

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP IRAQ

SUPPORT TO THE EXPANDED HUMANITARIAN RESPONSE FUND
(Directly Implemented Project No. 64011)

Report No. 1291

Issue Date: 24 February 2014

**Report on the audit of UNDP Iraq
Support to the Expanded Humanitarian Response Fund (Project No. 64011)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), from 29 September to 20 November 2013, through Talal Abu-Ghazaleh & Co. (the audit firm), conducted an audit of Support to the Expanded Humanitarian Response Fund, Project No. 64011 (the Project), which is directly implemented and managed by the UNDP Country Office in Iraq (the Office). The last audit of the Office 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 2011 to 31 December 2012, and Statement of Assets as of 31 December 2011 and 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:

Year	Project Expenditure		Project Assets	
	Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
2011	4,566	Unqualified	6	Unqualified
2012	3,575	Unqualified	6	Unqualified

Key recommendations

The audit did not result in any recommendation.



Helge S. Ostveiten
Director
Office of Audit and Investigations

Auditor's Report

Financial audit of “Support to the Expanded Humanitarian Response Fund (ERF)” (The Project) implemented by “United Nation Development Programme UNDP” – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA) for years ended 31 December 2011 and 31 December 2012.

PROJECT TITLE AND ID

Title: “Support to the Expanded Humanitarian Response Fund (ERF)”

IDs: (Atlas Award ID: 51415, Project ID: 64011)

FUNDED BY

UNDG ITF Project and UNDP

Talal Abu - Ghazaleh & Co.

Certified Public Accountants



Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

Support to the Expanded Humanitarian Response Fund (ERF)

Implemented By

**“United Nation Development Programme (UNDP) – Iraq &
UN Office for the Coordination of Humanitarian Affairs (OCHA)”**

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To Director

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

Dear Mr. Helge Osttveiten,

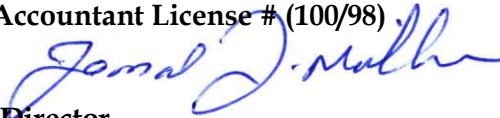
This report represents the results of our financial audit of the locally incurred costs in the "Combined Delivery Report (CDR)" of the Project ID: 64011 titled "Support to the Expanded Humanitarian Response Fund (ERF)" for the years ended 31 December 2011 and 31 December 2012.

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, 20 November 2013



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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: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

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 the Project

Amid mounting international recognition of the growing humanitarian crisis in Iraq, and in response to calls for more donor support from international and national NGOs, the UN Humanitarian Coordinator (HC) initiated discussions about a possible ERF for Iraq with donors, the NGO community and the UN Country Team in early 2007. As a result, the Expanded Humanitarian Response Fund was launched in May 2007 to disburse funds quickly up to a normal maximum of USD 400,000 to international and national humanitarian organizations for urgent humanitarian action.

More recently, in recognition of the notable improvements in the security situation, UN and NGO partners have sought to increase their capacity inside Iraq. Building on the NGO’s localized approach, agencies have made significant gains towards adapting to the imperative of meeting urgent needs - amid the constraints of operating in a what remains a unstable and dangerous environment, while government capacity to deliver assistance remains constrained.

Once again, in the recognition that humanitarian funding remained insufficient when measured against the scale of needs and the ability of aid actors with field presence to respond, the HC approached the donor community for support - to reinforce the ability of agencies to respond rapidly to urgent humanitarian action. Accordingly, this programme reflects the commitment entered into by donors at the International Reconstruction Fund Facility for Iraq (IRFFI) Donor Committee Meeting, 7 July 2008. Specifically, it was agreed to significantly strengthen the ERF with the allocation of a portion of interest monies accrued on the UNDG window of the Iraq Trust Fund, amounting to a total of USD 20 million.

This programme is the vehicle through which the funds will be channeled to those NGOs (Iraqi and international) that meet the criteria for the ERF, with specific focus in three key areas of response to areas of acute vulnerability: direct assistance, including through the delivery of food, non-food items, emergency shelter assistance as well as provision of emergency educational and protection services; prepositioning of essential stocks both within and outside of Iraq, and; continued monitoring and consultation with relevant partners to ensure targeted interventions.

As a result of the programme, it is anticipated that the needs of vulnerable populations will be addressed within the immediate term in a coordinated and informed manner, and that the time required for the humanitarian community to respond to an emerging crisis will be significantly reduced. It is also anticipated that this process will serve as a focal point for coordination and focusing of NGO humanitarian efforts.

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

1.2. Project Identification Information

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

Table 1:

Year	Project Name	Project Number	Atlas Award ID	Budget (USD)	Actual Expenditure Per CDR (USD)
2011	Support to the Expanded Humanitarian Response Fund	64011	51415	4,600,000	4,565,673
2012	Support to the Expanded Humanitarian Response Fund	64011	51415	3,631,770	3,574,583

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

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 financial expenses incurred by the project for the years ended 31 December 2011 and 31 December 2012 and the funds utilization as at the end of a specified period 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. The Combined Delivery Report (CDR) and the accompanying Funds Utilization statement are the mandatory and official statements upon which the audit opinion will be expressed. Other forms of statement of expenses that may be prepared by a project office are not accepted.
2. Expressing an opinion on whether the statement of fixed assets presents fairly the balance of assets of the UNDP project as at a given date. This statement must include all assets available as at 31 December 2011 and as at 31 December 2012, and not only those purchased in a given period. Where a DIM project does not have any assets or equipment, it will not be necessary to express such an opinion.
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: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

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 Iraq for the total amount of USD 4,565,673 for year ended 31 December 2011 and USD 3,574,583 for year ended 31 December 2012. This report does not cover amounts expensed 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 used 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 fit 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- Examining the Combined Delivery Report (CDR) and related notes, this includes testing expenditures, bank account and related budgets,
- 4- Obtaining a sufficient understanding of the internal control structure related to the agreement’s different activities, internal environment, assessing the control risks, monitoring controls, control over compliance, and information and communication,
- 5- Identifying areas where fraud and illegal acts have occurred or likely to have occurred as a result of inadequate controls.
- 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: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

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 64011 - Support to the Expanded Humanitarian Response Fund (ERF) during the period from 1 January to 31 December 2011; and from 1 January to 31 December 2012.
- Include a review of project reports and records located at the UNDP Programme of Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA) 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 Reports (CDR) of the project 64011 during the period from 1 January to 31 December 2011; and from 1 January to 31 December 2012, as reported by the Office in Iraq;
- b) If applicable, the value and existence of the fixed assets held by the project 64011 as at 31 December 2011 and as at 31 December 2012; and
- c) If applicable, the value and existence of cash held by the project 64011 as at 31 December 2011 and as 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: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

1.4. Summary of Work Done and Audit Results

1.4.1. 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: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for the years ended 31 December 2011 and 31 December 2012.

The total costs incurred by United Nation Development Programme (UNDP) - Iraq on the above mentioned project USD 4,565,673 for year ended 31 December 2011 and USD 3,574,583 for year ended 31 December 2012. The audit approximately covered 52% in substantive test of details for each year as shown in the following table:

Table 2:

Project Location / Year	No. of Samples	Total expenditures (USD)	Total expenditures Tested(USD)	Percentage
UNDP - Iraq / 2011	21	4,565,673	2,363,067	52%
UNDP - Iraq / 2012	17	3,574,583	1,852,191	52%

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

1.4.2. Results of Audit

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

The review did not disclose any material financial misstatements that, from our point of view, could affect the CDR for the years ended 31 December 2011 and 31 December 2012.

- **The Statement of Fixed Assets**

The audit did not disclose any material misstatement that could affect the statement of assets presentation for each ended year 31 December 2011 and 31 December 2012.

- **The Statement of Cash Position**

The Statement of Cash Position is not applicable due to not establishing a separate bank account for the project’s purposes.

Yours sincerely,

Jamal Milhem, CPA

Certified Accountant License # (100/98)



Executive Director

Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 20 November 2013



2. PART II – AUDITOR’S REPORT WITH OPINION

2.1. Auditor’s Report –Year Ended 2011

REPORT OF THE INDEPENDENT AUDITORS TO UNDP DIM PROJECT SUPPORT TO THE EXPANDED HUMANITARIAN RESPONSE FUND IN IRAQ FOR THE YEAR ENDED 31 DECEMBER 2011

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) (“the statement”) of the UNDP project number 64011, Support to the Expanded Humanitarian Response Fund (ERF) for the period from 1 January 2011 to 31 December 2011.

Management’s Responsibility

Management is responsible for the preparation of the statement for Support to the Expanded Humanitarian Response Fund (ERF) 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



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Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

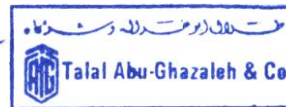
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Unmodified Opinion

In our opinion, the attached Combined Delivery Report (CDR) present fairly, in all material respects, the expenses of USD 4,565,673 incurred by the project Support to the Expanded Humanitarian Response Fund (ERF) for the period 1 January 2011 to 31 December 2011 in accordance with UNDP accounting policies, and 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.

Jamal Milhem, CPA

Certified Accountant License # (100/98)



Executive Director

Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 20 November 2013

2.2. Auditor's Report – Year Ended 2012

REPORT OF THE INDEPENDENT AUDITORS TO UNDP DIM PROJECT SUPPORT
TO THE EXPANDED HUMANITARIAN RESPONSE FUND IN IRAQ
FOR THE YEAR ENDED 31 DECEMBER 2012

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 number 64011, Support to the Expanded Humanitarian Response Fund (ERF) for the period from 1 January 2012 to 31 December 2012.

Management's Responsibility

Management is responsible for the preparation of the statement for Support to the Expanded Humanitarian Response Fund (ERF) 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

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



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Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

Unmodified Opinion

In our opinion, the attached Combined Delivery Report (CDR) present fairly, in all material respects, the expenses of USD 3,574,583 incurred by the project Support to the Expanded Humanitarian Response Fund (ERF) for the period 1 January 2012 to 31 December 2012 in accordance with UNDP accounting policies, and 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.

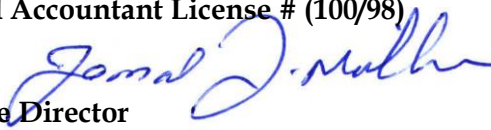
Jamal Milhem, CPA

Certified Accountant License # (100/98)

Executive Director

Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 20 November 2013



Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

2.3. 2011 CDR Project No. 64011



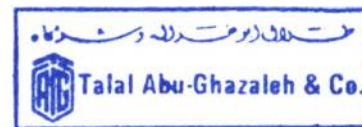
Combined Delivery Report With Encumbrance

Award Id : 00051415 Support to the Expanded Humani	Period : Jan-Dec (2011)
Project # : 00064011 Support to the Expanded Humani	Impl. Partner : 01125 United Nations Development P
	Location : UNDP Iraq (Amman Office)

	Govt Disb	UNDP Disb	UN Agencies	Encumbrance	Total Exp
Fund : 40211 (UNDP Iraq Reconstruction TF)					
61105 - Salaries - NP Staff	0.00	19,771.49	0.00	0.00	19,771.49
62105 - Dependency Allowance-NP Staff	0.00	450.03	0.00	0.00	450.03
62110 - Contrib Joint Staff Pension-NP	0.00	3,940.80	0.00	0.00	3,940.80
62115 - Contrib to Med,Soclns-NP Staff	0.00	1,561.10	0.00	0.00	1,561.10
63515 - Security-related Costs	0.00	1,480.00	0.00	0.00	1,480.00
63530 - Contribution to Separations	0.00	494.31	0.00	0.00	494.31
63535 - Contribution to Security	0.00	1,119.92	0.00	0.00	1,119.92
65115 - Contributions to ASHI Reserve	0.00	988.56	0.00	0.00	988.56
65135 - Payroll Mgt Cost Recovery ATLA	0.00	96.18	0.00	0.00	96.18
71305 - Local Consult.-Sht Term-Tech	0.00	12,964.80	0.00	2,920.00	15,884.80
71405 - Service Contracts-Individuals	0.00	36,769.34	0.00	0.00	36,769.34
71605 - Travel Tickets-International	0.00	0.00	0.00	0.00	0.00
72115 - Svc Co-Natural Resources & Env	0.00	282.49	0.00	0.00	282.49
72120 - Svc Co-Trade and Business Serv	0.00	2,272.48	0.00	0.00	2,272.48
72125 - Svc Co-Studies & Research Serv	0.00	29,750.00	0.00	0.00	29,750.00
72205 - Office Machinery	0.00	2,239.24	0.00	0.00	2,239.24
72220 - Furniture	0.00	-1,601.69	0.00	0.00	-1,601.69
72405 - Acquisition of Communic Equip	0.00	0.00	0.00	1,590.00	1,590.00
72425 - Mobile Telephone Charges	0.00	2,636.94	0.00	0.00	2,636.94
72505 - Stationery & other Office Supp	0.00	34,869.03	0.00	0.00	34,869.03
72605 - Grants to Instit & other Benef	0.00	4,226,988.18	0.00	0.00	4,226,988.18
72705 - Hospitality-Special Events	0.00	955.51	0.00	0.00	955.51
73125 - Common Services-Premises	0.00	9,331.50	0.00	0.00	9,331.50
74110 - Audit Fees	0.00	0.00	0.00	26,325.00	26,325.00
74220 - Translation Costs	0.00	1,714.94	0.00	0.00	1,714.94
74225 - Other Media Costs	0.00	5,000.00	0.00	0.00	5,000.00
74325 - Contrib.To CO Common Security	0.00	14,300.00	0.00	0.00	14,300.00
74510 - Bank Charges	0.00	58.71	0.00	0.00	58.71
74525 - Sundry	0.00	2,448.62	0.00	0.00	2,448.62
75105 - Facilities & Admin - Implement	0.00	118,119.92	0.00	0.00	118,119.92
75705 - Learning costs	0.00	200.00	0.00	0.00	200.00
76135 - Realized Gain	0.00	0.00	0.00	0.00	0.00
77105 - Salaries - NP Staff-TA	0.00	4,113.35	0.00	0.00	4,113.35
77110 - Contrib to UNSSPF-NP-TA	0.00	822.66	0.00	0.00	822.66
77115 - Contrib-Med,Soclns-NP Staff-TA	0.00	298.22	0.00	0.00	298.22
77120 - Repat Grt/Comm Annual Lv-NP-TA	0.00	283.68	0.00	0.00	283.68
77145 - Dependency Allow-NP Staff-TA	0.00	117.23	0.00	0.00	117.23
Total for Fund 40211	0.00	4,534,837.54	0.00	30,835.00	4,565,672.54
Total for Project : 00064011	0.00	4,534,837.54	0.00	30,835.00	4,565,672.54

Award Total :	0.00	4,534,837.54	0.00	30,835.00	4,565,672.54
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Jamal J. Malhi



Peter Batchelor
etc

[Signature]

Vesley
Officer in Charge

4/June/2012

Signed By :

Date :

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

2.4. 2012 CDR Project No. 64011

Combined Delivery Report By Project



UN Development Programme
Report ID: unglcdrp

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Run Time: 21-04-2013 10:04:08

Project Id : 00051415 Support to the Expanded Humanit	Period : Jan-Dec (2012)
Output # : 00064011 Support to the Expanded Humanit	Impl. Partner : 01125 United Nations Development P
	Location : UNDP Iraq (Amman Office)

Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
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Output # : 00064011 Support to the Expanded Humanit	Impl. Partner : 01125 United Nations Development P
	Location : UNDP Iraq (Amman Office)

Dept: 45001 (Iraq - Central)

Fund : 40211 (UNDP Iraq Reconstruction TF)

61105 - Salaries - NP Staff	0.00	38,140.25	0.00	38,140.25
62105 - Dependency Allowance-NP Staff	0.00	863.14	0.00	863.14
62110 - Contrib Joint Staff Pension-NP	0.00	7,678.99	0.00	7,678.99
62115 - Contrib to Med,Soclns-NP Staff	0.00	2,765.16	0.00	2,765.16
62140 - Annual Leave Expense - NO	0.00	4,637.17	0.00	4,637.17
63530 - Contribution to EOS Benefits	0.00	953.53	0.00	953.53
63535 - Contribution to Security	0.00	1,525.63	0.00	1,525.63
63545 - Contribution to ICT	0.00	572.13	0.00	572.13
63550 - Contributions to MAIP	0.00	76.28	0.00	76.28
63555 - Contribution to UN JFA	0.00	686.50	0.00	686.50
63560 - Contributions to Appendix D	0.00	114.43	0.00	114.43
65115 - Contributions to ASHI Reserve	0.00	2,479.13	0.00	2,479.13
65135 - Payroll Mgt Cost Recovery ATLA	0.00	190.53	0.00	190.53
71105 - Salaries - ALD	0.00	0.00	0.00	0.00
71405 - Service Contracts-Individuals	0.00	21,812.83	0.00	21,812.83
71410 - MAIP Premium SC	0.00	3.92	0.00	3.92
71415 - Contribution to Security SC	0.00	0.00	0.00	0.00
71605 - Travel Tickets-International	0.00	2,930.00	0.00	2,930.00
71610 - Travel Tickets-Local	0.00	6,510.00	0.00	6,510.00
71615 - Daily Subsistence Allow-Intl	0.00	1,821.20	0.00	1,821.20
71620 - Daily Subsistence Allow-Local	0.00	620.60	0.00	620.60
71625 - Daily Subsist Allow-Mtg Partic	0.00	48,927.00	0.00	48,927.00
71635 - Travel - Other	0.00	994.75	0.00	994.75
72405 - Acquisition of Communic Equip	0.00	- 1,590.00	0.00	- 1,590.00
72425 - Mobile Telephone Charges	0.00	1,539.35	0.00	1,539.35
72505 - Stationery & other Office Supp	0.00	- 34,432.75	0.00	- 34,432.75
72605 - Grants to Instit & other Benef	0.00	2,836,400.44	0.00	2,836,400.44
73107 - Rent - Meeting Rooms	0.00	26,818.80	0.00	26,818.80
73125 - Common Services-Premises	0.00	18,586.25	0.00	18,586.25
74110 - Audit Fees	0.00	5,265.00	0.00	5,265.00
74210 - Printing and Publications	0.00	960.45	0.00	960.45
74325 - Contrib.To CO Common Security	0.00	345,024.00	0.00	345,024.00
74510 - Bank Charges	0.00	904.10	0.00	904.10
74525 - Sundry	0.00	81.30	0.00	81.30
75105 - Facilities & Admin - Implement	0.00	34,288.68	0.00	34,288.68
75705 - Learning costs	0.00	189,190.28	0.00	189,190.28
76125 - Realized Loss	0.00	0.12	0.00	0.12
77385 - Contribution to Security	0.00	6,780.10	0.00	6,780.10
77630 - Dep Exp Owned - ITC	0.00	463.75	0.00	463.75
Total for Fund 40211	0.00	3,574,583.04	0.00	3,574,583.04
Total for Dept : 45001	0.00	3,574,583.04	0.00	3,574,583.04
Dept: 45004 (Iraq - Dem. Governance)				

Combined Delivery Report By Project



UN Development Programme
Report ID: unglcdrp

Page 64 of 205
Run Time: 21-04-2013 10:04:08

Project Id : 00051415 Support to the Expanded Humanit	Period :	Jan-Dec (2012)		
Output # : 00064011 Support to the Expanded Humanit	Impl. Partner :	01125 United Nations Development P		
	Location :	UNDP Iraq (Amman Office)		

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
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Fund : 40211 (UNDP Iraq Reconstruction TF)

72605 - Grants to Instit & other Benef	0.00	0.00	0.00	0.00
Total for Fund 40211	0.00	0.00	0.00	0.00
Total for Dept : 45004	0.00	0.00	0.00	0.00
Total for Output : 00064011	0.00	3,574,583.04	0.00	3,574,583.04

Project Total :	0.00	3,574,583.04	0.00	3,574,583.04
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Jamal J. Mulla



Signed By : *[Signature]* Date : June 1, 2013

Signed By : *[Signature]* Date : 24/07/13

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund” for the Calendar Years 2011 and 2012

Notes to the Project’s Combined Delivery Report

1) Basis of Accounting:

The statement of expenditures was prepared on the accounting cash basis used by UNDP and in conformity with IPSAS. Fixed assets were capitalized and depreciated in conformity with UNDP rules and regulations.

2) Exchange Rates:

Transactions translated to U.S. Dollars at the date of transaction according to UNDP exchange rates posted to Atlas System.

3. CERTIFICATION FOR STATEMENT OF FIXED ASSETS

3.1 Certification for Statement of Fixed Assets – Year Ended 2011

CERTIFICATION FOR STATEMENT OF FIXED ASSETS AS OF 31 DECEMBER 2011

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 number 64011, Support to the Expanded Humanitarian Response Fund as at 31 December 2011.

Management’s Responsibility

Management is responsible for the preparation of the statement for Support to the Expanded Humanitarian Response Fund 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.

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

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 the UNDP project Support to the Expanded Humanitarian Response Fund amounting to USD 6,309 as at 31 December 2011 in accordance with UNDP accounting policies.

Jamal Milhem, CPA

Certified Accountant License # (100/98)

Executive Director

Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 20 November 2013



3.2 Certification for Statement of Fixed Assets – Year Ended 2012

CERTIFICATION FOR STATEMENT OF FIXED ASSETS AS OF 31 DECEMBER 2012

To Mr. Helge Ostveiten
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 number 64011, Support to the Expanded Humanitarian Response Fund as at 31 December 2012.

Management’s Responsibility

Management is responsible for the preparation of the statement for Support to the Expanded Humanitarian Response Fund 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.

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



Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

Unmodified Opinion

In our opinion, the attached Statement of Assets presents fairly, in all material respects, the balance of inventory of the UNDP project Support to the Expanded Humanitarian Response Fund amounting to USD 6,309 as at 31 December 2012 in accordance with UNDP accounting policies.

Jamal Milhem, CPA

Certified Accountant License # (100/98)

Executive Director



Talal Abu - Ghazaleh & Co.



Ramallah - Palestine, 20 November 2013

Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

3.3 Statement of Fixed Assets – Year Ended 2011

UNEP IRAQ
Management Projects
Non Expendable Assets > 1,000 USD

Award ID : 00051415

Award Name :

Project ID : 00064011

Project Name : Support to the Expanded Humanitarian Response Fund (ERF) (UNOCHA)

Period covered: : Up to 31 December 2011

OPERATING UNIT	PROFILE ID (electricals, vehicle TAG number)	ASSET ID	SERIAL ID	DESCRIPTION	LOCATION (physic)	CUSTODIAN NAME	ACQUISITION DATE	(Should always be)	Acquisition Cost	(Should Always be)	FUND CODE	Implementing Agent/Donor	PROJ_DEPTID	Acctivity
IRQ10	Information and Telecommunic EHR7/1	1061	cn-03289k-12691-14-02M-a01	laptop Dell Latitude E6420	IRQAMM22L1	Shireen Ruhl	15/03/2011	1	1,590.00 USD	40211	001981	10317 0006445001	1	
IRQ10	Information and Telecommunic EHR7/2	1063	cn-0406np-22961-16a-08ba-a01	laptop DELL Latitude E6420	IRQAMM22L1	Jula Savyed	15/03/2011	1	1,590.00 USD	40211	001981	10317 0006445001	1	
IRQ10	Information and Telecommunic EHR7/3	744	cn-01T027-12961-88k-6240-A04	laptop Dell Latitude E6400	IRQAMMBL1	IT store	29/03/2009	1	1,539.45 USD	40211	001981	10317 0006445001	1	
IRQ10	Information and Telecommunic EHR7/4		K00NP1296118601E60A01	laptop Dell Latitude E6420	IRQAMM22L1	Their Shraideh	06/12/11	1	1,590.00 USD	40211	001981	10317 0006445001	1	

Shraideh

Their Shraideh
(Project Manager)

Cleared By
(Head of Administrative Unit)

Emene Madanih

Emene Madanih

Physical Verification By:
(Project staff nominated for inventory check)

Abdulkerim Al-Khaleefi

30/12/2011

Approved by:

Kun Vee Lee
(Deputy Resident Representative)

Kun Vee Lee



Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

3.4 Statement of Fixed Assets – Year Ended 2012

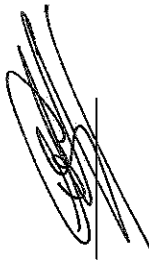
UNDP IRAQ
Management Projects
Non Expendable Assets

Project ID : 00064011
Project Name : Support to the expanded Humanitarian Response Fund (ERF) (UNOCHA)

Period covered: : Up to 31 Dec 2012

BUSINESS UNIT	OPERATING UNIT	PROFILE TAG NUMBER	ASSET ID	SERIAL ID	DESCRIPTION	LOCATION (physical)	CUSTODIAN NAME	ACQUISITION DATE	Quantity (Should always be used)	Value/ Acquisition Cost	Currency (Should Always be used)	FUND CODE	Implementing Unit/Asset	PROJECT ID	DEPTID	Act/ Vfy	
IRQ10	IRQ	ITC1 EHRF1	1081	cn-02796-12961-211-0026-402	laptop DELL Latitude E6420	IRQAMM22L1	S/reen Rujh	16/03/2011	1	1,690.00	USD	40211	001881	10317	00064011	45001	1
IRQ10	IRQ	ITC1 EHRF2	1083	en-0000ip-12961-168-865a-a01	laptop DELL Latitude E6420	IRQAMMBEL1	IT store	16/03/2011	1	1,690.00	USD	40211	001881	10317	00064011	45001	1
IRQ10	IRQ	ITC1 EHRF3	744	en-0HTD27-12961-88K-9240-204	laptop Dell Latitude E6400	IRQAMMBEL1	IT store	29/03/2009	1	1,639.65	USD	40211	001881	10317	00064011	45001	1
IRQ10	IRQ	ITC1 EHRF4	1334	en-0HTD27-12961-88K-9240-204	laptop Dell Latitude E6420	IRQAMM22L1	Thair Shraideh	06/12/11	1	1,690.00	USD	40211	001881	10317	00064011	45001	1

Submitted by:



Cleared by:

E Madani

(Project Manager)

(Head of Administrative Unit)

Physical Verification By:
(Project staff nominated for inventory check)

Mohamad Tawij

Prepared by:



Ameer Alami

(Asset focal point)

Approved by:



Vee Kim Lee
(Deputy/Assistant Representative - Operations)

Jamal J. Madani



Financial audit of the locally incurred costs in the “Combined Delivery Report (CDR)” of the Project ID: 64011 titled “Support to the Expanded Humanitarian Response Fund (ERF)” for years ended 31 December 2011 and 31 December 2012

Funded by: UNDG ITF Project and UNDP

Implemented by: United Nation Development Programme (UNDP) – Iraq and UN Office for the Coordination of Humanitarian Affairs (OCHA).

SUPPORT TO THE EXPANDED HUMANITARIAN RESPONSE FUND

NOTES TO THE STATEMENTS 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.

4. PART III - MANAGEMENT LETTER

We have not identified reportable condition during our auditing "Support to the Expanded Humanitarian Response Fund (ERF)" for years ended 31 December 2011 and 31 December 2012.



MEMBER OF THE

FORUM OF FIRMS

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