

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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Resilient nations.*

AUDIT

OF

UNDP BANGLADESH

EARLY RECOVERY FACILITY PROJECT
(Directly Implemented Project No. 61275, Output No. 77582)

Report No. 1957
Issue Date: 3 August 2018

Report on the Audit of UNDP Bangladesh Early Recovery Facility (Project No. 61275, Output No. 77582) Executive Summary

The UNDP Office of Audit and Investigations (OAI), through Moore Stephens LLP (the audit firm), from 6 to 11 May 2018, conducted an audit of Early Recovery Facility (Project No. 61275, Output No. 77582) (the Project), which is directly implemented and managed by the UNDP Country Office in Bangladesh (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 expenses for the period from 1 January to 31 December 2017 and the accompanying Funds Utilization statement¹ as of 31 December 2017 as well as Statement of Assets as of 31 December 2017. The audit did not include activities and expenses incurred or undertaken at the "responsible party" level and expenses of other United Nations agencies. 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 Expenses*		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
4,952	Unmodified**	30	Unmodified

*Expenses recorded in the Combined Delivery Report were \$5,058,063. Excluded from the audit scope were transactions that relate to expenses of other United Nations agencies (\$91,793) and transactions that relate to expenditures incurred at the "responsible party" level (\$13,994).

**Unmodified = unqualified or clean opinion

OAI noted that expenses incurred by other United Nations agencies were incorrectly recorded as UNDP expenses in the Combined Delivery Report (ref. column titled UNDP Exp). This resulted in an overstatement of UNDP expenses by \$91,793 and an understatement of United Nations agencies expenses by the same amount. In OAI's view, the effect of this misstatement was not material.

Key recommendations: Total = 2, high priority = 0

The audit did not result in any high (critical) priority recommendations. There are two 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

¹ The Funds Utilization statement includes the balance, as at a given date, of five items: (a) outstanding advances received by the project; (b) undepreciated 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.

address deficiencies in procurement procedures and cash disbursement processes at the sub-grantee level. The two recommendations aim to ensure compliance with legislative mandates, regulations and rules, policies and procedures.

At the time this audit report was being issued, two audit findings raised by the audit firm will be further assessed by OAI's Investigations Section.

Management comments and action plan

The UNDP 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.

Helge S.
Osttveiten
2018.08.03
02:35:39
Director
Office of Audit and Investigations
-04:00

**UNITED NATIONS DEVELOPMENT PROGRAMME
(UNDP)**

AUDIT REPORT

FINAL

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

Early Recovery Facility (ERF) Project

Output name:	Early Recovery Facility (ERF) Project
UNDP Country Office:	Bangladesh
Atlas Project ID:	61275
Atlas Output ID:	77582
Auditor:	Moore Stephens LLP
Period subject to audit:	1 January to 31 December 2017

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EXECUTIVE SUMMARY

Moore Stephens LLP conducted the financial audit of Early Recovery Facility (ERF) Project (Project ID 61275 and Output 77582) 'the Project', directly implemented by UNDP Bangladesh ('the Office') for the year ended 31 December 2017. 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:

Project Financial Position	Unmodified
Statement of Fixed Assets	Unmodified
Statement of Cash Position	Not applicable

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

No.	Title	Priority	Net financial impact \$
1	Unsatisfactory procurement procedures at sub-grantee	Medium	-
2	Deficiencies in sub-grantee cash disbursements process	Medium	-
Total			-

The project was not audited in the prior year.



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17 July 2018

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 position which includes:

- Expressing an opinion on whether the financial expenses incurred by the project between 1 January and 31 December 2017 in the Combined Delivery Report (CDR), the Funds Utilization statement as at 31 December 2017 and the accounts receivable and accounts payable as at 31 December 2017 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, at net book value, presents fairly the balance of depreciated assets of the UNDP project as at 31 December 2017. This statement must include all assets available as at 31 December 2017 and not only those purchased in a given period.
- Expressing an opinion on whether the Statement of Cash Position held by the project presents fairly the cash and bank balance of the UNDP project as at 31 December 2017.

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 was conducted in accordance with International Standards of Auditing (ISA), the 700 series. As applicable, the audit report provides the progress made in implementing the recommendations raised in the previous year's audit report.

The scope of the audit relates only to transactions concluded and recorded against the UNDP DIM project between 1 January and 31 December 2017. 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 - Early Recovery Facility (ERF) Project

Project Financial Position

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

We have audited the financial position of the UNDP project ID 61275 output ID 77582 'Early Recovery Facility (ERF)' for the period 1 January to 31 December 2017 which includes: (a) the accompanying Combined Delivery Report (CDR); (b) the Funds Utilization statement ("the statement"); and (c) the project-related accounts receivable and accounts payable.

The CDR expenditure totalling \$ 5,058,063 is comprised of expenditure directly incurred by the UNDP Country Office in Bangladesh for an amount of \$ 4,952,276 and expenditure incurred by entities other than the Country Office for an amount of \$ 105,787. Our audit only covered the expenditure directly incurred by the UNDP Country Office in Bangladesh of \$ 4,952,276.

Unmodified opinion

In our opinion, the attached CDR and Funds Utilization statement present fairly, in all material respects, the expenses of \$ 4,952,276 directly incurred by the UNDP Country Office in Bangladesh and charged to the project for the period 1 January to 31 December 2017 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.

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' section of this report.

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

Management responsibilities

Management is responsible for the preparation of the CDR and the Funds Utilization statement of the project and for such internal control as management determines is necessary to enable the preparation of a CDR and Funds Utilization statement that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the CDR and the Funds Utilization statement are 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 these documents.

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 CDR and the Funds Utilization 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 organization's internal control.

We communicate with those charged with governance 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.



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17 July 2018

MOORE STEPHENS

Independent Auditor's Report to UNDP - Early Recovery Facility (ERF) Project

Statement of Fixed Assets

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

We have audited the accompanying Statement of Fixed Assets of the UNDP project ID 61275 output ID 77582 'Early Recovery Facility (ERF)' as at 31 December 2017.

Unmodified Opinion

In our opinion, the attached Statement of Fixed Assets presents fairly, in all material respects, the assets status of the UNDP project 'Early Recovery Facility (ERF)' amounting to \$ 30,319 as at 31 December 2017 in accordance with UNDP accounting policies.

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 section of this report.

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

Management responsibilities

Management is responsible for the preparation of the Statement of Fixed Assets of the project, and for such internal control as management determines is necessary to enable the preparation of a Statement of Fixed Assets that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the Statement of Fixed Assets 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 of Fixed Assets.

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 of Fixed Assets, 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 organization's internal control.

We communicate with those charged with governance 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.



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17 July 2018

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Independent Auditor's Report to UNDP - Early Recovery Facility (ERF) Project

Statement of Cash Position

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

We noted that the UNDP project Early Recovery Facility (ERF) Project did not have a dedicated bank account for the DIM project activities subject to audit and accordingly a Statement of Cash Position was not produced.

MANAGEMENT LETTER

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

Finding n° 1:	Title: Unsatisfactory procurement procedures at sub-grantee
<p>Observation:</p> <p>Section 3 of the Standard Letter of Agreement between the Office and the sub-grantee signed on 20 February 2017 states that “(the sub-grantee) shall be fully responsible for carrying out, with due diligence and efficiency, all Activities in accordance with its Financial regulations, rules and other directives, only to the extent they are consistent with UNDP's Financial Regulations and Rules. In all other cases, UNDP's Financial Regulations and Rules must be followed.”</p> <p>We noted exceptions with the procurement practices followed by the Municipality of Mymensingh (sub-grantee). Specifically, the sub-grantee failed to follow national government procedures or carry out adequate procurement procedures in the following cases:</p> <p>Insufficient number of quotations</p> <p>Two procurement exercises relating to Activity 3 concerning medical supplies and emergency equipment, totalled BDT 314,500 (\$ 3,803) and BDT 359,525 (\$ 4,348) (including 5% VAT), respectively. Quotations were obtained from three suppliers with the same vendor being selected in both cases for a total purchase amounting to BDT 674,025 (\$ 8,151).</p> <p>Under the Government national procurement policy followed, all purchases above BDT 500,000 (\$ 6,047) should be supported by at least four quotations. However, only three were obtained in this case.</p> <p>Inadequate procurement documentation</p> <p>For the same two purchases the quotations from the different vendors were all documented using the same template (i.e. spacing, inconsistent capital lettering and consistent spelling and punctuation errors [e.g. scissor, kidney try, thermometer miter] were noted). This suggested that the quotations had been internally generated and documented using the sub-grantee's templates, rather than obtained externally.</p> <p>Upon further investigation, we noted that the email, phone number and website on the letterhead for the vendors were not in service.</p> <p>Finally, the sub-grantee was unable to provide the original emails from the vendors to support the procurement process followed.</p> <p>Single source used without justification</p> <p>The Bangladesh Government National Procurement policy states that for purchases above BDT 500,000 (\$ 6,047); procurement through a single source is only acceptable where the purchase is supported with suitable written justification.</p> <p>The single source procedure was applied for a procurement from a University without written justification. This method was appeared reasonable based on the circumstances of the procurement; including government requirements, types of purchase and availability of suitable vendors. However, this represents non-compliance with national guidelines.</p> <p>We consider the above instances to highlight deficiencies in the procurement procedures followed by the sub-grantee. Where procurement procedures are inadequate, this exposes the Office to the risk that purchases do not deliver value for money or impact the implementation of project activities.</p>	
Priority: Medium	
Recommendation:	

The Office should monitor the controls adopted by its sub-grantees and offer guidance and training where deficiencies are identified. The Partner may also ensure a focus on procurement is adopted during spot checks performed where this has been identified as an issue.

The Office should monitor sub-grantees to ensure that they follow the National Government Procurement Policy, maintaining appropriate evidence on file to support procurement decisions. We recommend that the following controls are monitored:

- Procurement for similar items from the same vendors over a short time period should not be separated to ensure that the correct procurement procedures are applied and that the procurement procedures are effective and efficient.
- Where the sub-grantee receives vendor quotations which have discrepancies these should be investigated. Where quotations have been internally documented, evidence of the original quotation sent from the supplier should be retained to ensure external evidence is retained.
- Where the single source procedure is applied, appropriate written justification and approval should be held on file to support the decision.

Management comments:

1. The financial/procurement management system of the responsible parties will be closely monitored in future by regular spot checks and providing capacity building support. Agreed with recommendation on single source selection.
2. Please refer to section 71 (6) of PPR 2008 which asks for at least three quotations.

Further comments from the auditor:

2. The sub-grantee follows the Government procurement policy which stipulates that four quotations are required for procurement.

Finding n° 2:	Title: Deficiencies in sub-grantee cash disbursements process	
Observation: <p>Rule 125.06 of UNDP Financial Regulation states “cash disbursements are authorized by the Treasurer or by a duly authorized staff member in a country office.” The agreed procedure for disbursement by Bank Asia details that a United Nations Officer (UNO) must be present during the disbursements.</p> <p>The following issues were noted regarding the cash disbursement process at the sub-grantee based in Rangamati:</p> <p>Incorrect authorisation</p> <p>Cash disbursements dated 15 September 2017 totalling BDT 6,955,800 (\$ 84,122) (voucher: BGD10-00173451-1-1-ACCR-DST) were not accompanied by the UNO signature on the disbursements list or list of approved people.</p> <p>Illegible fingerprints</p> <p>Cash disbursements dated 23 August 2017 totalling BDT 7,554,000 (\$ 91,356) (voucher: BGD10-00173087-1-1-ACCR-DST) showed fingerprints that had overlapped and were not clearly visible. This was a result of insufficient spacing being allocated on the distribution form.</p> <p>Lack of appropriate identifiers</p> <p>Across the majority of cash disbursements, the distributing party only obtained fingerprints for identification. The distributing party did not obtain IDs or national government registration numbers for the claimants or other identifiers to confirm the identity of the recipient.</p> <p>Finally, for a number of cash disbursement records there was no identifier to match between the list approved by the chief executor of the sub-district, and the disbursement list.</p> <p>We consider the above findings to constitute a significant risk to the Office because cash disbursements have a higher risk of fraud due to the lack of audit trail and external documentation available.</p>		
Priority: Medium		
Recommendation: <p>The Office could ensure effective cash disbursement procedures are adopted at sub-grantees by ensuring that the following controls are implemented and monitored periodically:</p> <p>1. Application of correct authorisation measures</p> <p>The distributing party must ensure that the quorum present during the distribution is in line with the procedures. Each individual present must sign the disbursement list to indicate their authorisation and review of the process.</p> <p>2. Ensuring appropriate identifiers are collected</p> <p>Sufficient appropriate information should be retained on each of the claimants which allows for a reviewer to match the individual to external support and multiple disbursement sheets. Disbursement templates should be standardised with all fingerprints documented being fully legible.</p> <p>Fingerprints should be used in conjunction with another identification method. We propose the following options which should be considered based on the corresponding advantages and disadvantages:</p>		
Method	Positives	Negatives
National identification cards	<ul style="list-style-type: none">All individuals should have national identification card according to law	<ul style="list-style-type: none">There are unregistered individuals

	<ul style="list-style-type: none"> Promotes individuals to register 	<ul style="list-style-type: none"> National identification cards may be unavailable during disaster
Phone numbers	<ul style="list-style-type: none"> Easy to administer Only require additional information column Contact information for reviewer to perform checks 	<ul style="list-style-type: none"> Individuals may not have a phone
Group photos	<ul style="list-style-type: none"> Fast to administer Hardware requires only a camera or camera phone Easily shared and stored 	<ul style="list-style-type: none"> Privacy issues Sensitivity concerns
Individual photos	<ul style="list-style-type: none"> Hardware requires only a camera or camera phone 	<ul style="list-style-type: none"> Slow to administer
Electronic fingerprint scanners	<ul style="list-style-type: none"> Easily verifiable Immediately checks and identifies duplicates from database 	<ul style="list-style-type: none"> Expensive hardware and software Must have machine available
Signatures	<ul style="list-style-type: none"> Easy to administer Only require additional information column 	<ul style="list-style-type: none"> Can be forged Difficult to check Illiterate individuals may not have signatures

Management comments:

Partially agree because some of the recommendations may compromise timeliness of interventions during emergency time. However, we noted the suggestions and will try some of them in future interventions.

Additional comments:

Phone numbers – We generally record phone number, and use it as proof of identity. But this is not always realistic when it comes of operations in remote areas, and during emergency. Most of the beneficiaries in the case were from very remote areas who did not have mobile phone or land phone and many areas in the country remain out of mobile network coverage.

Group photos - May not be realistic considering time required to complete cash disbursement to each and every beneficiary & value for money. As local public representatives and authorized government officials remain present during the cash disbursement who identifies the beneficiaries and signs the master roll, thus authenticity is verified and ensured.

Individual photos - May not be realistic considering time required to complete cash disbursement to each and every beneficiary & value for money. As local public representatives and authorized government officials remain present during the cash disbursement who identifies the beneficiaries and signs the master roll, authenticity is verified and ensured.

Electronic fingerprint scanners - Good suggestion. Will be tried for future interventions although seems much difficult to implement based on background described in above comments

Signatures - This is to note that most of the beneficiaries are illiterate, therefore do not know how to sign.



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17 July 2018

MOORE STEPHENS

Annexes

Annex 1: Combined Delivery Report



64397 - Services to projects -CO staff	0.00	45,734.16	0.00	45,734.16
64398 - Direct Project Cost-Staff	0.00	9,619.00	0.00	9,619.00
71205 - Intl Consultants-Sht Term-Tech	0.00	55,232.30	0.00	55,232.30
71211 - Intl Consult Security Charge	0.00	2,241.74	0.00	2,241.74
71305 - Local Consult -Sht Term-Tech	0.00	49,227.62	0.00	49,227.62
71325 - UNOPS CMDC_Partnr Suprvsd LICA	0.00	1,560.00	0.00	1,560.00
71360 - Local Consult-Security	0.00	1,722.62	0.00	1,722.62
71405 - Service Contracts-Individuals	0.00	5,714.73	0.00	5,714.73
71410 - MAIP Premium SC	0.00	85.22	0.00	85.22
71415 - Contribution to Security SC	0.00	1,448.98	0.00	1,448.98
71605 - Travel Tickets-International	0.00	6,091.92	0.00	6,091.92
71610 - Travel Tickets-Local	0.00	6,144.80	0.00	6,144.80
71615 - Daily Subsistence Allow-Intl	0.00	1,579.55	0.00	1,579.55
71620 - Daily Subsistence Allow-Local	0.00	13,628.78	0.00	13,628.78
71635 - Travel - Other	0.00	2,789.97	0.00	2,789.97
72105 - Svc Co-Construction & Engineer	0.00	- 31,280.27	0.00	- 31,280.27
72125 - Svc Co-Studies & Research Serv	0.00	0.00	0.00	0.00
72135 - Svc Co-Communications Service	0.00	2,263.47	0.00	2,263.47
72170 - Svc Co-Humanitarian Aid & Relf	0.00	0.00	0.00	0.00
72175 - Svc Co-Urban, Rural & Regional	0.00	9,592.00	0.00	9,592.00
72311 - Fuel, petroleum and other oils	0.00	1,858.09	0.00	1,858.09
72399 - Other Materials and Goods	0.00	415,432.17	0.00	415,432.17
72415 - Courier Charges	0.00	33.89	0.00	33.89
72420 - Land Telephone Charges	0.00	13.86	0.00	13.86
72425 - Mobile Telephone Charges	0.00	942.21	0.00	942.21
72435 - E-mail-Subscription	0.00	989.10	0.00	989.10



Combined Delivery Report By Project

Project Id : 00061275 Early Recovery Facility (ERF)		Period :	Jan-Dec (2017)	
Output # : 00077582 Early Recovery Facility (ERF)		Impl. Partner :	00262 UNDP (Direct Execution)	
		Location :	Bangladesh Country Office Gen.	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72440 - Connectivity Charges	0.00	593.20	0.00	593.20
72505 - Stationery & other Office Supp	0.00	41,254.78	0.00	41,254.78
72510 - Publications	0.00	14,875.15	0.00	14,875.15
72615 - Micro Capital Grants-Other	0.00	- 12,824.58	0.00	- 12,824.58
73105 - Rent	0.00	- 21.22	0.00	- 21.22
73107 - Rent - Meeting Rooms	0.00	100.00	0.00	100.00
73110 - Custodial & Cleaning Services	0.00	1,924.46	0.00	1,924.46
73216 - Construction Cost	0.00	1,197.05	0.00	1,197.05
73410 - Maint. Oper of Transport Equip	0.00	283.37	0.00	283.37
73505 - Reimb to UNDP for Supp Svcs	0.00	473.04	0.00	473.04
74120 - Capacity Assessment	0.00	2,265.45	0.00	2,265.45
74210 - Printing and Publications	0.00	9,273.24	0.00	9,273.24
74215 - Promotional Materials and Dist	0.00	608.02	0.00	608.02
74505 - Insurance	0.00	22.99	0.00	22.99
74525 - Sundry	0.00	- 280.99	0.00	- 280.99
74596 - Services to projects -GOE	0.00	19,467.88	0.00	19,467.88
74598 - Direct Project Costs - GOE	0.00	4,122.00	0.00	4,122.00
74599 - UNDP cost recovery chrgs-Bills	0.00	44.14	0.00	44.14
75705 - Learning costs	0.00	56,768.18	0.00	56,768.18
75706 - Learning - ticket costs	0.00	1,145.66	0.00	1,145.66
75707 - Learning - subsistence allowan	0.00	152.00	0.00	152.00
75708 - Learning - subcontracts	0.00	- 8.58	0.00	- 8.58
75709 - Learning - training of counter	0.00	845.01	0.00	845.01
76110 - Foreign Exch Translation Loss	0.00	44.13	0.00	44.13
76125 - Realized Loss	0.00	301.40	0.00	301.40
76135 - Realized Gain	0.00	- 924.78	0.00	- 924.78
77630 - Dep Exp Owned - ITC	0.00	2,824.15	0.00	2,824.15
77660 - Dep Exp Owned -Vehicle	0.00	3,225.67	0.00	3,225.67
Total for Fund 04000	0.00	750,416.73	0.00	750,416.73
Fund : 04120 (TRAC3 - Response)				
71205 - Intl Consultants-Sht Term-Tech	0.00	14,020.00	0.00	14,020.00
71305 - Local Consult.-Sht Term-Tech	0.00	45,541.98	0.00	45,541.98
71360 - Local Consult-Security	0.00	592.55	0.00	592.55
71610 - Travel Tickets-Local	0.00	2,201.09	0.00	2,201.09
71620 - Daily Subsistence Allow-Local	0.00	12,507.15	0.00	12,507.15
71635 - Travel - Other	0.00	5,579.31	0.00	5,579.31
72505 - Stationery & other Office Supp	0.00	34.90	0.00	34.90
73107 - Rent - Meeting Rooms	0.00	3,875.30	0.00	3,875.30
74205 - Audio Visual Productions	0.00	489.40	0.00	489.40
75705 - Learning costs	0.00	16,836.22	0.00	16,836.22
75709 - Learning - training of counter	0.00	1,140.72	0.00	1,140.72
76105 - Foreign Exch Transaction Loss	0.00	123.80	0.00	123.80
76125 - Realized Loss	0.00	4.62	0.00	4.62
76135 - Realized Gain	0.00	0.00	0.00	0.00
Total for Fund 04120	0.00	102,947.04	0.00	102,947.04
Fund : 26941 (CPR EARLY R AND CROSS CUTTING)				
76125 - Realized Loss	0.00	36.08	0.00	36.08



Combined Delivery Report By Project

UN Development Programme

Report ID: unglcdrp

Page 3 of 7

Run Time: 26-02-2018 12:02:34

Project Id : 00061275 Early Recovery Facility (ERF)	Period :	Jan-Dec (2017)
Output # : 00077582 Early Recovery Facility (ERF)	Impl. Partner :	00262 UNDP (Direct Execution)
	Location :	Bangladesh Country Office Gen.

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
Total for Fund 26941	0.00	36.08	0.00	36.08
Fund : 28400 (EDRCR-Global)				
64397 - Services to projects -CO staff	0.00	2,050.00	0.00	2,050.00
71305 - Local Consult.-Sht Term-Tech	0.00	3,925.71	0.00	3,925.71
71610 - Travel Tickets-Local	0.00	1,793.98	0.00	1,793.98
71620 - Daily Subsistence Allow-Local	0.00	2,662.39	0.00	2,662.39
72170 - Svc Co-Humanitarian Aid & Relf	0.00	155,050.89	0.00	155,050.89
74596 - Services to projects -GOE	0.00	884.00	0.00	884.00
75105 - Facilities & Admin - Implement	0.00	11,645.69	0.00	11,645.69
76125 - Realized Loss	0.00	2.00	0.00	2.00
76135 - Realized Gain	0.00	- 13.57	0.00	- 13.57
Total for Fund 28400	0.00	178,001.09	0.00	178,001.09
Fund : 30000 (PROGRAMME COST SHARING)				
63230 - Contrib Dispensary Cost-GS Stf	0.00	735.73	0.00	735.73
64397 - Services to projects -CO staff	0.00	3,187.00	0.00	3,187.00
71205 - Intl Consultants-Sht Term-Tech	0.00	19,990.21	0.00	19,990.21
71211 - Intl Consult Security Charge	0.00	1,172.51	0.00	1,172.51
71305 - Local Consult.-Sht Term-Tech	0.00	38,228.17	0.00	38,228.17
71360 - Local Consult-Security	0.00	1,638.60	0.00	1,638.60
71405 - Service Contracts-Individuals	0.00	87,575.40	0.00	87,575.40
71410 - MAIP Premium SC	0.00	189.31	0.00	189.31
71415 - Contribution to Security SC	0.00	3,484.99	0.00	3,484.99
71605 - Travel Tickets-International	0.00	5,965.88	0.00	5,965.88
71610 - Travel Tickets-Local	0.00	9,764.05	0.00	9,764.05
71615 - Daily Subsistence Allow-Intl	0.00	3,596.86	0.00	3,596.86
71620 - Daily Subsistence Allow-Local	0.00	8,842.68	0.00	8,842.68
71635 - Travel - Other	0.00	2,589.03	0.00	2,589.03
72105 - Svc Co-Construction & Engineer	0.00	239,478.40	0.00	239,478.40
72170 - Svc Co-Humanitarian Aid & Relf	0.00	393,347.97	0.00	393,347.97
72311 - Fuel, petroleum and other oils	0.00	550.21	0.00	550.21
72425 - Mobile Telephone Charges	0.00	430.61	0.00	430.61
72435 - E-mail-Subscription	0.00	575.66	0.00	575.66
72440 - Connectivity Charges	0.00	36.00	0.00	36.00
72510 - Publications	0.00	0.00	0.00	0.00
72805 - Acquis of Computer Hardware	0.00	2,477.80	0.00	2,477.80
73105 - Rent	0.00	0.00	0.00	0.00
73120 - Utilities	0.00	30.02	0.00	30.02
73125 - Common Services-Premises	0.00	8,425.18	0.00	8,425.18
73410 - Maint, Oper of Transport Equip	0.00	3,869.06	0.00	3,869.06
74210 - Printing and Publications	0.00	11,670.51	0.00	11,670.51
74215 - Promotional Materials and Dist	0.00	- 12.17	0.00	- 12.17
74225 - Other Media Costs	0.00	7,236.33	0.00	7,236.33
74325 - Contrib.To CO Common Security	0.00	1,570.33	0.00	1,570.33
74596 - Services to projects -GOE	0.00	1,366.00	0.00	1,366.00
75105 - Facilities & Admin - Implement	0.00	63,739.05	0.00	63,739.05
75705 - Learning costs	0.00	34,628.01	0.00	34,628.01
75709 - Learning - training of counter	0.00	- 856.36	0.00	- 856.36
76110 - Foreign Exch Translation Loss	0.00	25.65	0.00	25.65



Combined Delivery Report By Project

Project Id : 00061275 Early Recovery Facility (ERF)		Period : Jan-Dec (2017)		
Output # : 00077582 Early Recovery Facility (ERF)		Impl. Partner : 00262 UNDP (Direct Execution)		
		Location : Bangladesh Country Office Gen.		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
76125 - Realized Loss	0.00	1,684.99	0.00	1,684.99
76135 - Realized Gain	0.00	- 306.37	0.00	- 306.37
Total for Fund 30000	0.00	956,927.30	0.00	956,927.30
Fund : 30081 (South-South Triangular Coop)				
64397 - Services to projects -CO staff	0.00	17,500.00	0.00	17,500.00
71305 - Local Consult.-Sht Term-Tech	0.00	17,364.56	0.00	17,364.56
71610 - Travel Tickets-Local	0.00	171.29	0.00	171.29
71620 - Daily Subsistence Allow-Local	0.00	1,032.46	0.00	1,032.46
72170 - Svc Co-Humanitarian Aid & Relf	0.00	13,327.38	0.00	13,327.38
72220 - Furniture	0.00	721.74	0.00	721.74
72315 - Food & Textile Products	0.00	312,808.00	0.00	312,808.00
72330 - Medical Products	0.00	44,203.62	0.00	44,203.62
72335 - Pharmaceutical Products	0.00	1,015.00	0.00	1,015.00
72399 - Other Materials and Goods	0.00	2,112,101.55	0.00	2,112,101.55
72425 - Mobile Telephone Charges	0.00	33.07	0.00	33.07
72505 - Stationery & other Office Supp	0.00	500.13	0.00	500.13
74210 - Printing and Publications	0.00	2,244.61	0.00	2,244.61
74596 - Services to projects -GOE	0.00	7,500.00	0.00	7,500.00
74710 - Land Transport	0.00	41,928.00	0.00	41,928.00
75105 - Facilities & Admin - Implement	0.00	128,667.84	0.00	128,667.84
75705 - Learning costs	0.00	905.50	0.00	905.50
76125 - Realized Loss	0.00	37.65	0.00	37.65
76135 - Realized Gain	0.00	0.00	0.00	0.00
Total for Fund 30081	0.00	2,702,062.40	0.00	2,702,062.40
Total for Dept : 39203	0.00	4,690,390.64	0.00	4,690,390.64
Dept: 39204 (Bangladesh - Dem. Governance)				
Fund : 30000 (PROGRAMME COST SHARING)				
74215 - Promotional Materials and Dist	0.00	12.17	0.00	12.17
75105 - Facilities & Admin - Implement	0.00	0.97	0.00	0.97
Total for Fund 30000	0.00	13.14	0.00	13.14
Total for Dept : 39204	0.00	13.14	0.00	13.14
Dept: 39205 (Bangladesh -Energy & Envirnmnt)				
Fund : 04000 (Core Programme, UNU Centre)				
64397 - Services to projects -CO staff	0.00	45.12	0.00	45.12
71205 - Intl Consultants-Sht Term-Tech	0.00	94,121.88	0.00	94,121.88
71305 - Local Consult.-Sht Term-Tech	0.00	26,655.98	0.00	26,655.98
71405 - Service Contracts-Individuals	0.00	7,067.98	0.00	7,067.98
71410 - MAIP Premium SC	0.00	13.83	0.00	13.83
71415 - Contribution to Security SC	0.00	235.15	0.00	235.15



Project id : 00061275 Early Recovery Facility (ERF)	Period :	Jan-Dec (2017)
Output # : 00077582 Early Recovery Facility (ERF)	Impl. Partner :	00262 UNDP (Direct Execution)
	Location :	Bangladesh Country Office Gen.

Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
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71605 - Travel Tickets-International	0.00	2,660.01	0.00	2,660.01
71610 - Travel Tickets-Local	0.00	255.57	0.00	255.57
71615 - Daily Subsistence Allow-Intl	0.00	1,954.00	0.00	1,954.00
71620 - Daily Subsistence Allow-Local	0.00	271.85	0.00	271.85
71635 - Travel - Other	0.00	171.35	0.00	171.35
72125 - Svc Co-Studies & Research Serv	0.00	163.55	0.00	163.55
72165 - Svc Co-Social Svcs, Social Sci	0.00	618.97	0.00	618.97
72311 - Fuel, petroleum and other oils	0.00	100.09	0.00	100.09
72425 - Mobile Telephone Charges	0.00	440.46	0.00	440.46
72440 - Connectivity Charges	0.00	20.10	0.00	20.10
72515 - Print Media	0.00	992.25	0.00	992.25
72605 - Grants to Instit & other Benef	0.00	220,481.44	0.00	220,481.44
72615 - Micro Capital Grants-Other	0.00	0.00	0.00	0.00
73410 - Maint, Oper of Transport Equip	0.00	724.37	0.00	724.37
73505 - Reimb to UNDP for Supp Svcs	0.00	51.30	0.00	51.30
74210 - Printing and Publications	0.00	3,999.32	0.00	3,999.32
74596 - Services to projects -GOE	0.00	9.24	0.00	9.24
75705 - Learning costs	0.00	7,493.01	0.00	7,493.01
76125 - Realized Loss	0.00	1.89	0.00	1.89
76135 - Realized Gain	0.00	- 2,646.29	0.00	- 2,646.29

Total for Fund 04000 0.00 365,902.42 0.00 365,902.42

Fund : 30000 (PROGRAMME COST SHARING)

72435 - E-mail-Subscription	0.00	562.43	0.00	562.43
75105 - Facilities & Admin - Implement	0.00	39.37	0.00	39.37

Total for Fund 30000 0.00 601.80 0.00 601.80

Total for Dept : 39205 0.00 366,504.22 0.00 366,504.22

Dept: 39208 (Bangladesh - Poverty Reduction)

Fund : 04000 (Core Programme, UNU Centre)

75705 - Learning costs	0.00	550.00	0.00	550.00
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Total for Fund 04000 0.00 550.00 0.00 550.00

Total for Dept : 39208 0.00 550.00 0.00 550.00

Total for Output : 00077582 0.00 5,058,062.64 0.00 5,058,062.64

Project Total : 0.00 5,058,062.64 0.00 5,058,062.64

Signed By :

 04/03/2018

Signed By :

KHURSHID ALAM
AED, UNDP

Date :

Mark Henderson
Partner

Date :

Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB

17 July 2018

MOORE STEPHENS



Combined Delivery Report By Project

Selection Criteria :

Business Unit : BGD10
Period : Jan-Dec (2017)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00077582

Project Id : ALL	Period :	Jan-Dec (2017)		
Output # : ALL	Impl. Partner :			
	Location :			
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
39201 - Bangladesh - Central	0.00	604.64	0.00	604.64
39203 - Bangladesh -Crisis Prev &Rcvry	0.00	4,690,390.64	0.00	4,690,390.64
39204 - Bangladesh - Dem. Governance	0.00	13.14	0.00	13.14
39205 - Bangladesh -Energy & Envirnmnt	0.00	366,504.22	0.00	366,504.22
39208 - Bangladesh - Poverty Reduction	0.00	550.00	0.00	550.00



Funds Utilization


Selection Criteria :

Business Unit : BGD10
Period : Jan-Dec (2017)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00077582

Project/Award: 00061275 Early Recovery Facility (ERF)

Period : As at Dec 31, 2017

Output #	00077582	Impl. Partner :00262 UNDP (Direct Execution)	UNDP AMOUNT
Outstanding NEX advances			0.00
Undepreciated Fixed Assets			30,319.03
Unamortized Intangible Assets			0.00
Inventory			0.00
Prepayments			0.00
Commitments			6,712.13


04/03/2018
KHURSHID ALAM
Acd, UNDP



Mark Henderson
Partner

Moore Stephens LLP
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17 July 2018


04/03/18

Sudipto Mukerjee
Country Director
UNDP-Bangladesh


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Annex 2: Statement of Assets and Equipment


Asset List for Early Recovery Facility Project - 2017 Output ID-00077582

Atlas generated Assets of ERF Project as of 31 December 2017

Business ID	Op Unit	Asset ID	Profile ID	Description	Tag Number	Serial Number	Model	Location	Acquisition Date	In Service Date	Cost USD	Net Book Value (USD)	QTY	Dept.	Impl Age	Donor	Project	Fund Code	User
BGD10	BGD	1214	ITC10	Hitachi MM Projector ERF	BGDPITC1003	F3CH00396	CP-X5022WN	BGDERF	6/18/2013	6/18/2013	\$1,704.11	\$923.06	1	39203	1981	000 12	000 77582	0 4000	ERF Project Office
BGD10	BGD	1216	ITC10	Hitachi MM Projector ERF	BGDPITC1004	F3CH00505	CP-X5022WN	BGDERF	6/18/2013	6/18/2013	\$1,704.11	\$923.06	1	39203	1981	000 12	000 77582	0 4000	ERF Project Office
BGD10	BGD	1217	ITC10	Hitachi MM Projector ERF	BGDPITC1005	F3CH00405	CP-X5022WN	BGDERF	6/18/2013	6/18/2013	\$1,704.11	\$923.06	1	39203	1981	000 12	000 77582	0 4000	UNV 14 th floor
BGD10	BGD	1297	ITC1	Dell Latitude E630 Notebook	BGDPITC0101	6XDPKX1	Latitude E630	BGDERF	8/20/2013	8/20/2013	\$1,796.00	\$804.46	1	39203	1981	000 12	000 77582	0 4000	Shah Zahidur Rahman
BGD10	BGD	1299	ITC1	Dell Latitude E630 Notebook	BGDPITC0102	FWDPKX1	Latitude E630	BGDERF	8/20/2013	8/20/2013	\$1,796.00	\$804.46	1	39203	1981	000 12	000 77582	0 4000	Golam Mostafa
BGD10	BGD	1323	ITC5	Photocopiers MX-M453UERF	BGDPITC502	13000245	MX-M453U	BGDERF	10/10/2013	10/10/2013	\$3,622.25	\$2,082.79	1	39203	1981	000 12	000 77582	0 4000	ERF Project Office
BGD10	BGD	1324	ITC12	Hp Scanjet 8500 FNI ERF	BGDPITC1204	SG2BSO12NF	8500 FNI	BGDERF	10/6/2013	10/6/2013	\$3,300.00	\$1,546.87	1	39203	1981	000 12	000 77582	0 4000	ERF Project Office
BGD10	BGD	1325	ITC4	Hp color printer CP 5525ERF	BGDPITC402	CNGTF6C1WC	CP 5525	BGDERF	10/6/2013	10/6/2013	\$3,400.00	\$1,955.00	1	39203	1981	000 12	000 77582	0 4000	ERF Project Office
BGD10	BGD	1326	ITC4	Hp BW printer 5200 DTN ERF	BGDPITC403	CNBVF6M10T	Hp 5200 DTN	BGDERF	10/6/2013	10/6/2013	\$ 2,25.00	\$1,566.87	1	39203	1981	000 12	000 77582	0 4000	ERF Project Office
BGD10	BGD	1346	ITC1	Laptop Dell Latitude E5420ERF	BGDPITC0102	GDP1MQ1	Latitude E5420	BGDERF	12/9/2013	12/9/2013	\$1,503.57	\$736.12	1	39203	1981	000 12	000 77582	0 4000	ERF Project Office
BGD10	BGD	1357	ITC1	Dell Latit E6330 NotebookERF	BGDPITC0102	10W2XY1	Latitude E6330	BGDERF	1/19/2014	1/19/2014	\$1,905.00	\$952.50	1	39203	1981	000 12	000 77582	0 4000	Sha Alam, CXB Office
BGD10	BGD	1374	ITC1	Dell Latitude E6330 Notebook	BGDPITC0102	FM33XY1	Latitude E6330	BGDERF	1/19/2014	1/19/2014	\$1,905.00	\$952.50	1	39203	1981	000 12	000 77582	0 4000	ERF Project Office
BGD10	BGD	1557	MTRV4	Nissan Patrol Station Wagon	000000000 857	AJ-17-132	Y-61-Nissan	BGDERF	12/9/2010	12/9/2010	\$30,305.00	12,416.62	1	39203	1981	000 12	000 77582	0 4000	Hafizur Rahman
BGD10	BGD	1558	MTRV3	Motor Cycle-Honda Shine	000000000 865	DMH-33-6788	Honda Shine	BGDERF	12/19/2010	12/19/2010	\$1,752.59	718.07	1	39203	1981	000 12	000 77582	0 4000	PNGO: YPSA Chittagong
BGD10	BGD	1559	MTRV3	Motor Cycle-Honda Shine DEXP	000000000 866	DMH-33-6787	Honda Shine	BGDERF	12/19/2010	12/19/2010	\$1,752.59	718.07	1	39203	1981	000 12	000 77582	0 4000	Hafizur Rahman
BGD10	BGD	1560	MTRV3	Motor Cycle-CG125 Honda DEXPR	000000000 867	DM-HA-35-0063	CG125 Honda	BGDERF	12/19/2010	12/19/2010	\$ 1,35.65	\$668.94	1	39203	1981	000 12	000 77582	0 4000	PNGO: SKS Gaibandha
BGD10	BGD	1561	MTRV3	Motor Cycle-CG125 Honda DEXPR	000000000 868	DM-HA-35-0061	CG125 Honda	BGDERF	12/19/2010	12/19/2010	\$ 1,35.65	\$668.94	1	39203	1981	000 12	000 77582	0 4000	PNGO: SKS Gaibandha
BGD10	BGD	1562	MTRV3	Motor Cycle-CG125 Honda DEXPR	000000000 869	DM-HA-35-0062	CG125 Honda	BGDERF	12/19/2010	12/19/2010	\$ 1,35.65	\$668.94	1	39203	1981	000 12	000 77582	0 4000	PNGO: SKS Gaibandha
BGD10	BGD	1563	ITC1	Laptop Compaq NC6000 DEX	BGDPITC0102	CNU503F48Q	Comp NC6000	BGDERF	1/12/2011	1/12/2011	\$2,310.00	\$288.75	1	39203	1981	000 12	000 77582	0 4000	ERF Project Office
Total											\$68,083.28	\$30,319.08	19						



Md. Golam Mostafa
 Administration & Finance Officer
 Early Recovery Facility
 UNDP Bangladesh

04.03.2018


Mark Henderson
 Partner

Moore Stephens LLP
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 17 July 2018

MOORE STEPHENS


Arif Abdullah Khan
 Programme Analyst
 Climate Change & Disaster Risk Management
 UNDP Bangladesh

04.03.2018

Annex 3: Audit finding priority ratings

The following categories of priorities are used:

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