



AUDIT

OF

UNDP DEMOCRATIC REPUBLIC OF THE CONGO

RELÈVEMENT COMMUNAUTAIRE
(Directly Implemented Project, Output No. 86481)

Report No. 1318
Issue Date: 1 July 2014

**Report on the audit of UNDP Democratic Republic of the Congo
Relèvement Communautaire (Output No. 86481)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), from 28 April to 23 May 2014, through Auditeurs Associés en Afrique - KPMG RDC (KPMG) (the audit firm), conducted an audit of "Relèvement Communautaire", Output No. 86481 (the Project), which is directly implemented and managed by the UNDP Country Office in Democratic Republic of the Congo (the Office). The last audit of the Office was conducted by OAI in 2013.

The audit firm conducted a financial audit to express an opinion on whether the financial statements present fairly, in all material aspects, the Project's operations. The audit covered the Project's Combined Delivery Report which includes expenditure for the period from 1 January to 31 December 2013 and the accompanying Funds Utilization statement as well as Statement of Assets as of 31 December 2013. The audit did not cover the Statement of Cash Position as there was no separate bank account for the Project.

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

Audit results

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

Project Expenditure		Project Assets		Cash	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
2,943	Unqualified*	12	Unqualified	N/A	N/A

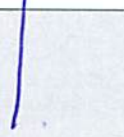
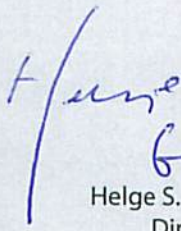
* Without revising the overall unqualified audit opinion on expenditures, the auditors mentioned that some expenditures related to the Project and valued \$67,497 were verified against copies of supporting documents, as the original documents were not presented during their fieldwork due to some weaknesses in the filing and archiving system.

Key recommendation(s): 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 that are considered moderate. Failure to take action could contribute to negative consequences for UNDP." These recommendations include actions to address: justification of several expenditures based on copies of supporting documents, and the non-tagging of assets belonging to the Project.

Management comments and action plan

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



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Director
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