

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP SOMALIA

SUPPORT TO EMERGING FEDERAL STATES (STEPS)
(Directly Implemented Project No. 85367, Output No. 101049)

Report No. 1970

Issue Date: 17 August 2018

**Report on the Audit of UNDP Somalia
Support to Emerging Federal States (StEFS)
(Project No. 85367, Output No. 101049)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Moore Stephens LLP (the audit firm), from 21 May to 25 June 2018, conducted an audit of Support to Emerging Federal States (StEFS) (Project No. 85367, Output No. 101049) (the Project), which is directly implemented and managed by the UNDP Country Office in Somalia (the Office). The last audit of the Project was conducted by OAI, through Deloitte in 2017 and covered project expenses from 1 January to 31 December 2016.

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, or expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters). 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
4,152	Unmodified**	15	Unmodified

*Expenses recorded in the Combined Delivery Report were \$4,547,533. Excluded from the audit scope were transactions that relate to expenses processed and approved by other UNDP offices outside of the country (\$315,538) and expenses incurred at the "responsible party" level (\$80,000).

**Unmodified = unqualified or clean opinion

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 address the lack of signed attendance lists during training, and inconsistencies in the dates of procurement documentation.

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.

The two recommendations aim to ensure the reliability and integrity of financial and operational information, and compliance with legislative mandates, regulations and rules, policies and procedures.

The previous audit (Report No. 1823, issued on 9 August 2017) did not result in any recommendations.

Management comments and action plan

The UN Resident Coordinator and 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.

A handwritten signature in blue ink, which appears to read 'Helge', is located inside a rectangular box.

Helge S. Osttveiten
Director
Office of Audit and Investigations

**UNITED NATIONS DEVELOPMENT PROGRAMME
(UNDP)**

AUDIT REPORT

16 AUGUST 2018

**FINANCIAL AUDIT OF THE UNDP DIRECTLY
IMPLEMENTED (DIM) PROJECT
SUPPORT TO THE FEDERAL STATES**

Output name:	Support to Emerging Federal States (StEFS)
UNDP Country Office:	Somalia
Atlas Project ID:	00085367
Atlas Output ID:	00101049
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 Support to Emerging Federal States (StEFS) Project ID 00085367 Output ID 00101049] (the project), directly implemented by UNDP Somalia 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 nil financial impact as summarised below:

No.	Title	Priority	Net financial impact \$
1	Lack of signed attendance lists during training	Medium	-
2	Weaknesses noted in procurement documentation	Medium	-
Total			-

The project no. 85367, for output nos. 96586 and 101049, was audited in the prior year (Report no. 1823 released by OAI on 9 August 2017) and covered expenses for FY2016. No recommendations were raised.



Ian Murphy
Partner

Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB
16 August 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.

Where a DIM project does not have any assets or equipment, it is not necessary to express such an opinion.

- 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 the 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.

Independent Auditor's Report to UNDP – Support to Emerging Federal States (StEFS)

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 00085367, Support to Emerging Federal States (StEFS) output ID 00101049, for the period 1 January 2017 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 \$ 4,547,533.20, is comprised of expenditure directly incurred by the UNDP Country Office in Somalia for an amount of \$ 4,151,995.53 and expenditure incurred by entities other than the Country Office for an amount of \$ 315,537.67 and \$ 80,000.00 (incurred by responsible parties). Our audit only covered the expenditure directly incurred by the UNDP Country Office in Somalia of \$ 4,151,995.53.

Unmodified opinion

In our opinion, the attached CDR and Funds Utilization statement present fairly, in all material respects, the expenses of \$ 4,151,995.53 directly incurred by the UNDP Country Office in Somalia and charged to the project for the period from 1 January 2017 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 (IESBA Code). 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.

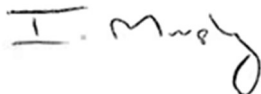
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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.



Ian Murphy
Partner

Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB
16 August 2018

MOORE STEPHENS

Independent Auditor's Report to UNDP – Support to Emerging Federal States (StEFS)

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 00085367 Support to Emerging Federal States (StEFS) Output ID 00101049, 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 Support to Emerging Federal States (StEFS) amounting to \$15,051.73 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 (IESBA Code) 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.

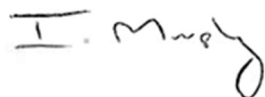
Auditor's responsibilities

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.



Ian Murphy
Partner

Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB
16 August 2018

MOORE STEPHENS

Independent Auditor's Report to UNDP – Support to Emerging Federal States (StEFS)

Statement of Cash Position

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

NO DEDICATED BANK ACCOUNT FOR AUDITED DIM PROJECT ACTIVITIES

We noted that the UNDP project Support to Emerging Federal States (StEFS) 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

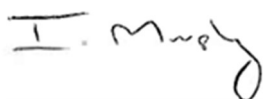
The audit findings and recommendations arising from the financial audit of the project are set out in our management letter below:

Finding n°: 1	Title: Lack of attendance lists during training
<p>Observation:</p> <p>Generally accepted standards would set that there should be adequate documentation to support expenditure incurred by having collaborative evidence of the activities that took place during conferences and trainings. This would provide adequate evidence the participants took part in the activities as best practice.</p> <p>Federalism training was provided for senior government officials between the 7th and 22nd December 2017.</p> <p>UNDP approved a list of 34 participants to attend the training event that was sent to the training service provider on 20 November 2017. However, the participants did not sign daily attendance sheets during the period of training.</p> <p>From discussion with the Country Office we note that this arose because the participants were not informed of the requirement to record their attendance on a daily basis while at the training.</p> <p>Failure to maintain attendance listings could lead to doubt as to whether the persons actually attended the training and qualified for payments of any daily allowances related to the event.</p>	
<p>Priority: Medium</p>	
<p>Recommendation:</p> <p>Following the approval of their attendance, participants that attend trainings, seminars and workshops should also sign attendance registers for each day attended as evidence that they were present.</p> <p>This is particularly important in situations where the attendance register or list is used to issue per diems and travel allowances.</p>	
<p>Management comments:</p> <p>This particular training was facilitated by a third party (a University) and they were not aware of the requirement for daily attendance. The project requested the university to provide a signed list of participants, confirming that all participants attended the course. This confirmation letter from the university is attached. Besides this, all supporting documentation like tickets of all participants, photographs, workshop report etc. are in place.</p> <p>Having said that, the findings are noted, and the project will ensure in future that signed attendance sheet are available for each day.</p>	
<p>Auditor comments:</p> <p>We have reviewed the letter provided by the University confirming attendance by participants over the two week period. However, this does not provide sufficient evidence that all participants attended each day of training, as would be evidenced by a signed daily attendance sheet. This is an important control particularly when participants receive a daily per-diem allowance and thus we maintain the finding.</p>	

Finding n°: 2	Title: Weaknesses noted in procurement documentation			
Observation:				
<p>UNDP POPP, Article 6 on Procurement Overview and Principles states that... 'As competition is the basis for efficient, impartial and transparent procurement, business units are responsible for protecting the integrity of the procurement process and maintaining fairness in the treatment of all offers. Sound procurement involves openness, probity, complete and accurate records, accountability and confidentiality. It establishes and maintains rules and procedures that are attainable and unambiguous.'</p> <p>The procurement process for goods and services should be transparent and well documented so that the project realises value for money as a best practice.</p> <p>From our review of procurement documentation relating to a transport provider and two restaurants, we observed instances where the date of the invoice and that of the bid analysis approval was inconsistent. These are detailed as follows:</p>				
Date	Transaction reference	Description	Amount \$	Remarks
17.01.2017	SOM10-00109384-1-1-ACCR-DST	Transport cost of equipment to Juba State of Somalia (JSS)	15,000	The bid analysis and invoice have the same date. Both dated 6 November 2016
26.07.2017	SOM10-00114742-1-1-ACCR-DST	Workshop on conflict management held in Gedo	14,700	Invoice dated earlier than bid analysis. Invoice date is 5 June 2017 while the bid analysis is dated 1 July 2017
18.07.2017	SOM10-00114446-1-1-ACCR-DST	Workshop on federalism held in Gedo	14,400	Invoice and bid analysis have same date. Both dated 1 July 2017
<p>From discussion with Management we were informed that this arose due to lack of staff guidance around procurement requirements and regulations.</p> <p>Weaknesses in procurement procedures give rise to the risk that fairness, integrity and transparency of the process was not demonstrated by the entity.</p>				
Priority: Medium				
Recommendation:				
<p>The process of procurement should be well documented as required in POPP so that an independent reviewer can understand the entire cycle. The dates of events relating to the procurement process should be well documented to avoid doubts whether the events took place.</p> <p>Training should be provided to address any capacity gaps identified and to enhance the ability of the Country office in implementing the Letters of Agreement (LOA).</p>				
Management comments:				
<p>The mentioned three transactions relate to Direct Payment under LOAs between UNDP and two government entities. Under this modality, the government is responsible to undertake the whole process and request UNDP to make payment.</p> <p>We note the weaknesses in the procurement process done by the government and will take corrective action by asking these implementing partners to ensure the application of due process in procurement process.</p>				

Auditor comments:

We have reviewed additional clarification provided by management and note that findings arose mostly due to human error within the procurement teams in the ministries. We maintain our finding that action should be taken as noted by management to ensure that the LoAs are being adequately implemented.



Ian Murphy
Partner

Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB
16 August 2018

MOORE STEPHENS

Annexes

Annex 1: Combined Delivery Report

**Selection Criteria :**

Business Unit : SOM10
 Period : Jan-Dec (2017)
 Selected Project Id : ALL
 Selected Fund Code : ALL
 Selected Dept. IDs : ALL
 Selected Outputs : 00101049

Project Id : 00085367 Support to the Federal State f		Period :	Jan-Dec (2017)	
Output # : 00101049 Support-Emerging Fed States		Impl. Partner :	99999 UNDP	
		Location :	Somalia	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

Activity : 0

Fund : 30000 (PROGRAMME COST SHARING)

75105 - Facilities & Admin - Implement	0.00	69.07	0.00	69.07
77630 - Dep Exp Owned - ITC	0.00	986.32	0.00	986.32
Total for Fund 30000	0.00	1,055.39	0.00	1,055.39
Total for Activity	0.00	1,055.39	0.00	1,055.39

Activity : OUTPUT1 (Political dialogue and consult)**Fund : 30000 (PROGRAMME COST SHARING)**

71205 - Intl Consultants-Sht Term-Tech	0.00	2,862.00	0.00	2,862.00
71310 - Local Consult.-Short Term-Supp	0.00	9,000.00	0.00	9,000.00
71605 - Travel Tickets-International	0.00	15,280.00	0.00	15,280.00
71610 - Travel Tickets-Local	0.00	141,780.00	0.00	141,780.00
72120 - Svc Co-Trade and Business Serv	0.00	1,500.00	0.00	1,500.00
72155 - Svc Co-Public Admin, Politics	80,000.00	0.00	0.00	80,000.00
72315 - Food & Textile Products	0.00	16,430.00	0.00	16,430.00
72505 - Stationery & other Office Supp	0.00	400.00	0.00	400.00
73107 - Rent - Meeting Rooms	0.00	750.00	0.00	750.00
74510 - Bank Charges	0.00	3,514.29	0.00	3,514.29
74710 - Land Transport	0.00	20,220.00	0.00	20,220.00
75105 - Facilities & Admin - Implement	0.00	24,096.40	0.00	24,096.40
75705 - Learning costs	0.00	52,498.00	0.00	52,498.00
Total for Fund 30000	80,000.00	288,330.69	0.00	368,330.69
Total for Activity OUTPUT1	80,000.00	288,330.69	0.00	368,330.69

Activity : OUTPUT2 (FGS capacity strengthened)**Fund : 30000 (PROGRAMME COST SHARING)**

71205 - Intl Consultants-Sht Term-Tech	0.00	28,201.00	0.00	28,201.00
71305 - Local Consult.-Sht Term-Tech	0.00	226,975.13	0.00	226,975.13
71310 - Local Consult.-Short Term-Supp	0.00	76,100.00	0.00	76,100.00
71505 - UN Volunteers-Stipend & Allow	0.00	13,229.29	0.00	13,229.29
71520 - UNV-Language Allowance	0.00	300.01	0.00	300.01
71525 - UNV-Hazard Pay	0.00	6,000.01	0.00	6,000.01
71535 - UNV-Medical Insurance	0.00	729.96	0.00	729.96

Combined Delivery Report by Activity

Project Id : 00085367 Support to the Federal State f
Output # : 00101049 Support-Emerging Fed States

Period : Jan-Dec (2017)
Impl. Partner : 99999 UNDP
Location : Somalia

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
71540 - UNV-Global Charges	0.00	856.30	0.00	856.30
71541 - UNVs-Contribution to security	0.00	826.88	0.00	826.88
71545 - UNV-Home Leave Travel & Allowa	0.00	48.01	0.00	48.01
71550 - UNV-Resettlement Allowance	0.00	1,200.01	0.00	1,200.01
71590 - UNV Development Effectiveness	0.00	3,594.01	0.00	3,594.01
71605 - Travel Tickets-International	0.00	17,300.64	0.00	17,300.64
71610 - Travel Tickets-Local	0.00	3,680.00	0.00	3,680.00
71615 - Daily Subsistence Allow-Intl	0.00	1,640.75	0.00	1,640.75
71620 - Daily Subsistence Allow-Local	0.00	35,022.00	0.00	35,022.00
72105 - Svc Co-Construction & Engineer	0.00	0.00	0.00	0.00
72120 - Svc Co-Trade and Business Serv	0.00	2,005.00	0.00	2,005.00
72135 - Svc Co-Communications Service	0.00	504.00	0.00	504.00
72205 - Office Machinery	0.00	225.60	0.00	225.60
72210 - Machinery and Equipment	0.00	12,447.50	0.00	12,447.50
72220 - Furniture	0.00	21,900.00	0.00	21,900.00
72315 - Food & Textile Products	0.00	30,200.00	0.00	30,200.00
72330 - Medical Products	0.00	284.35	0.00	284.35
72405 - Acquisition of Communic Equip	0.00	20,814.10	0.00	20,814.10
72440 - Connectivity Charges	0.00	3,200.00	0.00	3,200.00
72505 - Stationery & other Office Supp	0.00	7,691.29	0.00	7,691.29
72810 - Acquis of Computer Software	0.00	13,200.00	0.00	13,200.00
72966 - Licenses and other	0.00	6,600.00	0.00	6,600.00
74120 - Capacity Assessment	0.00	4,751.83	0.00	4,751.83
74210 - Printing and Publications	0.00	4,092.50	0.00	4,092.50
74510 - Bank Charges	0.00	8,247.22	0.00	8,247.22
74710 - Land Transport	0.00	14,280.00	0.00	14,280.00
75105 - Facilities & Admin - Implement	0.00	42,965.01	0.00	42,965.01
75705 - Learning costs	0.00	39,538.50	0.00	39,538.50
75710 - Participation of counterparts	0.00	8,100.00	0.00	8,100.00
Total for Fund 30000	0.00	656,750.90	0.00	656,750.90
Total for Activity OUTPUT2	0.00	656,750.90	0.00	656,750.90

Activity : OUTPUT3 (Foundational support to ISAs)

Fund : 30000 (PROGRAMME COST SHARING)

63515 - Security-related Costs	0.00	300.00	0.00	300.00
72105 - Svc Co-Construction & Engineer	0.00	270,854.13	0.00	270,854.13
72215 - Transportation Equipment	0.00	0.00	0.00	0.00
72220 - Furniture	0.00	45,035.50	0.00	45,035.50
72315 - Food & Textile Products	0.00	750.00	0.00	750.00
72440 - Connectivity Charges	0.00	3,600.00	0.00	3,600.00
72505 - Stationery & other Office Supp	0.00	2,387.60	0.00	2,387.60
73406 - Maintenance of Equipment	0.00	1,960.00	0.00	1,960.00
74225 - Other Media Costs	0.00	500.00	0.00	500.00
74510 - Bank Charges	0.00	7,131.67	0.00	7,131.67
74525 - Sundry	0.00	100.00	0.00	100.00
74710 - Land Transport	0.00	28,630.00	0.00	28,630.00
75105 - Facilities & Admin - Implement	0.00	25,287.43	0.00	25,287.43



Combined Delivery Report by Activity

UN Development Programme

Report ID: unglcdrv

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Run Time: 05-03-2018 19:03:45

Project id : 00085367 Support to the Federal State f
Output # : 00101049 Support-Emerging Fed States

Period : Jan-Dec (2017)
Impl Partner : 88888 UNDP
Location : Somalia

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
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Total for Fund 30000	0.00	386,536.33	0.00	386,536.33
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Total for Activity OUTPUT3	0.00	386,536.33	0.00	386,536.33
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Activity : OUTPUT4 (Enhanced capacity of ISAs)

Fund : 30000 (PROGRAMME COST SHARING)

71205 - Intl Consultants-Sht Term-Tech	0.00	209,861.24	0.00	209,861.24
71305 - Local Consult.-Sht Term-Tech	0.00	265,212.47	0.00	265,212.47
71310 - Local Consult.-Short Term-Supp	0.00	55,209.75	0.00	55,209.75
71605 - Travel Tickets-International	0.00	21,900.00	0.00	21,900.00
71610 - Travel Tickets-Local	0.00	63,976.00	0.00	63,976.00
71615 - Daily Subsistence Allow-Intl	0.00	84,581.44	0.00	84,581.44
71620 - Daily Subsistence Allow-Local	0.00	13,898.00	0.00	13,898.00
71625 - Daily Subsist Allow-Mtg Partic	0.00	23,108.00	0.00	23,108.00
71635 - Travel - Other	0.00	940.00	0.00	940.00
72120 - Svc Co-Trade and Business Serv	0.00	21,460.00	0.00	21,460.00
72210 - Machinery and Equipment	0.00	15,000.00	0.00	15,000.00
72215 - Transportation Equipment	0.00	159,301.32	0.00	159,301.32
72220 - Furniture	0.00	24,653.00	0.00	24,653.00
72315 - Food & Textile Products	0.00	15,025.00	0.00	15,025.00
72330 - Medical Products	0.00	231.00	0.00	231.00
72425 - Mobile Telephone Charges	0.00	640.00	0.00	640.00
72505 - Stationery & other Office Supp	0.00	7,002.50	0.00	7,002.50
72715 - Hospitality Catering	0.00	0.00	0.00	0.00
73107 - Rent - Meeting Rooms	0.00	1,000.00	0.00	1,000.00
74105 - Management and Reporting Svcs	0.00	0.00	0.00	0.00
74210 - Printing and Publications	0.00	7,259.50	0.00	7,259.50
74510 - Bank Charges	0.00	12,112.46	0.00	12,112.46
74515 - Claims and Adjustments	0.00	36.99	0.00	36.99
74705 - Port Operation	0.00	1,529.73	0.00	1,529.73
74710 - Land Transport	0.00	24,200.00	0.00	24,200.00
74725 - Other L.T.S.H.	0.00	0.00	0.00	0.00
75105 - Facilities & Admin - Implement	0.00	93,545.00	0.00	93,545.00
75705 - Learning costs	0.00	245,212.58	0.00	245,212.58
75709 - Learning - training of counter	0.00	63,006.41	0.00	63,006.41
76135 - Realized Gain	0.00	-0.01	0.00	-0.01
Total for Fund 30000	0.00	1,429,902.38	0.00	1,429,902.38
Total for Activity OUTPUT4	0.00	1,429,902.38	0.00	1,429,902.38

Activity : OUTPUT5 (Civic participation)

Fund : 30000 (PROGRAMME COST SHARING)

71205 - Intl Consultants-Sht Term-Tech	0.00	113,768.96	0.00	113,768.96
71211 - Intl Consult Security Charge	0.00	1,662.50	0.00	1,662.50



Project Id : 00085367 Support to the Federal State f
Output # : 00101049 Support-Emerging Fed States

Period : Jan-Dec (2017)
Impl. Partner : 99999 UNDP
Location : Somalia

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
71305 - Local Consult.-Sht Term-Tech	0.00	176,255.65	0.00	176,255.65
71310 - Local Consult.-Short Term-Supp	0.00	1,800.00	0.00	1,800.00
71405 - Service Contracts-Individuals	0.00	800.00	0.00	800.00
71605 - Travel Tickets-International	0.00	2,190.00	0.00	2,190.00
71610 - Travel Tickets-Local	0.00	1,980.00	0.00	1,980.00
72120 - Svc Co-Trade and Business Serv	0.00	5,982.00	0.00	5,982.00
72130 - Svc Co-Transportation Services	0.00	120.00	0.00	120.00
72135 - Svc Co-Communications Service	0.00	7,820.00	0.00	7,820.00
72315 - Food & Textile Products	0.00	17,102.00	0.00	17,102.00
72505 - Stationery & other Office Supp	0.00	900.00	0.00	900.00
72515 - Print Media	0.00	5,250.00	0.00	5,250.00
72520 - Electronic Media	0.00	300.00	0.00	300.00
72705 - Hospitality-Special Events	0.00	0.00	0.00	0.00
73107 - Rent - Meeting Rooms	0.00	600.00	0.00	600.00
73125 - Common Services-Premises	0.00	9,012.00	0.00	9,012.00
74105 - Management and Reporting Svcs	0.00	4,175.00	0.00	4,175.00
74510 - Bank Charges	0.00	1,575.78	0.00	1,575.78
74710 - Land Transport	0.00	120.00	0.00	120.00
74725 - Other L.T.S.H.	0.00	10,045.46	0.00	10,045.46
75105 - Facilities & Admin - Implement	0.00	31,450.83	0.00	31,450.83
75705 - Learning costs	0.00	39,500.00	0.00	39,500.00
75709 - Learning - training of counter	0.00	48,338.00	0.00	48,338.00
Total for Fund 30000	0.00	480,748.18	0.00	480,748.18
Total for Activity OUTPUT5	0.00	480,748.18	0.00	480,748.18

Activity : OUTPUT6 (Project management costs)

Fund : 30000 (PROGRAMME COST SHARING)

61305 - Salaries - IP Staff	0.00	87,552.97	0.00	87,552.97
61310 - Post Adjustment - IP Staff	0.00	34,087.28	0.00	34,087.28
62305 - Dependency Allowances-IP Staff	0.00	13,156.42	0.00	13,156.42
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	29,214.02	0.00	29,214.02
62315 - Contrib. to medical, social in	0.00	214.65	0.00	214.65
62320 - Mobility, Hardship, Non-remova	0.00	31,819.93	0.00	31,819.93
62335 - Hazard Duty Station Allow-IP	0.00	12,667.52	0.00	12,667.52
62340 - Annual Leave Expense - IP	0.00	601.43	0.00	601.43
63330 - Ed Grt Incl Trvl&Allow-IP Stf	0.00	12,120.66	0.00	12,120.66
63335 - Home Leave Trvl & Allow-IP Stf	0.00	2,466.64	0.00	2,466.64
63340 - Proc trips/Rest & Recup-IP Stf	0.00	127.00	0.00	127.00
63360 - Medical Exams(incl Pre-empl)	0.00	290.00	0.00	290.00
63365 - Special Oper Living Allow-IP	0.00	19,800.00	0.00	19,800.00
63405 - Learning Costs	0.00	2,050.00	0.00	2,050.00
63530 - Contribution to EOS Benefits	0.00	4,561.54	0.00	4,561.54
63535 - Contribution to Security	0.00	7,602.56	0.00	7,602.56
63540 - Contribution to Training	0.00	732.86	0.00	732.86
63545 - Contribution to ICT	0.00	1,374.14	0.00	1,374.14
63550 - Contributions to MAIP	0.00	229.03	0.00	229.03
63555 - Contribution to UN JFA	0.00	2,977.31	0.00	2,977.31
63560 - Contributions to Appendix D	0.00	229.03	0.00	229.03



Combined Delivery Report by Activity

Project id : 00085367 Support to the Federal State f		Period :	Jan-Dec (2017)	
Output # : 00101049 Support-Emerging Fed States		Impl. Partner :	99999 UNDP	
		Location :	Somalia	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
64308 - Appointments-Lump Sum	0.00	10,178.04	0.00	10,178.04
64310 - Separations - IP Staff	0.00	1,282.52	0.00	1,282.52
64397 - Services to projects -CO staff	0.00	311,747.78	0.00	311,747.78
65115 - Contributions to ASHI Reserve	0.00	8,886.13	0.00	8,886.13
65135 - Payroll Mgt Cost Recovery ATLA	0.00	579.42	0.00	579.42
71405 - Service Contracts-Individuals	0.00	72,052.69	0.00	72,052.69
71410 - MAIP Premium SC	0.00	240.40	0.00	240.40
71415 - Contribution to Security SC	0.00	6,007.49	0.00	6,007.49
71505 - UN Volunteers-Stipend & Allow	0.00	15,412.95	0.00	15,412.95
71510 - UNV Settling-In-Grant	0.00	3,972.12	0.00	3,972.12
71520 - UNV-Language Allowance	0.00	644.78	0.00	644.78
71525 - UNV-Hazard Pay	0.00	12,895.70	0.00	12,895.70
71530 - UNV-Rest and Recuperation	0.00	12,137.16	0.00	12,137.16
71535 - UNV-Medical Insurance	0.00	1,822.34	0.00	1,822.34
71540 - UNV-Global Charges	0.00	1,981.50	0.00	1,981.50
71541 - UNVs-Contribution to security	0.00	1,777.15	0.00	1,777.15
71545 - UNV-Home Leave Travel & Allowa	0.00	103.16	0.00	103.16
71550 - UNV-Resettlement Allowance	0.00	2,579.14	0.00	2,579.14
71560 - UNV-Intl Appoint/Sep incl Trvl	0.00	5,400.00	0.00	5,400.00
71583 - UNV Telephone UN Mission	0.00	160.00	0.00	160.00
71590 - UNV Development Effectiveness	0.00	7,724.52	0.00	7,724.52
71605 - Travel Tickets-International	0.00	2,300.00	0.00	2,300.00
71610 - Travel Tickets-Local	0.00	20,281.06	0.00	20,281.06
71615 - Daily Subsistence Allow-Intl	0.00	26,695.30	0.00	26,695.30
71620 - Daily Subsistence Allow-Local	0.00	18,260.22	0.00	18,260.22
72120 - Svc Co-Trade and Business Serv	0.00	203.32	0.00	203.32
72210 - Machinery and Equipment	0.00	135.00	0.00	135.00
72215 - Transportation Equipment	0.00	9,976.59	0.00	9,976.59
72220 - Furniture	0.00	2,581.00	0.00	2,581.00
72330 - Medical Products	0.00	2,227.06	0.00	2,227.06
72415 - Courier Charges	0.00	50.11	0.00	50.11
72425 - Mobile Telephone Charges	0.00	1,191.24	0.00	1,191.24
72440 - Connectivity Charges	0.00	2,933.00	0.00	2,933.00
72445 - Common Services-Communications	0.00	643.50	0.00	643.50
72505 - Stationery & other Office Supp	0.00	724.37	0.00	724.37
72715 - Hospitality Catering	0.00	0.00	0.00	0.00
72815 - Inform Technology Supplies	0.00	730.00	0.00	730.00
73105 - Rent	0.00	495.00	0.00	495.00
73125 - Common Services-Premises	0.00	235,029.87	0.00	235,029.87
73420 - Leased Vehicles	0.00	649.94	0.00	649.94
74110 - Audit Fees	0.00	16,929.00	0.00	16,929.00
74510 - Bank Charges	0.00	3,395.45	0.00	3,395.45
74515 - Claims and Adjustments	0.00	4,358.00	0.00	4,358.00
74525 - Sundry	0.00	1,441.00	0.00	1,441.00
74725 - Other L.T.S.H.	0.00	10,570.00	0.00	10,570.00
75105 - Facilities & Admin - Implement	0.00	80,088.48	0.00	80,088.48
75705 - Learning costs	0.00	6,604.57	0.00	6,604.57
76135 - Realized Gain	0.00	0.00	0.00	0.00
77305 - Salaries - IP Staff-TA	0.00	11,087.68	0.00	11,087.68
77310 - Post Adjustment - IP Staff-TA	0.00	4,220.68	0.00	4,220.68
77315 - Contrib-Med,SocIns-IP Staff-TA	0.00	1,055.84	0.00	1,055.84
77320 - Assg hardship & mob allow-TA	0.00	4,201.32	0.00	4,201.32
77345 - Dep Allowances-IP Staff-TA	0.00	3,035.33	0.00	3,035.33
77357 - Repat. Grt/Comm Ann Lv-IP-TA	0.00	901.35	0.00	901.35



Combined Delivery Report by Activity

UN Development Programme
Report ID: unglcdrv

Page 6 of 8
Run Time: 05-03-2018 19:03:45

Project Id : 00085367 Support to the Federal State f	Period :	Jan-Dec (2017)		
Output # : 00101049 Support-Emerging Fed States	Impl. Partner :	99999 UNDP		
	Location :	Somalia		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
77365 - Spec Oper Living Allow-IP-TA	0.00	4,769.83	0.00	4,769.83
77375 - Contrib-Jt Staff Pens Fd-IP-TA	0.00	3,528.17	0.00	3,528.17
77385 - Contribution to Security	0.00	956.79	0.00	956.79
77386 - Contribution to ICT_TA	0.00	229.64	0.00	229.64
77395 - MAIP Premium TA/IP	0.00	38.25	0.00	38.25
77396 - PAYROLL MGT COST RECOVERY	0.00	193.14	0.00	193.14
77397 - Appendix D TA/IP	0.00	38.25	0.00	38.25
Total for Fund 30000	0.00	1,224,209.33	0.00	1,224,209.33
Total for Activity OUTPUT6	0.00	1,224,209.33	0.00	1,224,209.33
Total for Output : 00101049	80,000.00	4,467,533.20	0.00	4,547,533.20
Project Total :	80,000.00	4,467,533.20	0.00	4,547,533.20


I. Murphy

Ian Murphy
Partner

Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB
16 August 2018

MOORE STEPHENS



Signed By :  Date : _____

Digitally signed by Anil Shekhar
DN: cn=Anil Shekhar, o=UNDP Somalia, ou=State Formation, email=anil.shekhar@undp.org, c=US
Date: 2018.03.06 12:01:09 +03'00'

Signed By :  Date : 07 MARCH 2018

Digitally signed by George Conway
DN: cn=George Conway, o=UNDP, ou=UNDP Somalia, email=george.conway@undp.org, c=SO
Date: 2018.03.07 16:55:30 +03'00'

Signed by: GEORGE CONWAY
COUNTRY DIRECTOR
UNDP SOMALIA



Selection Criteria :

Business Unit : SOM10
Period : Jan-Dec (2017)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00101049

Project Id : ALL		Period : Jan-Dec (2017)		
Output # : ALL		Impl. Partner :		
		Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
46801 - Somalia - Central	0.00	526,442.97	0.00	526,442.97
46825 - South Central Somalia	80,000.00	3,941,090.23	0.00	4,021,090.23



Funds Utilization

Selection Criteria :

Business Unit : SOM10
Period : Jan-Dec (2017)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00101049

Project/Award: 00085367 Support to the Federal State f

Period : As Of Dec31,2017

Output # 00101049 Impl. Partner :99999 UNDP

UNDP AMOUNT

Outstanding NEX advances	0.00
Undepreciated Fixed Assets	15,051.73
Unamortized Intangible Assets	0.00
Inventory	0.00
Prepayments	0.00
Commitments	299,437.14

Annex 2: Statement of Fixed Assets

15,051.73

I. Murphy

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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.