



**AUDIT**

**OF**

**UNDP MALI**

**PROJET D'APPUI AU PROCESSUS ELECTORAL AU MALI**  
**(Directly Implemented Project, Output No. 81302)**

**Report No. 1322**

**Issue Date: 12 August 2014**

**Report on the audit of UNDP Mali**  
**Projet d'Appui au Processus Électoral au Mali, Output No. 81302**  
**Executive Summary**

The UNDP Office of Audit and Investigations (OAI), from 5 May to 16 May 2014, through Moore Stephens (the audit firm), conducted an audit of "Projet d'Appui au Processus Électoral au Mali", Output No. 81302 (the Project), which is directly implemented and managed by the UNDP Country Office in Mali (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 2013 to 31 December 2013 and the accompanying Funds Utilization statement<sup>1</sup> as of 31 December 2013 as well as Statement of Assets as of 31 December 2013. The audit did not include activities and expenses amounting \$3,846,575 processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters) and where supporting documentation was not retained at the UNDP Country Office level. 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		Project Assets		Cash	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
23,672	Unqualified	644	Unqualified	-	N/A

The audit firm issued an unqualified opinion on the Funds Utilization statement.

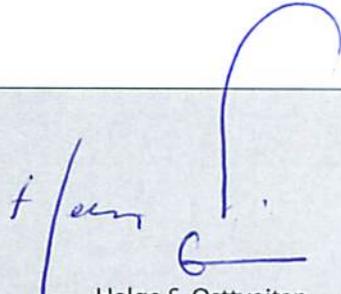
**Key recommendation:** Total = 1, high priority = 0

The audit did not result in any high (critical) priority recommendations. There is one medium (important) priority recommendation, 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. The recommendation include actions to address purchase orders raised after receipt of the goods.

**Management comments and action plan**

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

A handwritten signature in blue ink, appearing to read 'H. Osttveiten', is written over a light blue rectangular background.

Helge S. Osttveiten  
Director  
Office of Audit and Investigations