its entirety was somewhat difficult, once this issue was resolved, the evaluation of the process was carried out in a transparent and impartial manner according to the criteria established in the ITB documents. For this reason, during the evaluation stage, all bidders could be consulted or ask for clarifications in order to clear doubts of its offers.</p> <p>However, the Office takes note of the recommendation and assumes that any process can be improved and documented in a better way.</p>	

Mark Henderson  
Partner  
Moore Stephens LLP  
150 Aldersgate Street  
London EC1A 4AB

20 July 2017

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## **Annexes**

### **Annex 1: Combined Delivery Report**





UN Development Programme  
Report ID: unglcdrp

# Combined Delivery Report By Project

Page 1 of 3  
Run Time: 09-02-2016 16:02:17

## Selection Criteria :

Business Unit : PER10  
Period : Jan-Dec (2015)  
Selected Project Id : ALL  
Selected Fund Code : ALL  
Selected Dept IDs : ALL  
Selected Outputs : 00095376

Project Id : 00088902	Mejoramiento Servicio Comercia	Period :	Jan-Dec (2015)
Output # : 00095376	Mejoramiento Mercado Belen	Impl. Partner :	03843 PERMinisterio de la Producci
		Location :	PNUD
	Govt Exp	UNDP Exp	UN Agencies Exp
			Total Exp


Dept: 52203 (PerL - Poverty Reduction)

Fund : 30071 (Programme Cost Sharing GOV1)

71205 - Intl Consultants-Sht Term-Tech	0.00	7,975.00	0.00	7,975.00
71305 - Local Consult.-Sht Term-Tech	0.00	9,501.73	0.00	9,501.73
71405 - Service Contracts-Individuals	0.00	16,232.20	0.00	16,232.20
71410 - MA P Premium SC	0.00	56.26	0.00	56.26
71415 - Contribution to Security SC	0.00	632.97	0.00	632.97
71605 - Travel Tickets-International	0.00	1,542.27	0.00	1,542.27
71610 - Travel Tickets-Local	0.00	815.60	0.00	815.60
71615 - Dai y Subsistence Allow-Intl	0.00	3,859.00	0.00	3,859.00
71620 - Dai y Subsistence Allow-Local	0.00	610.00	0.00	610.00
71635 - Travel - Other	0.00	545.00	0.00	545.00
72105 - Svc Co-Construction & Engineer	0.00	375,508.00	0.00	375,508.00
72130 - Svc Co-Transportation Services	0.00	128.84	0.00	128.84
72405 - Acquisition of Communic Equip	0.00	3,852.30	0.00	3,852.30
72505 - Stationery & other Office Supp	0.00	1,172.81	0.00	1,172.81
72815 - Inform Technology Supplies	0.00	2,888.22	0.00	2,888.22
74210 - Printing and Publications	0.00	3,901.99	0.00	3,901.99
74525 - Sur dry	0.00	25.91	0.00	25.91
75105 - Facilities & Admin - Implement	0.00	17,169.92	0.00	17,169.92
Total for Fund 30071	0.00	446,418.02	0.00	446,418.02
Total for Dept : 52208	0.00	446,418.02	0.00	446,418.02
Total for Output : 00095376	0.00	446,418.02	0.00	446,418.02

Project Total :	0.00	446,418.02	0.00	446,418.02
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MOORE STEPHENS

Mark Henderson  
Partner

Moore Stephens LLP  
150 Aldersgate Street  
London EC1A 4AB

20 July 2017

Signed By :

Edo Stork

Date :

29/Dic/2016

Signed By :

REPRESENTANTE RESIDENTE ADJUNTO

Date :

30/ Mar /2017.

María del Carmen Sacasa  
Coordinadora Residente NNUU  
Representante Residente PNUD



# Combined Delivery Report By Project

UNDP UN Development Programme  
Report ID: unglcdrp

Page 2 of 3  
Run Time: 09-02-2016 16:32:18

## Selection Criteria :

Business Unit : PER10  
Period : Jan-Dec (2015)  
Selected Project Id : ALL  
Selected Fund Code : ALL  
Selected Dept. IDs : ALL  
Selected Outputs : 00095376

Project Id : ALL	Period : Jan-Dec (2015)			
Output # : ALL	Impl. Partner :			
	Location :			
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
52208 - Peru - Poverty Reduction	0.00	446,418.02	0.00	446,418.02



Funds Utilization

Selection Criteria :

Business Unit : PER10  
Period : Jan-Dec (2015)  
Selected Project Id : ALL  
Selected Fund Code : ALL  
Selected Dept. IDs : ALL  
Selected Outputs : 00095376

Project/Award: 00088902 Mejoramiento Servicio Comercia

Period : As at Dec 31, 2015

Output # 00095376 Impl. Partner :03843 PERMinisterio de la Producci

UNDP AMOUNT

Outstanding NEK advances	0.00
Undepreciated Fixed Assets	0.00
Inventory	0.00
Prepayments	0.00
Commitments	0.00



UN Development Programme  
Report ID: ungidrp

# Combined Delivery Report By Project

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Run Time: 07-02-2017 20:02:14

## Selection Criteria :

Business Unit : PER10  
Period : Jan-Dec (2016)  
Selected Project Id : ALL  
Selected Fund Code : ALL  
Selected Dept. IDs : ALL  
Selected Outputs : 00095376

Project Id : 00088902	Mejoramiento Servicio Comercia	Period :	Jan-Dec (2016)
Output # : 00095376	Mejoramiento Mercado Belen	Impl. Partner :	03843 PERMinisterio de la Producci
		Location :	PNUD
	Govt Exp	UNDP Exp	UN Agencies Exp
			Total Exp

Dept: 52201 (Peru - Central)

Fund : 30071 (Programme Cost Sharing GOV1)

71205 - Intl Consultants-Sht Term-Tech	0.00	0.00	63,329.45	63,329.45
71405 - Service Contracts-Individuals	0.00	0.00	0.00	0.00
75105 - Facilities & Admin - Implement	0.00	2,533.18	0.00	2,533.18

Total for Fund 30071	0.00	2,533.18	63,329.45	65,862.63
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Total for Dept : 52201	0.00	2,533.18	63,329.45	65,862.63
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Dept: 52208 (Peru - Poverty Reduction)

Fund : 04000 (Core Programme, UNU Centre)

71605 - Travel Tickets-International	0.00	5,249.44	0.00	5,249.44
71610 - Travel Tickets-Local	0.00	735.20	0.00	735.20
71615 - Daily Subsistence Allow-Intl	0.00	1,080.00	0.00	1,080.00
71635 - Travel - Other	0.00	1,064.00	0.00	1,064.00

Total for Fund 04000	0.00	8,128.64	0.00	8,128.64
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Fund : 30071 (Programme Cost Sharing GOV1)

61105 - Salaries - NP Staff	0.00	76,673.97	0.00	76,673.97
61205 - Salaries - GS Staff	0.00	330.10	0.00	330.10
62105 - Dependency Allowance-NP Staff	0.00	1,919.89	0.00	1,919.89
62110 - Contrib Joint Staff Pension-NP	0.00	15,581.48	0.00	15,581.48
62115 - Contrib to Med,SocIns-NP Staff	0.00	5,514.50	0.00	5,514.50
62140 - Annual Leave Expense - NO	0.00	3,681.25	0.00	3,681.25
63150 - Reimb For Med Costs (LNO)	0.00	173.35	0.00	173.35
63530 - Contribution to EOS Benefits	0.00	2,867.21	0.00	2,867.21
63535 - Contribution to Security	0.00	3,249.46	0.00	3,249.46
63545 - Contribution to ICT	0.00	1,146.82	0.00	1,146.82
63550 - Contributions to MAIP	0.00	191.17	0.00	191.17
63555 - Contribution to UN JFA	0.00	2,484.88	0.00	2,484.88
63560 - Contributions to Appendix D	0.00	191.17	0.00	191.17
65115 - Contributions to ASHI Reserve	0.00	6,116.65	0.00	6,116.65
65135 - Payroll Mgt Cost Recovery ATLA	0.00	267.36	0.00	267.36
71205 - Intl Consultants-Sht Term-Tech	0.00	4,500.00	0.00	4,500.00
71405 - Service Contracts-Individuals	0.00	97,288.95	0.00	97,288.95
71410 - MAIP Premium SC	0.00	208.81	0.00	208.81
71415 - Contribution to Security SC	0.00	3,549.20	0.00	3,549.20
71605 - Travel Tickets-International	0.00	4,006.09	0.00	4,006.09
71610 - Travel Tickets-Local	0.00	13,398.10	0.00	13,398.10
71615 - Daily Subsistence Allow-Intl	0.00	1,718.00	0.00	1,718.00





Combined Delivery Report By Project

Project Id : 00C88902 Mejoramiento Servicio Comercia		Period :	Jan-Dec (2016)	
Output # : 00C95376 Mejoramiento Mercado Belen		Impl. Partner :	03843 PERMinisterio de la Producci	
		Location :	PNUD	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

71620 - Daily Subsistence Allow-Local	0.00	18,135.93	0.00	18,135.93
71635 - Travel - Other	0.00	11,180.94	0.00	11,180.94
72105 - Svc Co-Construction & Engineer	0.00	1,008,205.10	0.00	1,008,205.10
72120 - Svc Co-Trade and Business Serv	0.00	140,815.10	0.00	140,815.10
72125 - Svc Co-Studies & Research Serv	0.00	26,631.16	0.00	26,631.16
72130 - Svc Co-Transportation Services	0.00	75.62	0.00	75.62
72215 - Transportation Equipment	0.00	200.00	0.00	200.00
72315 - Food & Textile Products	0.00	213.51	0.00	213.51
72399 - Other Materials and Goods	0.00	328.16	0.00	328.16
72405 - Acquisition of Communic Equip	0.00	1,140.94	0.00	1,140.94
72410 - Acquisition of Audio Visual Eq	0.00	763.95	0.00	763.95
72415 - Courier Charges	0.00	57.78	0.00	57.78
72505 - Stationery & other Office Supp	0.00	52.48	0.00	52.48
72510 - Publications	0.00	755.65	0.00	755.65
72815 - Inform Technology Supplies	0.00	2,041.61	0.00	2,041.61
73125 - Common Services-Premises	0.00	714.53	0.00	714.53
73216 - Construction Cost	0.00	10,323,733.25	0.00	10,323,733.25
73405 - Rental & Maint-Other Office Eq	0.00	489.54	0.00	489.54
74210 - Printing and Publications	0.00	2,719.76	0.00	2,719.76
74225 - Other Media Costs	0.00	503.03	0.00	503.03
74325 - Contrib.To CO Common Security	0.00	212.85	0.00	212.85
74525 - Sundry	0.00	54.10	0.00	54.10
74598 - Direct Project Costs - GOE	0.00	69,785.82	0.00	69,785.82
74599 - UNDP cost recovery chrgs-Bills	0.00	7,500.00	0.00	7,500.00
75105 - Facilities & Admin - Implement	0.00	475,604.22	0.00	475,604.22
75705 - Learning costs	0.00	600.00	0.00	600.00
76125 - Realized Loss	0.00	0.03	0.00	0.03
76135 - Realized Gain	0.00	-0.05	0.00	-0.05
77105 - Salaries - NP Staff-TA	0.00	19,991.93	0.00	19,991.93
77110 - Contrib to UNSSPF-NP-TA	0.00	4,544.33	0.00	4,544.33
77115 - Contrib-Med,SocIns-NP Staff-TA	0.00	688.23	0.00	688.23
77120 - Repat Grl/Comm Annual Lv-NP-TA	0.00	780.46	0.00	780.46
77145 - Dependency Allow-NP Staff-TA	0.00	668.50	0.00	668.50
77195 - MAIP Premium TA/NO	0.00	55.50	0.00	55.50
77197 - Appendix D TA/NO	0.00	55.50	0.00	55.50
77385 - Contribution to Security	0.00	943.89	0.00	943.89
77386 - Contribution to ICT_TA	0.00	333.01	0.00	333.01
77396 - PAYROLL MGT COST RECOVERY	0.00	75.31	0.00	75.31
<b>Total for Fund 30071</b>	<b>0.00</b>	<b>12,365,710.08</b>	<b>0.00</b>	<b>12,365,710.08</b>
<b>Total for Dept : 52208</b>	<b>0.00</b>	<b>12,373,838.72</b>	<b>0.00</b>	<b>12,373,838.72</b>
<b>Total for Output : 00095376</b>	<b>0.00</b>	<b>12,376,371.90</b>	<b>63,329.45</b>	<b>12,439,701.35</b>

<b>Project Total :</b>	<b>0.00</b>	<b>12,376,371.90</b>	<b>63,329.45</b>	<b>12,439,701.35</b>
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Signed By :  Date : 30/Mar/2017

Signed By :  Date : 30/Mar/2017

Edo Stork  
REPRESENTANTE RESIDENTE ADJUNTO

Mark Henderson  
Partner



**María del Carmen Sacasa**  
Coordinadora Residente NNUU  
Representante Residente PNUD

MOORE STEPHENS

Moore Stephens LLP  
150 Aldersgate Street  
London EC1A 4AB



UNDP UN Development Programme  
Report ID: ungl>drp

Combined Delivery Report By Project

Page 3 of 4  
Run Time: 07-02-2017 20:02:16

Selection Criteria :

Business Unit : PER10  
Period : Jan-Dec (2016)  
Selected Project Id : ALL  
Selected Fund Code : ALL  
Selected Dept. IDs : ALL  
Selected Outputs : 00095376

Project Id : ALL	Period : Jan-Dec (2016)			
Output # : ALL	Impl. Partner :			
	Location :			
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
52201 - Peru - Central	0.00	2,533.18	63,329.45	65,862.63
52208 - Peru - Poverty Reduction	0.00	12,373,838.72	0.00	12,373,838.72





Funds Utilization

Selection Criteria :

Business Unit : PER10  
Period : Jan-Dec (2016)  
Selected Project Id : ALL  
Selected Fund Code : ALL  
Selected Dept. ICs : ALL  
Selected Outputs : 00095376

Project/Award: 00088902 Mejoramiento Servicio Comercia

Period : As at Dec 31, 2016

Output #	00C95376	Impl. Partner :03843 PERMinisterio de la Producci	UNDP AMOUNT
Outstanding NEX advances			0.00
Undepreciated Fixed Assets			0.00
Inventory			0.00
Prepayments			0.00
Commitments			0.00

## Annex 2: Audit finding priority ratings

The following categories of priorities are used:

<b>High (Critical)</b>	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.
<b>Medium (Important)</b>	Action is considered necessary to avoid exposure to significant risks. Failure to take action could result in significant consequences.
<b>Low</b>	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. <b>Therefore, low priority recommendations are not included in the audit report.</b>