



AUDIT

OF

UNDP BOSNIA AND HERZEGOVINA

STRENGTHENING THE ROLE OF LOCAL COMMUNITIES
(Directly Implemented Project No. 80525, Output No. 90164)

Report No. 1636
Issue Date: 7 July 2016

**Report on the Audit of UNDP Bosnia and Herzegovina
Strengthening the Role of Local Communities
(Project No. 80525, Output No. 90164)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Deloitte LLP (the audit firm), from 9 May to 20 May 2016, conducted an audit of Strengthening the Role of Local Communities (Project No. 80525, Output No. 90164) (the Project), which is directly implemented and managed by the UNDP Country Office in Bosnia and Herzegovina (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 to 31 December 2015 and the accompanying Funds Utilization statement¹ as of 31 December 2015. The audit did not include activities and expenses incurred or undertaken at the "responsible party" level, or expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters). The audit did not cover the Statement of Assets as no assets were purchased by the Project. In addition, the audit did not cover the Statement of Cash Position as no balance was recorded in the dedicated project bank account as of 31 December 2015.

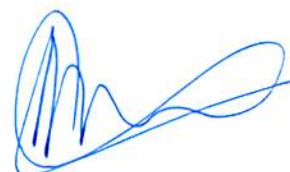
The audit was conducted under the general supervision of OAI in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

Audit results

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

Project Expenditure	
Amount (in \$ '000)	Opinion
154	Unqualified

The audit did not result in any recommendations.



Antoine Khoury
Office-in-Charge
Office of Audit and Investigations

¹ 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.