

**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**Office of Audit and Investigations**



*Empowered lives.  
Resilient nations.*

**AUDIT**

**OF**

**UNDP SOMALIA**

**JOINT PROGRAMME ON RULE OF LAW**

**(Directly Implemented Project No. 85372, Output Nos. 93042, 94812 and 99788)**

**Report No. 1972**

**Issue Date: 9 August 2018**

**Report on the Audit of UNDP Somalia  
Joint Programme on Rule of Law  
(Project No. 85372, Output Nos. 93042, 94812 and 99788)  
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 the Joint Programme on Rule of Law (Project No. 85372, Output Nos. 93042, 94812 and 99788) (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 statement<sup>1</sup> 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) or expenses of other United Nations agencies. 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 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
6,595	Unmodified**	11	Unmodified

**\*\*Expenses recorded in the Combined Delivery Report were \$8,790,850. Excluded from the audit scope were transactions that relate to expenses of other United Nations agencies (\$1,406), expenses processed and approved by other UNDP offices outside of the country (\$1,166,391), and expenses incurred at the "responsible party" level (\$1,027,672).**

**\*\*Unmodified = unqualified or clean opinion**

The audit did not result in any recommendations.

### Implementation status of previous OAI audit recommendations: (Report No. 1826, 14 August 2017).

Total recommendations: 1

Implemented: 1

<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) 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.

### Management comments and action plan

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



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