

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



*Empowered lives.
Resilient nations.*

AUDIT

OF

UNDP SOMALIA

CONSTITUTIONAL REVIEW SUPPORT PROJECT
(Directly Implemented Project No. 85369, Output Nos. 93036 and 94911)

Report No. 1824

Issue Date: 11 August 2017

**Report on the Audit of UNDP Somalia
Constitutional Review Support Project
(Project No. 85369, Output Nos. 93036 and 94911)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Deloitte (the audit firm), from 10 May to 2 June 2017, conducted an audit of Constitutional Review Support Project, Project No. 85369, Output Nos. 93036 and 94911 (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 in 2016 and covered project expenditure from 1 January to 31 December 2015.

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 2016 and the accompanying Funds Utilization statement¹ as of 31 December 2016. 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 held by the Project. 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 reports and corresponding management letters submitted by the audit firm, the results are summarized in the table below:

Output ID	Project Expenditure*	
	Amount (in \$ '000)	Opinion
93036	1,896	Unqualified
94911	2,431	Unqualified

*Expenditures recorded in the Combined Delivery Report for Output No. 93036 were \$2,219,754. Excluded from the audit scope were transactions that relate to expenditures processed and approved by other UNDP offices outside of the country (\$282,190). Also excluded were expenditures incurred at the "responsible party" level (\$41,460).

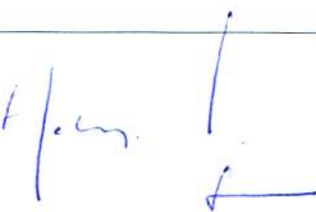
Expenditures recorded in the Combined Delivery Report for Output No. 94911 were \$3,702,790. Excluded from the audit scope were transactions that relate to expenditures processed and approved by other UNDP offices outside of the country (\$835,283). Also excluded were expenditures incurred at the "responsible party" level (\$436,837).

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.

The audit did not result in any recommendations.

The previous audit (Report No.1675, issued on 9 September 2016) did not result in any recommendations.

Management comments and/or additional information provided have been incorporated into the report, where appropriate.



Helge S. Osttveiten
Director
Office of Audit and Investigations