



**AUDIT**

**OF**

**UNDP SUDAN**

**SUDAN DISARMAMENT, DEMOBILIZATION AND REINTEGRATION PROGRAMME**  
**(Directly Implemented Project No. 63343)**

**Report No. 1257**

**Issue Date: 7 February 2014**

**Report on the audit of UNDP Sudan  
Sudan Disarmament, Demobilization and Reintegration Programme (Project No. 63343)  
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), from 11 November to 5 December 2013, through Talal Abu – Ghazaleh & Co (the audit firm), conducted an audit of the Sudan Disarmament, Demobilization and Reintegration Programme (SDDRP), Project No. 63343 (the Project), which is directly implemented and managed by the UNDP Country Office in Sudan (the Office). The last audit of the Project was conducted by OAI in 2011.

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 Statement of Expenditure (Combined Delivery Report) for the period from 1 January to 31 December 2012 and Statement of Assets as of 31 December 2012.

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	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
15,183	Unqualified	1,217	Unqualified

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

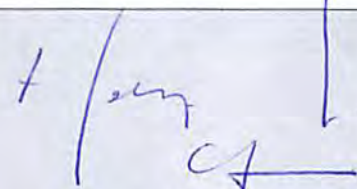
The audit did not result in any high (critical) priority recommendations. There is one medium (important) priority recommendation, which means, "Action is required to ensure that UNDP is not exposed to risks that are considered moderate. Failure to take action could contribute to negative consequences for UNDP." This recommendation includes actions to address the variance from the approved budget with the amount of expenditures actually reported.

**Implementation status of previous OAI audit recommendations:** Report No. 767, 28 March 2011.

Total recommendations: 19  
Implementation status: 100%

### Management comments and action plan

The 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 'Helge S. Ostveiten', is written over a light blue rectangular background.

Helge S. Ostveiten  
Director  
Office of Audit and Investigations

# Auditor's Report

Financial audit of “Sudan Disarmament, Demobilization and Reintegration Programme (SDDRP)” (The Project) implemented by “United Nation Development Programme UNDP” – Sudan – Khartoum for the Year Ended 31 December 2012.

## **PROJECT TITLE AND ID**

Title: “Sudan Disarmament, Demobilization and Reintegration Programme” (SDDRP)”

IDs: (Atlas Award ID: 51037, Project ID: 63343)

## **FUNDED BY**

Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF).

Talal Abu - Ghazaleh & Co.

Certified Public Accountants



Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

**Sudan Disarmament, Demobilization, and Reintegration Programme (SDDRP)**

**Implemented By**

**“United Nation Development Programme UNDP” Sudan**

---

**TABLE OF CONTENTS**

---

<b>1. PART I – EXECUTIVE SUMMARY .....</b>	<b>2</b>
1.1. Background Information about Project .....	2
1.2. Project Identification information .....	3
1.3. Audit Objectives .....	4
1.4. Summary of the work done and audit results:.....	7
1.1.1. Work Done: .....	7
1.1.2. Results of Audit: .....	8
<b>2. PART II – AUDITOR’S REPORT WITH OPINION .....</b>	<b>9</b>
2.1. Auditor’s Report .....	9
2.2. 2012 CDR Project No. 63443 .....	11
2.3. Certification for statement of fixed assets .....	13
2.4. Certification for Statement of Cash Position.....	18
CERTIFICATION FOR STATEMENT OF CASH POSITION .....	18
<b>3. PART III – MANAGEMENT LETTER .....</b>	<b>19</b>
3.1.1. Variance from the approved budget with amount of expenditures actually reported: .....	20

**Talal Abu-Ghazaleh & Co.**



طلال أبوغزالة وشركاه

Member of Talal Abu-Ghazaleh Organization

مجموعة طلال أبوغزالة

The Arab Organization for Global Professional Services

المجموعة العربية للخدمات المهنية الدولية

Serving you from over 71 offices and through over 180 correspondents worldwide

**To Director**

Office of Audit and Investigations (OAI)  
United Nations Development Programme

Dear Mr. Helge Osttveiten,

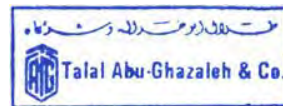
This report represents the results of our financial audit of the locally incurred costs in the "Combined Delivery Report (CDR)" of the Project ID: 63343 titled "Sudan Disarmament, Demobilization, and reintegration Programme (SDDRP)", for the Year ended 31 December 2012.

This Financial audit was mandated in accordance with the Audit contract for professional service with UNDP/OAI Ref. 2013/04 dated 20 September 2013.

Sincerely yours,

Jamal Milhem, CPA

Certified Accountant License # (100/98)



Executive Director

Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 4 December 2013



MEMBER OF THE

**FORUM OF FIRMS**

TAGI is a full member of the Forum of Firms .The Forum conducts its business through its executive arm , the Transnational Auditors Committee (TAC) , which is also a committee of the International Federation of Accountants (IFAC) . [www.ifac.org/forum\\_of\\_firms](http://www.ifac.org/forum_of_firms) .

Ramallah Office: Tel.: (+970) 229 88 220/ 1 , Fax: (+970) 229 88 219  
Green Tower Bld., Al-Shaheed Nazeq Qurah Street P.O. Box: 1110 Ramallah, The West Bank

مكتب رام الله: هاتف: ٢٢٩ ٨٨ ٢٢٠ / ١ ، فاكس: ٢٢٩ ٨٨ ٢١٩ (+٩٧٠)  
بناية البرج الاخضر، شارع الشهيد نزيه قوره، ص ب: ١١١٠ رام الله، الضفة الغربية

**We Work Hard to Stay First**

**www.tagorg.com**

**نعمل بجهد لنبقى في المقدمة**

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012  
Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)  
Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

## **1. PART I – EXECUTIVE SUMMARY**

---

The Executive Summary summarizes the important issues raised in the financial audit of the above mentioned award.

### **1.1. Background Information about Project**

Sudan experienced one of the longest civil wars in Africa fought between the Sudan Armed Forces (SAF) and the Sudan People’s Liberation Army (SPLA), which ended with the signing of the Comprehensive Peace Agreement (CPA) by both the Government of Sudan and the Sudan People’s Liberation Army/Movement (SPLA/M) on 9 January 2005. As part of the “Security Agreement Protocol” and “Permanent Ceasefire and Security Arrangements Implementation Modality and Appendices” in the CPA, both sides committed to a transparent and effective Disarmament, Demobilization and Reintegration (DDR) process, which supported the transition of ex-combatants and associated members (Women Associated with Armed Forces (WAAF) and Children Associated with Armed Forces (CAAF) from military to productive civilian life aimed at ensuring a secure, stable and peaceful Sudan.

As part of its role in supporting the implementation of the CPA, the United Nation Mission in Sudan was mandated by the UN Security Council resolution 1590 (24 March 2005) to assist in the establishment of the DDR programme and its implementation in this context, an integrated UN DDR Unit was established to assist the relevant national institutions in the DDR process, Broadly, the United Nations Mission in Sudan (UNMIS) took the lead in supporting the demobilization and reinsertion of DDR participants while UNDP was the lead agency on economic and social reintegration.

Guided by the National DDR Strategic Plan, the National Reintegration Policy and the 2009-2012 United Nations Development Assistance Framework, the SDDRP also aimed at contributing to (Northern) Sudan’s Strategic Five Year Plan (2007-2011) and South Sudan’s Three Years Plan for recovery and development which emphasized the effective and sustainable reintegration of ex-combatants (XCs), while recognizing the need to support the MDGs in all recovery and development spheres. The SDDRP and National DDR Strategic Plan identified 180,000 participants (90,000 from SAF and 90,000 from SPLA) to be demobilized and reintegrated during the interim period of CPA (2009-2012). However, after the secession of South Sudan in June 2011, Sudan DDR programme became an independent completely managed by UNDP.

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

The Programme focuses on the reintegration of ex-combatants (XCs) and associated members Special Needs Groups (SNGs) who meet the eligibility criteria, and will also link with other national recovery and priority programmes aimed at returnees, Internally Displaced (IDP) and host communities to ensure community security and social cohesion and longer term reintegration opportunities. A special focus is being placed on ensuring the gender-responsiveness of the programme by initiatives such as holding focus groups with female-focus activities in each State. Furthermore, disabled participants are offered additional services such as orthotics, physical therapy and mobility devices among others, in order to facilitate their social and economic reintegration. Due consideration is given to promoting community security and social cohesion through capacity development at local and national levels to ensure the sustainability of the reintegration efforts.

The total budget of the grant is USD 18,128,993. The financial audit covered the amount of USD 15,183,071 of total expenditures incurred locally during the period from 1 January to 31 December 2012.

The project duration was from 1 January 2009 to 30 June 2012 and it was extended to 31 December 2013. The location of project is in different areas in Sudan such as states of Southern Kordofan and Blue Nile with some activities in North Kordofan, White Nile and Sennar as well as Khartoum.

## 1.2. Project Identification information

The following table summarizes the amount of expenditures for the year under review:

**Table 1:**

Project Name	Project Number	Atlas Award ID	2012 Approved Budget (USD)	2012 Actual Expenditure per CDR (USD)
Sudan Disarmament, Demobilization and Reintegration Programme (SDDRP)	63343	51037	18,128,993	15,183,071



Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

### **1.3. Audit Objectives**

The objective of the financial audit is to express an opinion on a project’s financial statements which include:

- 1) Expressing an opinion on whether the expenses incurred by the project during year ended 2012 and the funds utilization as at 31 December 2012 are fairly presented in accordance with UNDP accounting policies and that the expenses incurred were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents.
- 2) Expressing an opinion on whether the statement of fixed assets presents fairly the balance of assets of the UNDP project as at 31 December 2012. This statement must include all assets available as at 31 December 2012 and not only those purchased in the period under audit.
- 3) Expressing an opinion on whether the statement of cash held by the project presents fairly the cash and bank balance of UNDP project as at a given date. Disbursements made against a DIM project are usually financed from the regular country office bank accounts. Exceptionally, a dedicated bank account may be opened and used solely for the cash transactions of a DIM project, e.g. if the project is in a remote location. The audit firm is required to express an opinion on the Statement of Cash only where dedicated banks account for the DIM project has been established. In cases where the cash transactions of the audited DIM project are made through the country office bank accounts, this type of opinion is not required.

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

### Scope of Audit:

We performed our audit in accordance with the International Standards of Auditing (ISA) and in compliance with the UNDP rules and regulations. We also reviewed the internal controls and compliance with procurement guidelines issued by UNDP and submitted the necessary recommendations to management.

The scope of the audit includes various audit steps that have been performed on a sample basis, obtaining adequate and sufficient coverage based on the audit objectives and comfort required.

This audit covers the local direct and indirect costs incurred in Sudan for the total amount of USD 15,183,071 This report does not cover amounts disbursed during other periods and does not include any amounts received or disbursed under any other agreements with UNDP.

The following are the main steps performed and followed as the basis for preparing the audit programs. They are not considered all-inclusive or restrictive in nature and do not constitute relief from exercising due professional care and judgment. The steps were modified to correspond with local conditions and specific project design, implementation procedures, and contract provisions which may vary from project to project.

1. Performing pre-audit steps which include reviewing project documents, UNDP’s internal manual procedures and UNDP policies;
2. Evaluating the program implementation actions and accomplishments,
3. Obtaining a sufficient understanding of the internal control structure related to the agreement’s different activates, internal environment, assessing the control risks, monitoring controls, control over compliance, and information and communication,
4. Identifying areas where fraud and illegal acts have occurred or likely to have occurred as a result of inadequate controls.
5. Examining the Combined Delivery Report (CDR) and related notes, this includes testing expenditures, bank account and related budgets,
6. Performing tests of compliance with agreement’s terms and applicable laws and regulations related to UNDP programs.

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

The scope of the audit relates only to transactions concluded and recorded against the UNDP DIM project over a given period. The scope of the audit does not include:

- Activities and expenses incurred or undertaken at the level of “responsible parties”, unless the inclusion of these expenses is specifically required in the request for proposal; and
- Expenses processed and approved in locations outside the country such as UNDP Regional Centers and UNDP Headquarters and where the supporting documentation is not retained at the level of the UNDP country office.

The audit Covered:

- All activities of the project Multi Year DDR Project – 00063343 during the period from 1 January to 31 December 2012; and
- Include a review of project reports and records located at the UNDP country office in Sudan, and, as applicable, field offices of the project /programme and other field locations.

Specifically, the audit covered the following:

- a) The expenses incurred and recorded in the Combined Delivery Report (CDR) of the project 00063343 during the period from 1 January to 31 December 2012 and the Funds Utilization statement as at 31 December 2012, as reported by the Office in Sudan;
- b) The value and existence of the fixed assets held by the project 00063343 as at 31 December 2012; and
- c) If applicable, the value and existence of cash held by the project 00063343 as at 31 December 2012, either as cash at hand or in the bank account (Statement of Cash is required only if there is separate bank account for the DIM project under review).

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

#### **1.4. Summary of the work done and audit results:**

##### **1.1.1. Work Done:**

This summary represents the results of our financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization and Reintegration Programme (SDDRP)”, for the year ended 31 December 2012.

The total costs incurred locally by United Nation Development Programme (UNDP) in Sudan on the above mentioned project is USD 15,183,071, the audit approximately covered 67 percent in substantive test of details. As shown in the following table:

**Table 2:**

<b>Project Location</b>	<b>No. of Samples</b>	<b>Total Expenditures (USD)</b>	<b>Total Expenditures Tested (USD)</b>	<b>Percentage</b>
Khartoum	167	15,183,071	10,206,044	67%
<b>Total</b>		<b>15,183,071</b>	<b>10,206,044</b>	<b>67%</b>

Financial audit of the locally incurred costs in the "Combined Delivery Report (CDR)" of the Project ID: 63343 titled "Sudan Disarmament, Demobilization, and Reintegration Programme - Sudan" for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

### 1.1.2. Results of Audit:

- **The Combined Delivery Report (CDR)**

The review did not disclose any financial errors in the Project's CDR; however, we noted certain instances of weaknesses in internal control system of the Project. Details of these weaknesses are described in Part III of this report.

The "Combined Delivery Report" fairly presents, in all material respects, Project's incurred costs in accordance with the terms of the agreement and in conformity with the basis of accounting described in Note (1) to "Combined Delivery Report".

- **The Statement of Fixed Assets**

The results of our review didn't disclose any material misstatement that, from our opinion of view, could affect the statement of assets presentation for year ended 31 December 2012.

- **The Statement of Cash held by the project**

Contrary to the general conditions of the agreement signed between the UNDP/Sudan and Italy, Japan, Norway, DFID, Sweden, Netherlands. Canada and Spain the project's funds were not maintained in a separate bank account; instead they were maintained in a bank account together with funds from other Projects. Accordingly, we could not confirm the Project's bank balance as of 31 December 2012 and interest revenue received during the project period, and we were unable to perform alternative satisfactory audit procedures.

**Jamal Milhem, CPA**

**Certified Accountant License # (100/98)**



**Executive Director**

**Talal Abu - Ghazaleh & Co.**

**Ramallah - Palestine, 4 December 2013**

## 2. PART II – AUDITOR’S REPORT WITH OPINION

### 2.1. Auditor’s Report

REPORT OF THE INDEPENDENT AUDITORS TO UNDP DIM PROJECT “SUDAN DISARMAMENT, DEMIBILIZATION AND REINTEGRATION PROGRAMME (SDDRP)” IN SUDAN

To Mr. Helge Osttveiten  
Director  
UNDP Office of Audit and Investigation (OAI)

#### Report on the Project Financial Statement

We have audited the accompanying Combined Delivery Report (CDR) and Funds Utilization Statement (“the Statement”) of the UNDP Project “Atlas Award ID: 51037”, “Sudan Disarmament, Demobilization, and Reintegration Programme (SDDRP)”, for the period from 1 January to 31 December 2012.

#### Management’s Responsibility

Management is responsible for the preparation and fair presentation of the statement for “Sudan Disarmament, Demobilization, and Reintegration Programme (SDDRP)” Project and for such internal control as management determines is necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project’s preparation of the statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.



Financial audit of the locally incurred costs in the "Combined Delivery Report (CDR)" of the Project ID: 63343 titled "Sudan Disarmament, Demobilization, and Reintegration Programme - Sudan" for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

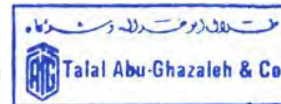
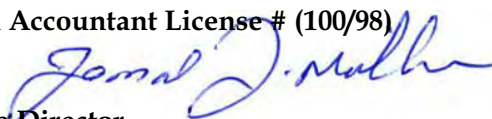
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Unmodified Opinion**

In our opinion, the Combined Delivery Report (CRD) gives a true and fair view of the expenditures of USD 15,183,071 incurred by the Project "Sudan Disarmament, Demobilization, and Reintegration Programme (SDDRP)" for the period from 1 January to 31 December 2012 in accordance with UNDP accounting policies and basis of the accounting used in note (1) to Combined Delivery Report.

**Jamal Milhem, CPA**

**Certified Accountant License # (100/98)**



**Executive Director**

**Talal Abu - Ghazaleh & Co.**

**Ramallah - Palestine, 4 December 2013**

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

## **2.2. 2012 CDR Project No. 63443**





Combined Delivery Report By Project

Selection Criteria :

Business Unit : SDN10  
Period : Jan-Dec (2012)  
Selected Project Id : 00051037  
Selected Fund Code : ALL  
Selected Dept. IDs : ALL  
Selected Outputs : 00063343

Project Id : 00051037 Multi Year Disarmament, Demob Output # : 00063343 Multi Year DDR Project	Period : Implt. Partner : Location :	Jan-Dec (2012) 02885 UNDP (Direct Execution) Sudan		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
<b>Dept: 47001 (Sudan - Central)</b>				
<b>Fund : 26960 (CPR TTF-Conflict-Country S)</b>				
72120 - Svc Co-Trade and Business Serv	0.00	1,689.15	0.00	1,689.15
76135 - Realized Gain	0.00	- 22.02	0.00	- 22.02
<b>Total for Fund 26960</b>	<b>0.00</b>	<b>1,667.13</b>	<b>0.00</b>	<b>1,667.13</b>
<b>Fund : 30000 (PROGRAMME COST SHARING)</b>				
71835 - Travel - Other	0.00	- 5,945.53	0.00	- 5,945.53
72120 - Svc Co-Trade and Business Serv	0.00	8,912.07	0.00	8,912.07
72415 - Courier Charges	0.00	159.86	0.00	159.86
75105 - Facilities & Admin - Implement	0.00	218.84	0.00	218.84
76135 - Realized Gain	0.00	0.00	0.00	0.00
<b>Total for Fund 30000</b>	<b>0.00</b>	<b>3,345.24</b>	<b>0.00</b>	<b>3,345.24</b>
<b>Fund : 32045 (JPN-Partnership Devt. Pgm. PCF)</b>				
72120 - Svc Co-Trade and Business Serv	0.00	1,633.68	0.00	1,633.68
74510 - Bank Charges	0.00	3.16	0.00	3.16
75105 - Facilities & Admin - Implement	0.00	114.58	0.00	114.58
76135 - Realized Gain	0.00	0.00	0.00	0.00
<b>Total for Fund 32045</b>	<b>0.00</b>	<b>1,751.42</b>	<b>0.00</b>	<b>1,751.42</b>
<b>Total for Dept : 47001</b>	<b>0.00</b>	<b>6,783.79</b>	<b>0.00</b>	<b>6,783.79</b>
<b>Dept: 47003 (Sudan - Crisis Prev &amp; Rcvry)</b>				
<b>Fund : 26960 (CPR TTF-Conflict-Country S)</b>				
63325 - Security Evacuation - IP Staff	0.00	6,000.00	0.00	6,000.00
63335 - Home Leave Trvl & Allow-IP Stf	0.00	0.00	0.00	0.00
63340 - Proc trips/Rest & Recup-IP Stf	0.00	1,202.00	0.00	1,202.00
63515 - Security-related Costs	0.00	1,188.17	0.00	1,188.17
64307 - Appointment-Subsistence Allow	0.00	6,150.00	0.00	6,150.00
64321 - Reassignment-Ticket Costs	0.00	6,814.50	0.00	6,814.50
71305 - Local Consult.-Sht Term-Tech	0.00	5,017.23	0.00	5,017.23
71405 - Service Contracts-Individuals	0.00	78.32	0.00	78.32
71505 - UN Volunteers-Sitpend & Allow	0.00	32,510.00	0.00	32,510.00
71520 - UNV-Language Allowance	0.00	434.62	0.00	434.62
71535 - UNV-Medical Insurance	0.00	1,747.64	0.00	1,747.64
71536 - UNVs - Medical Evacuation	0.00	51.00	0.00	51.00
71537 - UNVs Security Evacuation	0.00	48.60	0.00	48.60

*James D. Sullivan*



Combined Delivery Report By Project

UN Development Programme  
Report ID: unglcdrp

Page 2 of 9  
Run Time: 23-06-2013 09:06:20

Project id : 00051037 Multi Year Disarmament, Demob	Period :	Jan-Dec (2012)
Output # : 00063343 Multi Year DDR Project	Impl. Partner :	02885 UNDP (Direct Execution)
	Location :	Sudan

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
71540 - UNV-Global Charges	0.00	2,985.12	0.00	2,985.12
71545 - UNV-Home Leave Travel & Allowa	0.00	180.00	0.00	180.00
71550 - UNV-Resettlement Allowance	0.00	2,000.00	0.00	2,000.00
71590 - UNV HQ use only	0.00	3,995.72	0.00	3,995.72
71620 - Daily Subsistence Allow-Local	0.00	15,000.00	0.00	15,000.00
72120 - Svc Co-Trade and Business Serv	0.00	675,701.16	0.00	675,701.16
72135 - Svc Co-Communications Service	0.00	10,334.44	0.00	10,334.44
72165 - Svc Co-Social Svcs, Social Sci	0.00	19,745.07	0.00	19,745.07
72210 - Machinery and Equipment	0.00	-13,524.35	0.00	-13,524.35
74215 - Promotional Materials and Dist	0.00	1,000.00	0.00	1,000.00
74325 - Contrib.To CO Common Security	0.00	7,351.00	0.00	7,351.00
74510 - Bank Charges	0.00	2,481.71	0.00	2,481.71
75705 - Learning costs	0.00	3,412.03	0.00	3,412.03
75709 - Learning - training of counter	0.00	10,652.36	0.00	10,652.36
75710 - Participation of counterparts	0.00	7,139.96	0.00	7,139.96
76125 - Realized Loss	0.00	0.03	0.00	0.03
76135 - Realized Gain	0.00	-66.22	0.00	-66.22
<b>Total for Fund 26960</b>	<b>0.00</b>	<b>809,630.11</b>	<b>0.00</b>	<b>809,630.11</b>
<b>Fund : 30000 (PROGRAMME COST SHARING)</b>				
61305 - Salaries - IP Staff	0.00	990,017.20	0.00	990,017.20
61310 - Post Adjustment - IP Staff	0.00	402,249.67	0.00	402,249.67
62305 - Dependency Allowances-IP Staff	0.00	44,216.75	0.00	44,216.75
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	247,111.00	0.00	247,111.00
62315 - Contrib. to medical, social in	0.00	20,328.27	0.00	20,328.27
62320 - Mobility, Hardship, Non-remova	0.00	157,857.11	0.00	157,857.11
62330 - Rental Supplements - IP Staff	0.00	11,468.45	0.00	11,468.45
62335 - Hazard Duty Station Allow-IP	0.00	10,477.57	0.00	10,477.57
62340 - Annual Leave Expense - IP	0.00	88,871.21	0.00	88,871.21
63325 - Security Evacuation - IP Staff	0.00	36,000.00	0.00	36,000.00
63330 - Ed Grt Incl Trvl&Allow-IP Stf	0.00	80,532.40	0.00	80,532.40
63335 - Home Leave Trvl & Allow-IP Stf	0.00	35,243.55	0.00	35,243.55
63340 - Proc trips/Rest & Recup-IP Stf	0.00	18,540.00	0.00	18,540.00
63350 - Reimb of Income Tax-IP Staff	0.00	26,041.00	0.00	26,041.00
63365 - Special Oper Living Allow-IP	0.00	23,288.00	0.00	23,288.00
63515 - Security-related Costs	0.00	12,461.11	0.00	12,461.11
63530 - Contribution to EOS Benefits	0.00	29,770.56	0.00	29,770.56
63535 - Contribution to Security	0.00	48,532.72	0.00	48,532.72
63540 - Contribution to Training	0.00	11,206.77	0.00	11,206.77
63545 - Contribution to ICT	0.00	18,960.47	0.00	18,960.47
63550 - Contributions to MAIP	0.00	2,528.00	0.00	2,528.00
63555 - Contribution to UN JFA	0.00	22,752.66	0.00	22,752.66
63560 - Contributions to Appendix D	0.00	3,792.05	0.00	3,792.05
64322 - Reassignments-Subsistence Allow	0.00	15,375.00	0.00	15,375.00
64323 - Reassignments-Lump Sum	0.00	8,416.94	0.00	8,416.94
65115 - Contributions to ASHI Reserve	0.00	78,501.78	0.00	78,501.78
65135 - Payroll Mgt Cost Recovery ATLA	0.00	9,477.09	0.00	9,477.09
71205 - Intl Consultants-Sht Term-Tech	0.00	38,982.50	0.00	38,982.50
71305 - Local Consult -Sht Term-Tech	0.00	10,358.08	0.00	10,358.08
71310 - Local Consult-Short Term-Supp	0.00	-2,431.04	0.00	-2,431.04
71405 - Service Contracts-Individuals	0.00	515,907.30	0.00	515,907.30
71420 - Payroll Mgt Cost Recovery SC	0.00	1,673.68	0.00	1,673.68

*James J. Nathan*



Combined Delivery Report By Project

Project id : 00051037 Multi Year Disarmament, Demob. Output # : 00063343 Multi Year DDR Project		Period : Jan-Dec (2012)		Impl. Partner : 02885 UNDP (Direct Execution)		Location : Sudan	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp			
71505 - UN Volunteers-Stipend & Allow	0.00	105,848.25	0.00	105,848.25			
71510 - UNV Settling-In-Grant	0.00	5,072.15	0.00	5,072.15			
71520 - UNV-Language Allowance	0.00	706.47	0.00	706.47			
71525 - UNV-Hazard Pay	0.00	266.25	0.00	266.25			
71530 - UNV-Rest and Recuperation	0.00	4,808.00	0.00	4,808.00			
71535 - UNV-Medical Insurance	0.00	5,663.97	0.00	5,663.97			
71537 - UNVs Security Evacuation	0.00	15,000.00	0.00	15,000.00			
71540 - UNV-Global Charges	0.00	7,814.69	0.00	7,814.69			
71545 - UNV-Home Leave Travel & Allowa	0.00	635.83	0.00	635.83			
71550 - UNV-Resettlement Allowance	0.00	6,298.56	0.00	6,298.56			
71560 - UNV-Intl Appoint/Sep incl Trvl	0.00	9,200.00	0.00	9,200.00			
71565 - UNV-Natl Appoint/Sep incl Trvl	0.00	19.10	0.00	19.10			
71590 - UNV HQ use only	0.00	16,133.43	0.00	16,133.43			
71605 - Travel Tickets-International	0.00	3,335.51	0.00	3,335.51			
71610 - Travel Tickets-Local	0.00	9,121.46	0.00	9,121.46			
71615 - Daily Subsistence Allow-Intl	0.00	2,956.00	0.00	2,956.00			
71620 - Daily Subsistence Allow-Local	0.00	-84,474.19	0.00	-84,474.19			
71625 - Daily Substist Allow-Mtg Partic	0.00	5,670.00	0.00	5,670.00			
71635 - Travel - Other	0.00	504.00	0.00	504.00			
72105 - Svc Co-Construction & Engineer	0.00	98,483.36	0.00	98,483.36			
72110 - Svc Co-Agricultural Management	0.00	2,811,572.98	0.00	2,811,572.98			
72120 - Svc Co-Trade and Business Serv	0.00	1,541,974.81	0.00	1,541,974.81			
72125 - Svc Co-Studies & Research Serv	0.00	7,653.63	0.00	7,653.63			
72135 - Svc Co-Communications Service	0.00	59,110.00	0.00	59,110.00			
72145 - Svc Co-Training and Educ Serv	0.00	111,685.21	0.00	111,685.21			
72215 - Transportation Equipment	0.00	-201.39	0.00	-201.39			
72220 - Furniture	0.00	-998.27	0.00	-998.27			
72305 - Agri & Forestry Products	0.00	448,467.29	0.00	448,467.29			
72311 - Fuel, petroleum and other oils	0.00	10,572.92	0.00	10,572.92			
72315 - Food & Textile Products	0.00	0.00	0.00	0.00			
72405 - Acquisition of Communic Equip	0.00	1,203.73	0.00	1,203.73			
72420 - Land Telephone Charges	0.00	2,899.91	0.00	2,899.91			
72425 - Mobile Telephone Charges	0.00	5,027.52	0.00	5,027.52			
72440 - Connectivity Charges	0.00	899.41	0.00	899.41			
72445 - Common Services-Communications	0.00	883.99	0.00	883.99			
72505 - Stationery & other Office Supp	0.00	8,104.56	0.00	8,104.56			
72710 - Hospitality-Vouchered Expenses	0.00	1,835.07	0.00	1,835.07			
72715 - Hospitality Catering	0.00	-1,025.88	0.00	-1,025.88			
72805 - Acquis of Computer Hardware	0.00	5,760.41	0.00	5,760.41			
72815 - Inform Technology Supplies	0.00	347.22	0.00	347.22			
73101 - Leased/rented land	0.00	3,874.49	0.00	3,874.49			
73104 - Leased Building	0.00	36,000.00	0.00	36,000.00			
73105 - Rent	0.00	2,831.03	0.00	2,831.03			
73120 - Utilities	0.00	3,884.90	0.00	3,884.90			
73125 - Common Services-Premises	0.00	20,774.65	0.00	20,774.65			
73205 - Premises Alterations	0.00	-3,289.24	0.00	-3,289.24			
73410 - Maint, Oper of Transport Equip	0.00	11,834.65	0.00	11,834.65			
74205 - Audio Visual Productions	0.00	0.00	0.00	0.00			
74210 - Printing and Publications	0.00	8,123.41	0.00	8,123.41			
74215 - Promotional Materials and Dist	0.00	-694.44	0.00	-694.44			
74220 - Translation Costs	0.00	-13.89	0.00	-13.89			
74225 - Other Media Costs	0.00	335.20	0.00	335.20			
74325 - Contrib.To CO Common Security	0.00	-40,514.00	0.00	-40,514.00			
74505 - Insurance	0.00	-1,580.07	0.00	-1,580.07			

*James D. Johnson*



Project id : 00051037 Multi Year Disarmament, Demob. Output # : 00063343 Multi Year DDR Project		Period :	Jan-Dec (2012)	
		Impl. Partner :	02885 UNDP (Direct Execution)	
		Location :	Sudan	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
74510 - Bank Charges	0.00	25,990.90	0.00	25,990.90
74525 - Sundry	0.00	1.10	0.00	1.10
75105 - Facilities & Admin - Implement	0.00	514,607.77	0.00	514,607.77
75705 - Learning costs	0.00	6,465.64	0.00	6,465.64
75706 - Learning - ticket costs	0.00	125.00	0.00	125.00
75707 - Learning - subsistence allowan	0.00	179.86	0.00	179.86
75709 - Learning - training of counter	0.00	7,292.74	0.00	7,292.74
75710 - Participation of counterparts	0.00	156.25	0.00	156.25
76125 - Realized Loss	0.00	4,537.35	0.00	4,537.35
76135 - Realized Gain	0.00	-4,528.91	0.00	-4,528.91
77305 - Salaries - IP Staff-TA	0.00	30,337.01	0.00	30,337.01
77306 - Appoint-Tk cost-IP Staff-TA	0.00	6,607.86	0.00	6,607.86
77307 - Appoint-Sub Allow-IP Staff-TA	0.00	6,150.00	0.00	6,150.00
77309 - Appoint-shipment-IP Staff-TA	0.00	-1,312.00	0.00	-1,312.00
77310 - Post Adjustment - IP Staff-TA	0.00	15,895.70	0.00	15,895.70
77315 - Contrib-Med,Socins-IP Staff-TA	0.00	336.72	0.00	336.72
77320 - Assg hardship & mob allow-TA	0.00	4,963.81	0.00	4,963.81
77357 - Repat. Grv/Comm Ann Lv-IP-TA	0.00	3,105.56	0.00	3,105.56
77375 - Contrib-Jt Staff Pens Fd-IP-TA	0.00	9,728.63	0.00	9,728.63
77385 - Contribution to Security	0.00	1,849.33	0.00	1,849.33
77386 - Contribution to ICT_TA	0.00	693.50	0.00	693.50
77395 - MAIP Premium TA/IP	0.00	92.45	0.00	92.45
77396 - PAYROLL MGT COST RECOVERY	0.00	450.66	0.00	450.66
77397 - Appendix D TA/IP	0.00	138.69	0.00	138.69
77670 - Dep Exp-Hvy Mac & Equip	0.00	222.80	0.00	222.80
<b>Total for Fund 30000</b>	<b>0.00</b>	<b>8,922,998.92</b>	<b>0.00</b>	<b>8,922,998.92</b>
<b>Fund : 32045 (JPN-Partnership Devt. Pgm. PCF)</b>				
61305 - Salaries - IP Staff	0.00	8,072.53	0.00	8,072.53
63335 - Home Leave Trvl & Allow-IP Stf	0.00	0.00	0.00	0.00
63515 - Security-related Costs	0.00	21,383.74	0.00	21,383.74
64322 - Reassignmnts-Subsistence Allow	0.00	-6,150.00	0.00	-6,150.00
71305 - Local Consult -Sht Term-Tech	0.00	675.27	0.00	675.27
71405 - Service Contracts-Individuals	0.00	452,869.82	0.00	452,869.82
71505 - UN Volunteers-Stipend & Allow	0.00	17,526.00	0.00	17,526.00
71520 - UNV-Language Allowance	0.00	120.00	0.00	120.00
71535 - UNV-Medical Insurance	0.00	738.30	0.00	738.30
71537 - UNVs Security Evacuation	0.00	9,000.00	0.00	9,000.00
71540 - UNV-Global Charges	0.00	1,233.00	0.00	1,233.00
71545 - UNV-Home Leave Travel & Allowa	0.00	108.00	0.00	108.00
71550 - UNV-Resettlement Allowance	0.00	900.00	0.00	900.00
71560 - UNV-Intl Appoint/Sep incl Trvl	0.00	2,300.00	0.00	2,300.00
71590 - UNV HQ use only	0.00	3,192.55	0.00	3,192.55
71605 - Travel Tickets-International	0.00	6,993.78	0.00	6,993.78
71610 - Travel Tickets-Local	0.00	800.00	0.00	800.00
71615 - Daily Subsistence Allow-Intl	0.00	33,985.25	0.00	33,985.25
71620 - Daily Subsistence Allow-Local	0.00	138,005.56	0.00	138,005.56
71625 - Daily Substst Allow-Mtg Partic	0.00	1,500.00	0.00	1,500.00
71635 - Travel - Other	0.00	784.00	0.00	784.00
72105 - Svc Co-Construction & Engineer	0.00	33,607.64	0.00	33,607.64
72110 - Svc Co-Agricultural Management	0.00	1,285,943.39	0.00	1,285,943.39
72120 - Svc Co-Trade and Business Serv	0.00	1,681,644.41	0.00	1,681,644.41

*James J. Sullivan*



Project id : 00051037 Multi Year Disarmament, Demob.	Period :	Jan-Dec (2012)		
Output # : 00063343 Multi Year DDR Project	Impl. Partner :	02885 UNDP (Direct Execution)		
	Location :	Sudan		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72145 - Svc Co-Training and Educ Serv	0.00	12,181.13	0.00	12,181.13
72305 - Agri & Forestry Products	0.00	202,434.79	0.00	202,434.79
72311 - Fuel, petroleum and other oils	0.00	6,534.97	0.00	6,534.97
72420 - Land Telephone Charges	0.00	5,949.41	0.00	5,949.41
72425 - Mobile Telephone Charges	0.00	2,050.94	0.00	2,050.94
72505 - Stationery & other Office Supp	0.00	4,065.96	0.00	4,065.96
73105 - Rent	0.00	1,445.62	0.00	1,445.62
73120 - Utilities	0.00	1,701.55	0.00	1,701.55
73125 - Common Services-Premises	0.00	3,458.17	0.00	3,458.17
73405 - Rental & Maint-Other Office Eq	0.00	882.77	0.00	882.77
73410 - Maint, Oper of Transport Equip	0.00	415.88	0.00	415.88
73515 - Reimb to UN for Ext Audit Svcs	0.00	264.83	0.00	264.83
74110 - Audit Fees	0.00	64,943.15	0.00	64,943.15
74210 - Printing and Publications	0.00	6,465.46	0.00	6,465.46
74220 - Translation Costs	0.00	3,532.90	0.00	3,532.90
74325 - Contrib.To CO Common Security	0.00	51,745.00	0.00	51,745.00
74505 - Insurance	0.00	1,651.79	0.00	1,651.79
74510 - Bank Charges	0.00	17,258.77	0.00	17,258.77
75105 - Facilities & Admin - Implement	0.00	279,154.77	0.00	279,154.77
75705 - Learning costs	0.00	7,544.32	0.00	7,544.32
75709 - Learning - training of counter	0.00	1,432.48	0.00	1,432.48
75710 - Participation of counterparts	0.00	82.45	0.00	82.45
76125 - Realized Loss	0.00	40.74	0.00	40.74
76135 - Realized Gain	0.00	-99.70	0.00	-99.70
<b>Total for Fund 32045</b>	<b>0.00</b>	<b>4,370,371.39</b>	<b>0.00</b>	<b>4,370,371.39</b>
<b>Fund : 54050 (SIDA TF UNDP Sepsific Actv)</b>				
72110 - Svc Co-Agricultural Management	0.00	507,447.89	0.00	507,447.89
72120 - Svc Co-Trade and Business Serv	0.00	504,645.11	0.00	504,645.11
75105 - Facilities & Admin - Implement	0.00	68,736.50	0.00	68,736.50
<b>Total for Fund 54050</b>	<b>0.00</b>	<b>1,080,829.50</b>	<b>0.00</b>	<b>1,080,829.50</b>
<b>Total for Dept : 47003</b>	<b>0.00</b>	<b>15,183,829.93</b>	<b>0.00</b>	<b>15,183,829.93</b>
<b>Dept: 47103 (South Sudan - Crisis Prev&amp;Rcvr)</b>				
<b>Fund : 30000 (PROGRAMME COST SHARING)</b>				
71620 - Daily Subsistence Allow-Local	0.00	-1,262.07	0.00	-1,262.07
71635 - Travel - Other	0.00	-45.14	0.00	-45.14
73125 - Common Services-Premises	0.00	-5,177.97	0.00	-5,177.97
74505 - Insurance	0.00	-540.17	0.00	-540.17
74510 - Bank Charges	0.00	-4.95	0.00	-4.95
75105 - Facilities & Admin - Implement	0.00	-492.11	0.00	-492.11
<b>Total for Fund 30000</b>	<b>0.00</b>	<b>-7,522.41</b>	<b>0.00</b>	<b>-7,522.41</b>
<b>Total for Dept : 47103</b>	<b>0.00</b>	<b>-7,522.41</b>	<b>0.00</b>	<b>-7,522.41</b>

*Janal J. rubber*

Combined Delivery Report By Project



UN Development Programme  
Report ID: unglcdrp

Page 6 of 9  
Run Time: 23-06-2013 09:06:20

Project Id : 00051037 Multi Year Disarmament, Demob.	Period :	Jan-Dec (2012)		
Output # : 00063343 Multi Year DDR Project	Impl Partner :	02885 UNDP (Direct Execution)		
	Location :	Sudan		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
Total for Output : 00063343	0.00	15,183,071.31	0.00	15,183,071.31
Project Total :	0.00	15,183,071.31	0.00	15,183,071.31

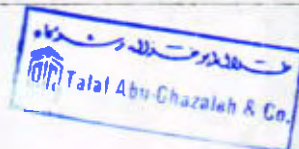
Signed By :

Date :

25.06.2013

Signed By :

Date :



Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

**PROJECT ID: 63343 TITLED “SUDAN DISARMAMENT, DEMOBILIZAION AND REINTEGRATION PROGRAMME (SDDRP)”, FOR THE YEAR ENDED 2012**

**NOTE TO THE COMBINED DELIVERY REPORT (CDR)**

---

**Note (1) Basis of Accounting:**

The Combined Delivery Report (CDR) was prepared on the Cash Basis of accounting. According to this basis, expenditures are recognized when paid rather than when incurred.

**Note (2): General**

**A. Project Budget:**

The following are the budgets until 31 December 2012:

<b>Category/ Activity</b>	<b>Budget USD</b>	<b>Expenditure USD</b>
	<b>2012</b>	<b>2012</b>
Activities 1 to 6	-	32,739
Capacity development	994,985.00	532,645
Management support	1,831,069.65	1,603,063
Public awareness	89,180.00	169,585
Reintegration	15,213,758.35	12,845,039
<b>TOTAL</b>	<b>18,128,993</b>	<b>15,183,071</b>

**B. Project Duration:**

The project duration was from 1 January 2009 to 30 June 2012 and it was extended to 31 December 2013. The location of project is in a different area in Sudan such states of Southern Kordofan and Blue Nile with some activities in North Kordofan, White Nile and Sennar as well as Khartoum.

**2.3. Certification for statement of fixed assets**

## CERTIFICATION FOR STATEMENT OF FIXED ASSETS

To Mr. Helge Osttveiten  
Director

UNDP Office of Audit and Investigation (OAI)

**Report on the Project Financial Statement**

We have audited the accompanying Statement of Fixed Assets (“the statement”) of the UNDP Project “Atlas Award ID: 51037”, “Sudan Disarmament, Demobilization, and Reintegration Programme (SDDRP)”, as of 31 December 2012.

**Management’s Responsibility**

Management is responsible for the preparation of the statement for Access Coordination and Monitoring Support, Gaza Project and for such internal control as management determines is necessary to enable the preparation of the statement that is free from material misstatement, whether due to fraud or error.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project’s preparation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.



MEMBER OF THE

**FORUM OF FIRMS**

TAGI is a full member of the Forum of Firms .The Forum conducts its business through its executive arm , the Transnational Auditors Committee (TAC) , which is also a committee of the International Federation of Accountants (IFAC) . [www.ifac.org/forum\\_of\\_firms](http://www.ifac.org/forum_of_firms) .

Ramallah Office: Tel.: (+970) 229 88 220/ 1 , Fax: (+970) 229 88 219

مكتب رام الله: هاتف: ٢٢٩ ٨٨ ٢٢٠ / ١ (+٩٧٠) ، فاكس: ٢٢٩ ٨٨ ٢١٩ (+٩٧٠)

Green Tower Bld., Al-Shaheed Nazeh Qurrah Street P.O. Box: 1110 Ramallah, The West Bank

بناية البرج الاخضر، شارع الشهيد نزيه قوره، ص ب: ١١١٠ رام الله، الضفة الغربية

**We Work Hard to Stay First****www.tagi.org.com****نعمل بجهد لنبقى في المقدمة**



Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

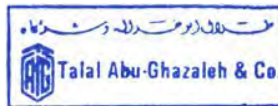
**Unmodified Opinion**

In our opinion, the attached Statement of Assets presents fairly, in all material respects, the balance of inventory of USD 1,216,540 incurred by the project as at 31 December 2012 in accordance with UNDP accounting policies.

**Jamal Milhem, CPA**

**Certified Accountant License # (100/98)**

*Jamal D. Milhem*  
Executive Director



**Talal Abu - Ghazaleh & Co.**

**Ramallah - Palestine, 4 December 2013**

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

**PROJECT ID: 63343 TITLED “SUDAN DISARMAMENT, DEMOBILIZAION AND REINTEGRATION PROGRAMME (SDDRP)”, FOR THE YEAR ENDED 2012**

**STATEMENT OF FIXED ASSETS AS AT 31 DECEMBER 2012**

<b>STATEMENT OF FIXED ASSETS</b>		
<b>AS AT 31 DECEMBER 2012</b>		
<b>Category</b>	<b>Location</b>	<b>Value USD</b>
IT Equipment	<b>Khartoum</b>	164,501
Vehicles		590,345
Electrical Equipment		9,411
Heavy Equipment (Aircon, generator)		7,157
IT Equipment	<b>Damazin</b>	21,609
Vehicles		140,415
Heavy Equipment (Aircon, generator)		7,330
IT Equipment	<b>Darfur</b>	13,515
Vehicles	<b>Kadugli</b>	251,197
IT Equipment		11,060
<b>Total Value</b>		<b>1,216,540</b>

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

## NOTES TO THE STATEMENT OF FIXED ASSETS

---

**1) Basis of Accounting:**

All assets included in the Statement of Fixed Assets were accounted for according to their historical costs, and UNDP’s Assets Management Guidelines.

**2) Depreciation expense:**

In year 2012; UNDP started applying IPSAS and CDR attached included fixed assets depreciation expense.

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

**List of Assets and Equipment:**





SDN10	SDN	Vehicle-General	10192	JTEEB71467005600	Toyota Land Cruiser hard top 4WD, 5 doors, white color	Khartoum	26-Feb-09	1	35,074.13 USD	30000	001981	00137	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10000	HFQKCAJ	Dell Laptop D830	Khartoum	06-Sep-09	1	1,750.00 USD	30000	001981	00137	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10001	HFQKCAJ	Dell Laptop D830	Khartoum	06-Sep-09	1	1,750.00 USD	30000	001981	00137	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10011	1YDTR3J	Dell Laptop D830	Khartoum	01-Jul-09	1	1,750.00 USD	30000	001981	00137	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10014	BNDTR3J	Dell Laptop D830	Darfur	01-Jul-09	1	1,750.00 USD	30000	001981	00137	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10019	DCQ76K1	Dell Laptop E6400	Khartoum	20-Aug-09	1	1,724.00 USD	30000	001981	00141	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10020	BQ676K1	Dell Laptop E6400	Khartoum	20-Aug-09	1	1,724.00 USD	30000	001981	00141	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10021	BQ676K1	Dell Laptop E6400	Khartoum	20-Aug-09	1	1,724.00 USD	30000	001981	00141	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10025	DCR92K1	Dell Laptop E6400	Darfur	20-Aug-09	1	1,724.00 USD	30000	001981	00141	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10032	BQ74CK1	Dell Laptop E6400	Khartoum	20-Aug-09	1	1,724.00 USD	30000	001981	00141	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10042	BQ80CK1	Dell Laptop E6400	Khartoum	20-Aug-09	1	1,724.00 USD	30000	001981	00141	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10049	DCR1CK1	Dell Laptop E6400	Khartoum	20-Aug-09	1	1,724.00 USD	30000	001981	00141	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	ITC-Laptop	10052	CRV52K1	Dell Laptop E6400	Darfur	20-Aug-09	1	1,724.00 USD	30000	001981	00141	00063343	47003	ACTIVITY4	As per records U
SDN10	SDN	Vehicle-General	10211	JTEEB71J207005123	Toyota Land Cruiser hard top 4WD, 5 doors, white color	Khartoum	19-Nov-08	1	53,657.50 USD	04000	001981	00072	00060304	47003	ACTIVITY4	As per records U
SDN10	SDN	Vehicle-General	10215	JTEEB71J877005037	Toyota Land Cruiser hard top 4WD, 5 doors, white color	Khartoum	19-Nov-08	1	53,657.50 USD	04000	001981	00072	00060304	47003	ACTIVITY4	As per records U
SDN10	SDN	Vehicle-General	10212	JTEEB71467005064	Toyota Land Cruiser hard top 4WD, 5 doors, white color	Khartoum	19-Nov-08	1	53,657.50 USD	04000	001981	00072	00060304	47003	ACTIVITY4	As per records U
SDN10	SDN	Vehicle-General	10223	1474767	Toyota Haice , 3 doors , White color	Khartoum	12-Jul-06	1	25,013.07 USD	04130	001981	00072	00045960	47003	ACTIVITY6	The Vehicle reg.



*[Handwritten signature]*

Sara Elkhider  
Administrative Associate

*[Handwritten signature]*  
20.12.2012

Amal Elshiekh  
Procurement Associate

*[Handwritten signature]*  
The Karki  
Procurement Specialist

SDN10	SDN	Vehicles-General	*0169	JTEEB71J907005971	Toyota Land Cruiser hard top AWD, 5 seats, white color	Demadim	19-Nov-08	1	53,857.50 USD	04000	001981	00012	00063343	47003	ACTIVITY4
SDN10	SDN	Vehicles-General	10198	JTEEB71J9070044984	Toyota Land Cruiser hard top AWD, 5 seats, white color	Khartoum	19-Nov-08	1	55,074.13 USD	04500	001981	00012	00063343	47003	ACTIVITY4
SDN10	SDN	Office Equipment	10234	TH17DB971Z73AD289B810736	Air-condition SAMSUNG Split Unit 18000 BTU	Khartoum	28-Mar-12	1	1,336.80 USD	30000	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	Office Equipment	10235	TH17D9377Z73A12289B810701	Air-condition SAMSUNG Split Unit 18000 BTU	Khartoum	28-Mar-12	1	1,336.80 USD	30000	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78178	LKLTWFA	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78195	LKLTWTM	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78211	LKLTJHM	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78215	LKLTJHZ	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78222	LKLTJHB	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78235	LKLTWAX	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78241	LKLTWJX	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78252	LKLTWGH	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78261	LKLTWKL	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78287	LKLTWLF	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78303	LKLTWFW	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78307	LKLTWFK	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 7837*	LKLTWPT	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78356	LKLTJGS	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78409	LKLTWTP	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 78488	LKLTJLH	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 79408	LKLTJRG	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	506.88 USD	26660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 82658	MJ16506	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	633.80 USD	28660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 83053	MJ16651	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	633.80 USD	28660	001981	10870	00063343	47003	MANAGEMENT
SDN10	SDN	ITC-Desktops	MIS 83476	MJ15901	Desktop Computer IBM Lenovo	Khartoum	08-Jan-11	1	633.80 USD	28660	001981	10870	00063343	47003	MANAGEMENT

1,216,563.91

UNDP - Sudan  
DDR Programme  
Khartoum  
Date:.....



Talal Abu-Ghazaleh  
Administrative Associate

Sara Elkhatir  
Administrative Associate

Amal Elsheikh  
Procurement Associate

Signature of Amal Elsheikh



**2.4. Certification for Statement of Cash Position****CERTIFICATION FOR STATEMENT OF CASH POSITION**

To Mr. Helge Osttveiten  
Director  
UNDP Office of Audit and Investigation (OAI)

The Statement of Cash Position for the Project "Atlas Award ID: 51037", "Sudan Disarmament, Demobilization, and Reintegration Programme (SDDRP)", for the period from 1 January to 31 December 2012" is not applicable due to not establishing a separate bank account for the project's purposes. Accordingly, the statement of cash position of the project as at 31 December 2012 is not prepared by the project management and no expression of opinion on the statement of cash position is stated.

Contrary to the general conditions of the agreement signed between the UNDP/Sudan and Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada and Spain the project's funds were not maintained in a separate bank account, instead they were maintained in a bank account together with funds from another Donors Projects. Accordingly, we could not confirm the Project's bank balance as of 31 December 2012 and interest revenue received during the project period, and we were unable to perform alternative satisfactory audit procedures.

Jamal Milhem, CPA

Certified Accountant License # (100/98)

Executive Director  
Talal Abu - Ghazaleh & Co.



Ramallah - Palestine, 4 December 2013



MEMBER OF THE

**FORUM OF FIRMS**

TAGI is a full member of the Forum of Firms .The Forum conducts its business through its executive arm , the Transnational Auditors Committee (TAC) , which is also a committee of the International Federation of Accountants (IFAC) . [www.ifac.org/forum\\_of\\_firms](http://www.ifac.org/forum_of_firms) .

Ramallah Office: Tel.: (+970) 229 88 220/ 1 , Fax: (+970) 229 88 219  
Green Tower Bld., Al-Shaheed Nazeq Qurah Street P.O. Box: 1110 Ramallah, The West Bank

مكتب رام الله: هاتف: ٢٢٩ ٨٨ ٢٢٠ / ١ (+٩٧٠) ، فاكس: ٢٢٩ ٨٨ ٢١٩ (+٩٧٠)  
بناية البرج الاخضر، شارع الشهيد نزيه قوره، ص ب: ١١١٠ رام الله، الضفة الغربية

### 3. PART III - MANAGEMENT LETTER

4 December 2013

To Director

Office of Audit and Investigations (OAI)

United Nations Development Programme

**Subject: Letter to Management on auditing Combined Delivery Report (CDR) ("the Statement") of the UNDP Project "Atlas Award ID: 41098".**

We have performed an audit of the Combined Delivery Report (CDR) ("the Statement") of the UNDP Project "Atlas Award ID: 51037", "Sudan Disarmament, Demobilization, and Reintegration Programme (SDDRP)", for the period from 1 January till 31 December 2012 in accordance with International Standards of Auditing (ISA) and in compliance with the UNDP rules and regulations.

In planning and performing our audit of the project, we considered (the Project) internal control structure and compliance with term and condition of the grant contract in order to determine our auditing procedures for expressing our opinion on the Combined Delivery Report (CDR) and Funds Utilization Statement ("the Statement") and not to provide assurance on the internal control structure. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statement, whether due to fraud or error.

UNDP Khartoum Office Management is responsible for the design, implementation and maintenance of the internal control system over the Projects. To execute this obligation, the UNDP Sudan office Managements is required to assess the expected risks and rewards of the policies and procedures for management control.

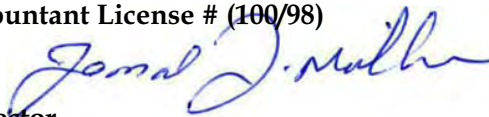
Our consideration of the internal control structure was for the limited purpose of expressing an opinion on the Combined Delivery Report (CDR), and therefore would not necessary disclosing all matters that might be reportable conditions. In addition, because of inherent limitations in any internal control structure, errors or irregularities may occur and not be detected by such control structure.

Finally, we would like to express our appreciation for the courtesy extended to us by the responsible personnel in UNDP Sudan office management.

Truly yours

Jamal Milhem, CPA

Certified Accountant License # (100/98)



Executive Director

Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 4 December 2013



MEMBER OF THE

**FORUM OF FIRMS**

TAGI is a full member of the Forum of Firms .The Forum conducts its business through its executive arm , the Transnational Auditors Committee (TAC) , which is also a committee of the International Federation of Accountants (IFAC) . [www.ifac.org/forum\\_of\\_firms](http://www.ifac.org/forum_of_firms) .

Ramallah Office: Tel.: (+970) 229 88 220/ 1 , Fax: (+970) 229 88 219

مكتب رام الله: هاتف: ٢٢٩ ٨٨ ٢٢٠ / ١ ، فاكس: ٢٢٩ ٨٨ ٢١٩ (+٩٧٠)

Green Tower Bld., Al-Shaheed Nazeq Qurah Street P.O. Box: 1110 Ramallah, The West Bank

بناية البرج الاخضر، شارع الشهيد نزيه قوره، ص ب: ١١١٠ رام الله، الضفة الغربية

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 63343 titled “Sudan Disarmament, Demobilization, and Reintegration Programme – Sudan” for the year ended 2012

Funded by: Italy, Japan, Norway, DFID, Sweden, Netherlands, Canada, Spain and UN Peace Building Fund (PBF)

Implemented by: United Nation Development Programme (UNDP) in Sudan.

---

### **3.1.1. Variance from the approved budget with amount of expenditures actually reported:**

#### **Criteria:**

The budget is an important part of the project activities and any violation must be approved and clarified.

#### **Notice Background:**

During the audit, we noted variance from the approved budget with amount of expenditures actually reported per activity, as follows:

<b>Category / Activity</b>	<b>Budgeted Amount USD</b>	<b>Actual Expenditure Incurred USD</b>	<b>Variance</b>
	<b><u>2012</u></b>	<b><u>2012</u></b>	
Activities 1 to 6	--	32,739	(32,739)
Public awareness	89,180.00	169,585	(80,405)

#### **Priority**

Medium (Important)

#### **Recommendation**

The Office should monitor the budget line items to avoid any violation and to obtain an approval and clarification for any variance.

#### **Management acceptance:**

Yes       No

#### **Management comments and action plan:**

Noted for future compliance