



**AUDIT**

**OF**

**UNDP SOMALIA**

**CIVILIAN POLICE PROJECT IN SOMALIA**  
**(Directly Implemented Project No. 58607, Output Nos. 73552, 82348 and 85942)**

**Report No. 1334**

**Issue Date: 6 November 2014**

**Report on the audit of UNDP Somalia  
Civilian Police Project in Somalia  
(Project No. 58607, Output Nos. 73552, 82348 and 85942)  
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), from 20 May to 20 June 2014, through BDO East Africa (the audit firm), conducted an audit of the Civilian Police Project in Somalia (Project No. 58607), Output Nos. 73552 (Somali Police Force), 82348 (Support to Somali Police Force) and 85942 (Support to Police Project) (altogether referred to herein as “the Project”), which is directly implemented and managed by the UNDP Country Office in Somalia (the Office). This was the first audit of the Project.

The audit work covered financial transactions as well as internal controls and systems for the purpose of expressing an opinion on whether the financial statements present fairly, in all material aspects, the Project’s operations, as well as assess compliance with UNDP regulations, rules, policies and procedures and donor agreements. The audit covered the Project’s Combined Delivery Report, which includes expenditure for the period from 1 January 2012 to 31 December 2013 for Output Nos. 73552 and 82348 and from 1 March to 31 December 2013 for Output No. 85942, and the accompanying Funds Utilization statement<sup>1</sup> for each of the three Outputs as of 31 December 2013. It also reviewed the relevant systems, procedures and practices in place as they relate to the Project, in the areas of: organization and staffing, project management, human resources management, financial and cash management, procurement, asset management, information systems and general administration. The audit did not cover the Statement of Cash Position as no separate bank account was established and maintained for the Project. In addition, it did not cover the Statement of Assets as no fixed assets were held by UNDP for the Outputs audited.

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

### **Overall audit rating**

Based on the audit report and corresponding management letter submitted by the audit firm, OAI assessed the management of Output No. 85942 as **satisfactory**, which means, “Internal controls, governance and risk management processes as applicable to the Project’s financial statements were adequately established and functioning well. No issues were identified that would significantly affect the achievement of the objectives of the audited entity.”

Further, Output No. 73552 was assessed as **partially satisfactory**, which means, “Internal controls, governance and risk management processes as applicable to the Project’s financial statements were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity.” This rating was mainly due to weak financial and cash management controls over police stipend disbursements.

Finally, Output No. 82348 was assessed as **unsatisfactory**, which means, “Internal controls, governance and risk management processes as applicable to the Project’s financial statements were either not established or not functioning well. The issues identified were such that the achievement of the overall objectives of the audited

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<sup>1</sup> The Funds Utilization statement includes the balance, as at a given date, of five items: (a) outstanding advances received by the project; (b) depreciated fixed assets used at the project level; (c) inventory held at the project level; (d) prepayments made by the project; and (e) outstanding commitments held at the project level.

entity could be seriously compromised." This rating was mainly due to weak financial and cash management over stipend payments amounting to \$2,367,470 not being available for review and audit tests.

Some alleged misuse of UNDP funds is being dealt with separately by OAI.

The details of the audit results are presented in the table below:

Output No.	Project Expenditure*				NFI (in \$ '000)
	2012	2013	Total Amount 2012 and 2013 (in \$ '000)	Opinion	
73552	8,199	3,920	12,119	Unqualified	0
82348	4,725	486	5,212	Disclaimer	2,367
85942	0	3,730	3,730	Unqualified	0

NFI = Net Financial Impact

\*The Combined Delivery Reports pertain to more Outputs, but only three Outputs (73552, 82348 and 85942) under Project No. 58607 were within the scope of this audit. The audit covered expenditure for both 2012 and 2013.

The audit firm issued an unqualified opinion on the Funds Utilization statement for all Outputs audited.

The disclaimer of opinion for Output No. 82348 was due to supporting documents for stipend payments (amounting to \$2.4 million out of \$5.2 million) not being made available to auditors for review. No additional evidence was made available in this regard.

**Key recommendations:** Total = 10, high priority = 7

For high (critical) priority recommendations, prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences for UNDP. All high (critical) priority recommendations for Output Nos. 73552 (3 of 4) and 82358 (4 of 6) are presented below. There was only one medium priority recommendation for Output No. 85942.

Finance: Weak documentation procedures (Issue 1 for Output No. 73552 and Issue 3 for Output No. 82348)

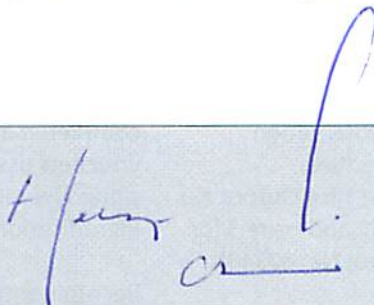
There were instances where vouchers were not adequately completed and signed by approving parties. Certain payment vouchers used to record payments to police officers had not been signed by recipients and did not include their photographs for identification purposes.

Recommendation: Have all parties approve and sign payment vouchers before payment is made to recipients, and have recipients sign the vouchers and attach their photographs as proof of identity.

Finance: Erroneous recording of payments (Issue 2 for Output Nos. 73552 and 82348)	<p>There were payments to police officers that had been recorded as expenditure, even though payments had not been effected.</p> <p><u>Recommendation:</u> Record payments to police officers as expenditures only after actual payments have been effected.</p>
Finance: Missing supporting documentation and questioned cost (Issue 4 for Output No. 82348)	<p>Supporting documentation for \$2.4 million for stipend payments was not available for review and audit testing. The documentation was reportedly destroyed during an attack in June 2013.</p> <p><u>Recommendation:</u> In the future, ensure that original vouchers are recorded, approved and received; that an approved daily report is submitted to UNDP; that a full financial report is verified prior to payment; that all documentation is scanned and maintained in an offsite backup storage system in case of future emergencies; and that all documentation is filed appropriately.</p>
Organization and staffing: Inadequate segregation of duties (Issue 3 for Output No. 73552 and Issue 5 for Output No. 82348)	<p>The Project Assistant was in charge of recording and executing the payments, as well as monitoring controls over cash management. However, these were conflicting roles that should have been segregated.</p> <p><u>Recommendation:</u> Segregate duties so that the individual involved in the preparation of the audit schedule is different from the one carrying out the payment verification.</p>

### Management comments and action plan

The UN Resident Coordinator/UNDP Resident Representative accepted all of the recommendations and is in the process of implementing them. Comments and/or additional information provided have been incorporated into the report, where appropriate.



Helge S. Osttveiten  
Director  
Office of Audit and Investigations



UNITED NATIONS DEVELOPMENT PROGRAMME  
(UNDP) - SOMALIA

Civilian Police Project in Somalia  
Project No: 00058607 (Output:  
Somali Police Force - Stipends No:  
00073552)

Report and Financial Statement for the period from  
01 January 2012 to 31 December 2013



30 June 2014

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Certified Public Accountants  
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Pension Towers, Loita Street  
P.O. Box 10032-00100  
Nairobi, Kenya

Date: 30 June 2014

Reference: AUD/878/CAC

Mr. Helge S. Osttveiten,  
Director,  
United Nations Development Programme,  
Office of Audit and Investigations,

Dear Mr Helge S. Osttveiten,

**Re: Civilian Police Project in Somalia - Project No: 00058607 Output: Somali Police Force - Stipends - Output No: 00073552**

We are pleased to submit our report and financial statements for the above project being directly implemented by UNDP Somalia with funding from Government of Japan, Norway, Belgium and European Commission for the period 01 January 2012 to 31 December 2013.

We would like to express our gratitude for the courtesy and assistance extended to us by the staff of United Nations Development Programme - Somalia during the course of our assignment.

We are at your disposal to discuss any part of the report, should you so require.

Assuring you our best services at all times.

Yours Sincerely,



Clifford A. Chip  
Chief Operating Officer  
BDO East Africa Kenya

United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

## 1. Executive summary

### 1.1 Background Information

Project name	Civilian Police Project in Somalia
Project number	00058607
Output name	Somali Police Force - Stipends
Output number	00073552
Implementing Partner	United Nations Development Programme - Somalia
Location	South Central region
Donor	Government of Japan, Belgium, Norway and European Commission
Budget	USD 12,118,866
Date of the signature of the Project agreement	No project document exists
Date of the official Project commencement	January 2012
Project duration	4 years

Support to Somalia Police Force Project no (Award): 00058607 - Output 00073552 was entered into between United Nations Development Fund - Somalia and the Government of Japan, Norway, Belgium and European Commission in 2012.

The project's output, with the main aim of providing stipends to the Somali Police Force in order to supplement their monthly salary as paid by the Somali government commenced on January 2012.

### 1.2 Cost plan

The project's cost plan was outlined as below:

NO	ACTIVITY	2012 USD	2013 USD
1	Activity 1:SPF Stipends	5,512,404	3,302,734
2	Activity 2:Dahabshiil Comm & Fees	107,300	258,022
3	Activity 3:Monitoring Committee	12,195	109,515
4	Activity 4:Travel & DSA ( Stipends)	-	-
5	Activity 5:UNPOS Stipends	2,664,258	64,955
	<b>Total</b>	<b>8,296,157</b>	<b>3,735,226</b>



# United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

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## 1.3 Presence and locations of operation

The project was predominantly carried out in Mogadishu Somalia where a significant number of Somali Police officers are located. It was also carried out in other parts of South and Central Somalia but on a relatively smaller scale.

## 1.4 Project Objectives, purpose and results

The overall objective of the project was to provide a monthly stipend to those police officers trained and certified through the agreed training process, and confirmed as being on duty under the Somali Police Force.

Regular stipends payments were critical to ensure the loyalty, commitment, morale improvement, performance and retention of police officers at this most critical time in Mogadishu and other accessible areas.

The project is still ongoing under a separate output with funding from other donors including the European Community (EC) and the Government of Japan through the United Nations Political Office in Somalia (UNPOS)

## 1.5 Implementing Partners

Although the project was a directly implemented (DIM), the operational logistics in Somalia and restriction of international staff had forced UNDP Somalia to partner with local organizations for effective implementation.

Local partners included:

- Transition Government of Somalia;
- Somalia Police Force;
- Police Advisory Committee;
- United Nations Political Office in Somalia (UNPOS); and
- African Mission in Somalia (AMISOM).

## 1.6 Objectives of the audit

BDO East Africa Kenya has been appointed to conduct a combined financial audit and an audit of internal controls and systems on behalf of UNDP Office of Audit and Investigations for the Civilian Police Project in Somalia - No: 00058607 Output: Somali Police Force - Stipends No: 00073552 for the period from 01 January 2012 to 31 December 2013.

The audit objectives are twofold:

- (i). Audit of the project's financial statements

Financial audit to express opinion on projects financial statements that include:

1. Statement of Expenses (Combined Delivery Report) for the period 1 January 2012 to 31 December 2013 and fund utilization as at 31 December 2013;
2. Statement of Cash Position reported by the project as at 31 December 2013;

**United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607**

**Report and Financial Statement - Period from 01 January 2012 to 31 December 2013**

3. Statement of Fixed Assets held by the project as at 31 December 2013.

The Financial Audit will be conducted in accordance with the International Standards of Auditing, the 700 series.

(ii). Audit of the project’s internal control systems

An audit to express an opinion on the project’s internal control systems. The internal control audit shall be conducted in accordance with the International Professional Practices Framework (IPPF). However, we were not able to assess in full the internal controls and systems as the audit was carried out in Nairobi after the end of the audit period due to security reason.

**1.7 Audit timeframe**

The field work of the audit assignment was carried out from 20 May 2014 to 20 June 2014:

DATES	LOCATIONS	PERSONS INVOLVED
20 May 2014 to 20 June 2014	Nairobi Kenya	Edwin Rutere David Wakanene Clifford AhChip

**1.8 Summary of significant findings**

The table below provides a summary of the major findings arising from the audit:

AUDIT AREA	AUDIT FINDINGS
Organization and staffing	<ul style="list-style-type: none"> <li>Weak segregation of duties: The project assistant prepares the payment list and vouchers and is involved in the detailed audit of the payment to the police officers.</li> </ul>
Finance	<ul style="list-style-type: none"> <li>Weak documentation procedures: Some police payment vouchers were not adequately documented.</li> </ul>
Cash management	<ul style="list-style-type: none"> <li>Cash for stipend has been requested up to USD 350,000 per tranche instead of the recommended USD 250,000;</li> <li>There was no sufficient audit evidence to support cash management procedures from disbursement to re-banking of any surplus (unissued cash).</li> </ul>

*BDO East Africa*  
Signature

30 SEPTEMBER 2014  
Date

## 2. Financial Statement

### 2.1 Statement of Management Responsibility for Financial Reporting

The Management of the United Nations Development Programme - Somalia for the Civilian Police Project in Somalia - Project No: 00058607 Output: Somali Police Force - Stipends - Output No: 00073552 is responsible for preparing the Combined Delivery Report (CDR) comprising of a Statement of Expenses and accompanying Funds Utilization Statement, Statement of Assets and Statement of Cash Position for each year in accordance with Generally Accepted Accounting Principles (GAAP), International Public Sector Accounting Standards (IPSAS) and UNDP's financial rules and regulations for financial reporting which gives a true and fair view of the state of affairs of the Civilian Police Project in Somalia - Project No: 00058607 Output: Somali Police Force - Stipends - Output No: 00073552 for the period from 1 January 2012 to 31 December 2013.

Management of United Nations Development Programme Somalia acknowledges its responsibility for:

- (i). Adequate accounting records and maintenance of effective internal control systems;
- (ii). The preparation of financial statements which fairly present the state of affairs of the Project as at the end of the financial period and which comply with Generally Accepted Accounting Principles (GAAP), International Public Sector Accounting Standards (IPSAS) and United Nations Development Programme's financial rules and regulations;
- (iii). The selection of appropriate accounting policies supported by reasonable and prudent judgements.

Management reports that:

- (i). Adequate accounting records and effective system of internal controls and risk management have been maintained;
- (ii). Appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- (iii). Applicable accounting standards have been adhered to.

Signed on their behalf by:

  
Digitally signed by David Akopyan  
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ou=UNDP Somalia,  
email=david.akopyan@undp.org, c=KE  
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## 2.2 Audit Report

### REPORT OF THE INDEPENDENT AUDITORS TO UNDP SOMALIA

We have audited the financial statements of United Nations Development Programme Somalia, Civilian Police Project in Somalia - Project No: 00058607 Output: Somali Police Force - Stipends - Output No: 00073552, which comprise the Statement of Expenses and accompanying Funds Utilization Statement for the period from 01 January 2012 to 31 December 2013, and a summary of significant accounting policies and other explanatory notes as set out on pages 9 to 10.

Management is responsible for the preparation of the financial statement for Civilian Police Project in Somalia - Project No: 00058607 Output: Somali Police Force - Stipends - Output No: 00073552 and for such internal controls as management determines are necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

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

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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



In our opinion:

1. Combined Delivery Report (CDR) and Fund Utilization Statement:

(a) the attached Combined Delivery Report (CDR) presents fairly, in all material respects, the expense of USD 12,118,865 [(USD 3,920,124 (2013) and USD 8,198,741 (2012)] incurred by the Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Police Project - Output No: 00073552 for the period 01 January 2012 to 31 December 2013 in accordance with agreed upon 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 UNDP regulations and rules, policies and procedures; and
- (iv) Supported by properly approved vouchers and other supporting documents.

(b) the accompanying Fund Utilisation Statement presents fairly, in all material respect, the position as at 31 December 2013;

2. Statement of Cash Position:

The project does not operate a dedicated bank account. Consequently, there is no Statement of Cash balances as at 31 December 2013.

3. Statement of Fixed Assets:

No items of fixed assets were held by UNDP for the project as at 31 December 2013.

BDO East Africa Kenya  
Certified Public Accountant of Kenya  
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P.O Box 10032 - 00100  
Nairobi

Clifford A. Chip  
Signing partner and engagement partner responsible for the independent audit  
CPA, Practicing Registration Number P/1964

Date: 30 SEPTEMBER 2014

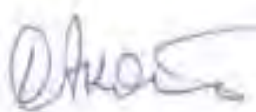
United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

**2.3 Statement of Expenses and Fund Utilisation Statement - 01 January 2012 to 31 December 2013**

EXPENSE CATEGORY	NOTES	TOTAL USD	01 JANUARY 2013 TO 31 DECEMBER 2013 USD	01 JANUARY 2012 TO 31 DECEMBER 2012 USD
<b>Expenditure</b>				
Activity 1: Stipend payment and management		9,357,618	3,883,650	5,473,968
Activity 2: Dahabshiil Commission & Fees		121,241	4,801	116,440
Activity 3: Support - Monitoring Committee		122,086	30,560	91,526
Activity 4: Travel & Daily Subsistence Allowance Stipend related		1,113	1,113	-
Activity 5: UNPOS Stipends		2,516,807	-	2,516,807
<b>Total Expenditure at 31 December</b>		<b>12,118,865</b>	<b>3,920,124</b>	<b>8,198,741</b>
<b>Fund Utilization</b>				
Outstanding NEX advances	2.4.2	-	-	-
Undepreciated fixed assets	2.4.3	-	-	-
Inventory	2.4.4	-	-	-
Prepayments	2.4.5	-	-	-
Commitments	2.4.6	-	-	-
<b>Total Fund Utilization</b>		<b>-</b>	<b>-</b>	<b>-</b>

This Statement of Expenses has been approved for issue on **17 September 2014** by the management of Civilian Police Project in Somalia - Project No: 00058607; Output: Somali Police Force - Stipends - Output No: 00073552.

 Digitally signed by David Akopyan  
DN: cn=David Akopyan, o=UNDP,  
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Date: 2014.09.17 19:05:05 +03'00'

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Signature Title Date

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Signature Title Date

## 2.4 Notes to the Financial Statement

### 2.4.1 Significant accounting policies

The principal accounting policies adopted in the preparation of the Statement of Expenses, Fund Utilization Statement, Statement of Assets and Statement of Cash Position are outlined below:

- Basis of preparation: The Statement of Expenses has been prepared in accordance with Generally Accepted Accounting Principle, International Public Sector Accounting Standards (IPSAS) and UNDP financial rules and regulations;

- Foreign currencies

#### Functional currency

Items included in the financial statements of the Project are measured using *United States Dollar*, which is both the functional and presentation currency.

#### Presentation currency

United States Dollar (US Dollar) is the presentation currency. All transactions are carried out through the US Dollar.

- Expenditure: Expenses are accounted on accrual basis.
- Fixed assets:
  - a. assets purchased from 01 January 2012: assets worth USD 500 and above and match the UNDP's use and control principle are recorded in ATLAS, capitalization is done and depreciation charged as an expense within the reporting period;
  - b. Assets purchased prior to 01 January 2012: assets are not recorded in ATLAS and depreciation is not charged.
- Inventory: Inventory is recorded based on its purpose at either:
  - a. For inventory held for sale: lower of cost or net realizable value; or
  - b. For inventory held for distribution at no cost: lower of cost or net replacement cost.
- Prepayments: Prepayments are stated actual amounts paid and are not revalued.
- Commitments: Commitments are stated at their actual amounts and recognised as expenses.

### 2.4.2 Outstanding NEX advances

This represents advances made to the implementing partner but not expensed as at the reporting date and are held in the implementing partner's bank account(s). The project does not operate a dedicated bank account.

# United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

## 2.4.3 Fixed assets

This represents items of fixed assets that were acquired for the project but are temporarily under UNDP's control. No items of fixed assets were held by UNDP for the project as at 31 December 2013.

## 2.4.4 Inventory

This represents items of inventory that were acquired for the project but are temporarily under UNDP's control. No item of inventory was held by UNDP for the project as at 31 December 2013.

## 2.4.5 Prepayments

This represents payments in advance for services not rendered or goods not delivered. No prepayment was made as at 31 December 2013.

## 2.4.6 Commitments

This represents a legal and financial obligation arising from a contract, agreement, or other form of undertaking by UNDP or based on a liability recognized by UNDP against the resources of the period. No items of commitments were held by UNDP for the project as at 31 December 2013.

## 2.5 Comparison between actual and budgeted expenditure

EXPENSE CATEGORY	CUMULATIVE ACTUAL EXPENDITURE (A) USD	BUDGETED EXPENDITURE (B) USD	VARIANCE (C=B-A) USD	PERCENTAGE VARIANCE (D=C/B*100)
Activity 1: Stipend payment and management	9,357,618	8,815,138	542,480	6%
Activity 2: Dahabshiil Commission & Fees	121,241	365,322	(244,081)	(67%)
Activity 3: Support - Monitoring Committee	122,086	121,711	375	0%
Activity 4: Travel & DSA Stipend related	1,113	-	1,113	100%
Activity 5: UNPOS Stipends	2,516,807	2,729,213	(212,406)	(8%)
<b>Total Expenditure</b>	<b>12,118,865</b>	<b>12,031,384</b>	<b>87,482</b>	<b>1%</b>



### 3. Management Letter

#### 3.1 Definition of standard audit rating

In providing the auditors' assessment, the Internal Audit Services of UNDP uses the following harmonized audit rating definitions.

<b>Satisfactory</b>	Internal controls, governance and risk management processes were adequately established and functioning well. No issues were identified that would significantly affect the achievements of the project.
<b>Partially Satisfactory</b>	Internal controls, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity.
<b>Unsatisfactory</b>	Internal controls, governance and risk management processes were either not established or not performing well. The issues identified were such that the achievement of the overall objectives of the audited entity could be seriously compromised.

We assessed the project as **partially satisfactory** which means “Internal controls, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity.” This rating was mainly due to weak finance procedures. Ratings per audit area are summarized below:

Audit Area	Not Applicable	Satisfactory	Partially satisfactory	Unsatisfactory
Organization and staffing				
Programme and project management				
Human resources				
Finance				
Procurement				
Asset management				
Cash Management				
Information Systems				
General administration				
Follow up on previous audits				

### 3.2 Priorities of audit recommendations

In order to permit management to assess the relative importance of the weaknesses of any control issues identified during the review, each has been assigned a subjective rating, which may in turn be used in prioritising the resources required to address the problem. The key to these ratings is as follows:

High (Critical)	Prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences of UNDP.
Medium (Important)	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 to UNDP.
Low	Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the audit team directly with the Office management, either during the exit meeting or through a separate memo subsequent to the field work. Therefore, low priority recommendations are not included in this report.

### 3.3 Long form management letter

No	Issue title	Observation	Priority	Recommendation	Management Comments and action plan	Auditor's response
1.	<ul style="list-style-type: none"> <li>Finance</li> </ul>	<ul style="list-style-type: none"> <li>Some payment vouchers used to record payment to police officers had not been signed by recipients (10% of sample selected in 2012 and 14% in 2013);</li> <li>Additionally some vouchers did not have photographs of the recipients (16% of sample selected in 2012 and 14% in 2013);</li> <li>Numerous vouchers were inadequately completed with one or more signature sections not signed by the relevant people (19% of sample selected in 2012 and 11% in 2013).</li> </ul>	<ul style="list-style-type: none"> <li>High</li> </ul>	<ul style="list-style-type: none"> <li>Ensure all recipients of cash sign or affix a thumb print against the payment voucher;</li> <li>Photographs of all recipients should be attached to the payment vouchers for identification purposes;</li> <li>All parties required to approve the payment should approve and sign off before payment is released to the recipients.</li> </ul>	<ul style="list-style-type: none"> <li>These recommendations will be addressed with the Stipend Monitoring Committee in order to determine how best to address the observations.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to be reviewed during the next audit assignment</li> </ul>
2.	<ul style="list-style-type: none"> <li>Finance</li> </ul>	<ul style="list-style-type: none"> <li>Some payments to police officers had been recorded as expenditures in the</li> </ul>	<ul style="list-style-type: none"> <li>High</li> </ul>	<ul style="list-style-type: none"> <li>Ensure the payments to police officers are recorded in the accounting records as</li> </ul>	<ul style="list-style-type: none"> <li>These recommendations will be implemented.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to be reviewed during the next audit assignment</li> </ul>

United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

No	Issue title	Observation	Priority	Recommendation	Management Comments and action plan	Auditor's response
		accounting records while the payments had not been effected (6% of the sample selected in 2013).		expenditures only after the actual payment has been effected.		
3.	<ul style="list-style-type: none"> <li>Cash management</li> </ul>	<ul style="list-style-type: none"> <li>Segregation of duties: there is no adequate controls on cash management;</li> <li>The following tasks are vested on the project assistant:                             <ul style="list-style-type: none"> <li>(i) prepares schedule of police officers to be paid;</li> <li>(ii) prepares the payment voucher;</li> <li>(iii) and undertakes the audit of payment.</li> </ul> </li> <li>The person is in charge of recording as well as for monitoring control.</li> </ul>	<ul style="list-style-type: none"> <li>High</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that the individual involved in the preparation of audit schedule is different from the one carrying out the payment verification. This segregation of duties will reduce any potential cases of fraud either singularly or through collusion.</li> </ul>	<ul style="list-style-type: none"> <li>We will ensure this segregation of duties is enforced.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to be reviewed during the next audit assignment</li> </ul>
4.	<ul style="list-style-type: none"> <li>Finance</li> </ul>	<ul style="list-style-type: none"> <li>There is no supporting documentation to substantiate the movement of funds from the central bank to the</li> </ul>	<ul style="list-style-type: none"> <li>Medium</li> </ul>	<ul style="list-style-type: none"> <li>Ensure adequate record is kept, cash is counted and signed at the Central bank upon pick up, the stipend</li> </ul>	<ul style="list-style-type: none"> <li>These recommendations will be addressed with the Stipend Monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to be reviewed during the next audit assignment</li> </ul>

United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

No	Issue title	Observation	Priority	Recommendation	Management Comments and action plan	Auditor's response
		<p>paying points. For large amount of money (USD 350,000), we would expect to have proper documentation of the recording and approval process;</p> <ul style="list-style-type: none"> <li>• There are no sufficient documentation/records to support the treatment/movement of any cash surplus from the paying points to the bank.</li> </ul>		<p>monitoring committee at the academy counts and signs the receipt of cash;</p> <ul style="list-style-type: none"> <li>• At close of business day, the stipend monitoring committee prepares and approves a daily report indicating the number of officers paid and money disbursed and the surplus. The surplus is banked and a deposit notification from the bank attached to the report. All documents to be filed for future reviews.</li> </ul>	<p>Committee in order to determine how best to address the observations.</p>	

Appendix I: Approved Combined Delivery Report 2012

Appendix II: Approved Combined Delivery Report 2013

Appendix III: Approved Asset Listing as at 31 December 2013



Project Id : 00058607 CIVILIAN POLICE PROJECT IN SOM	Period :	Jan-Dec (2012)
Output # : 00073324 Civilian Police - SPU Somalia	Impl. Partner :	99999 UNDP
	Location :	UNDP Somalia

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72155 - Svc Co-Public Admin, Politics	0.00	309,262.10	0.00	309,262.10
72215 - Transportation Equipment	0.00	2,434.18	0.00	2,434.18
72505 - Stationery & other Office Supp	0.00	1,268.00	0.00	1,268.00
74510 - Bank Charges	0.00	1,877.12	0.00	1,877.12
75105 - Facilities & Admin - Implement	0.00	27,482.30	0.00	27,482.30
<b>Total for Fund 30079</b>	<b>0.00</b>	<b>472,029.03</b>	<b>0.00</b>	<b>472,029.03</b>
<b>Total for Dept : 46823</b>	<b>0.00</b>	<b>472,029.03</b>	<b>0.00</b>	<b>472,029.03</b>
<b>Total for Output : 00073324</b>	<b>0.00</b>	<b>485,033.84</b>	<b>0.00</b>	<b>485,033.84</b>

Output # : 00073552 Civilian Police - SPF Stipends	Impl. Partner :	99999 UNDP
	Location :	UNDP Somalia

Dept: 46801 (Somalia - Central)

Fund : 04000 (Core Programme, UNU Centre)

71605 - Travel Tickets-International	0.00	411.00	0.00	411.00
72105 - Svc Co-Construction & Engineer	0.00	2,250.00	0.00	2,250.00
72405 - Acquisition of Communic Equip	0.00	2,916.00	0.00	2,916.00
74510 - Bank Charges	0.00	33.75	0.00	33.75
<b>Total for Fund 04000</b>	<b>0.00</b>	<b>5,610.75</b>	<b>0.00</b>	<b>5,610.75</b>

Fund : 17000 (Agency Services - Local)

71610 - Travel Tickets-Local	0.00	420.00	0.00	420.00
71615 - Daily Subsistence Allow-Intl	0.00	4,860.00	0.00	4,860.00
71620 - Daily Subsistence Allow-Local	0.00	3,300.00	0.00	3,300.00
71625 - Daily Subsist Allow-Mtg Partic	0.00	1,800.00	0.00	1,800.00
72105 - Svc Co-Construction & Engineer	0.00	2,229,334.80	0.00	2,229,334.80
72165 - Svc Co-Social Svcs, Social Sci	0.00	10,379.93	0.00	10,379.93
72615 - Micro Capital Grants-Other	0.00	63,600.00	0.00	63,600.00
73505 - Reimb to UNDP for Supp Svcs	0.00	135,508.67	0.00	135,508.67
74510 - Bank Charges	0.00	150,099.36	0.00	150,099.36
<b>Total for Fund 17000</b>	<b>0.00</b>	<b>2,599,302.76</b>	<b>0.00</b>	<b>2,599,302.76</b>

Fund : 30079 (EUROPEAN COMMISSION)

71620 - Daily Subsistence Allow-Local	0.00	1,500.00	0.00	1,500.00
71625 - Daily Subsist Allow-Mtg Partic	0.00	2,100.00	0.00	2,100.00
72105 - Svc Co-Construction & Engineer	0.00	8,116.50	0.00	8,116.50
72165 - Svc Co-Social Svcs, Social Sci	0.00	4,828,312.79	0.00	4,828,312.79
74510 - Bank Charges	0.00	310,428.26	0.00	310,428.26
74525 - Sundry	0.00	77,418.32	0.00	77,418.32
75105 - Facilities & Admin - Implement	0.00	365,951.30	0.00	365,951.30
<b>Total for Fund 30079</b>	<b>0.00</b>	<b>5,593,827.17</b>	<b>0.00</b>	<b>5,593,827.17</b>

BDO EAST AFRICA  
P. O. Box 10032  
00100 - GPO  
NAIROBI

*D.W*



Project Id : 00058607 CIVILIAN POLICE PROJECT IN SOM	Period :	Jan-Dec (2012)		
Output # : 00073552 Civilian Police - SPF Stipends	Impl. Partner :	99999 UNDP		
	Location :	UNDP Somalia		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

Total for Dept : 46801	0.00	8,198,740.68	0.00	8,198,740.68
Total for Output : 00073552	0.00	8,198,740.68	0.00	8,198,740.68

Output # : 00082348 Support to Somalia Police Forc	Impl. Partner :	99999 UNDP
	Location :	UNDP Somalia

Dept: 46801 (Somalia - Central)

Fund : 32045 (JPN-Partnership Devt. Pgm. PCF)

72165 - Svc Co-Social Svcs, Social Sci	0.00	4,006,515.00	0.00	4,006,515.00
73505 - Reimb to UNDP for Supp Svcs	0.00	226,490.50	0.00	226,490.50
74510 - Bank Charges	0.00	111,494.14	0.00	111,494.14
74525 - Sundry	0.00	71,819.94	0.00	71,819.94
75105 - Facilities & Admin - Implement	0.00	309,142.38	0.00	309,142.38
Total for Fund 32045	0.00	4,725,461.96	0.00	4,725,461.96
Total for Dept : 46801	0.00	4,725,461.96	0.00	4,725,461.96
Total for Output : 00082348	0.00	4,725,461.96	0.00	4,725,461.96

Project Total :	0.00	17,223,026.56	369,824.53	17,592,851.09
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Signed By: S. KHOSIMATOV Date: \_\_\_\_\_

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P. O. Box 10032  
00100 - GPO  
NAIROBI

Signed By: \_\_\_\_\_ Date: \_\_\_\_\_

*David Wanjau*  
DAVID WANJAU  
BDO E-A



Combined Delivery Report By Project

UN Development Programme  
Report ID: unglodrp

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Run Time: 11-11-2013 15:11:10

Funds Utilization

Outstanding NEX advances	0.00
Undepreciated Fixed Assets	7,854.77
Inventory	0.00
Prepayments	0.00
Commitments	215,191.10

Output #	Impl. Partner	UNDP AMOUNT
00073323	:99999 UNDP	
Outstanding NEX advances		0.00
Undepreciated Fixed Assets		0.00
Inventory		0.00
Prepayments		0.00
Commitments		0.00

Output #	Impl. Partner	UNDP AMOUNT
00073552	:99999 UNDP	
Outstanding NEX advances		0.00
Undepreciated Fixed Assets		0.00
Inventory		0.00
Prepayments		0.00
Commitments		0.00

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NAIROBI

D.W





Project Id : 00058607 CIVILIAN POLICE PROJECT IN SOM	Period :	Jan-Dec (2013)
Output # : 00073324 Civilian Police - SPU Somalia	Impl. Partner :	99999 UNDP
	Location :	UNDP Somalia
	<b>Govt Exp</b>	<b>UNDP Exp</b>
	<b>UN Agencies Exp</b>	<b>Total Exp</b>

<b>Total for Dept : 46823</b>	<b>0.00</b>	<b>280,803.99</b>	<b>0.00</b>	<b>280,803.99</b>
<b>Total for Output : 00073324</b>	<b>0.00</b>	<b>405,369.50</b>	<b>0.00</b>	<b>405,369.50</b>

Output # : 00073552 Civilian Police - SPF Stipends	Impl. Partner :	99999 UNDP
	Location :	UNDP Somalia

Dept: 46801 (Somalia - Central)

Fund : 17000 (Agency Services - Local)

72165 - Svc Co-Social Svcs, Social Sci	0.00	64,955.00	0.00	64,955.00
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<b>Total for Fund 17000</b>	<b>0.00</b>	<b>64,955.00</b>	<b>0.00</b>	<b>64,955.00</b>
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Fund : 30079 (EUROPEAN COMMISSION)

71605 - Travel Tickets-International	0.00	1,040.00	0.00	1,040.00
71615 - Daily Subsistence Allow-Intl	0.00	24,380.00	0.00	24,380.00
71620 - Daily Subsistence Allow-Local	0.00	1,200.00	0.00	1,200.00
72165 - Svc Co-Social Svcs, Social Sci	0.00	2,191,174.16	0.00	2,191,174.16
72615 - Micro Capital Grants-Other	0.00	1,113,400.00	0.00	1,113,400.00
74510 - Bank Charges	0.00	225,909.22	0.00	225,909.22
74525 - Sundry	0.00	45,859.15	0.00	45,859.15
75105 - Facilities & Admin - Implement	0.00	252,207.38	0.00	252,207.38

<b>Total for Fund 30079</b>	<b>0.00</b>	<b>3,855,169.91</b>	<b>0.00</b>	<b>3,855,169.91</b>
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<b>Total for Dept : 46801</b>	<b>0.00</b>	<b>3,920,124.91</b>	<b>0.00</b>	<b>3,920,124.91</b>
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<b>Total for Output : 00073552</b>	<b>0.00</b>	<b>3,920,124.91</b>	<b>0.00</b>	<b>3,920,124.91</b>
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Output # : 00082348 Support to Somalia Police Forc	Impl. Partner :	99999 UNDP
	Location :	UNDP Somalia

Dept: 46801 (Somalia - Central)

Fund : 32045 (JPN-Partnership Devt. Pgm. PCF)

71615 - Daily Subsistence Allow-Intl	0.00	12,720.00	0.00	12,720.00
72165 - Svc Co-Social Svcs, Social Sci	0.00	415,675.46	0.00	415,675.46
73505 - Reimb to UNDP for Supp Svcs	0.00	26,011.14	0.00	26,011.14
74510 - Bank Charges	0.00	209.88	0.00	209.88
75105 - Facilities & Admin - Implement	0.00	31,823.15	0.00	31,823.15

<b>Total for Fund 32045</b>	<b>0.00</b>	<b>486,439.63</b>	<b>0.00</b>	<b>486,439.63</b>
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*Zahna*



Combined Delivery Report By Project

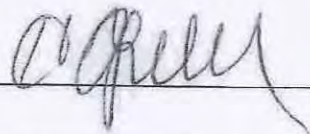
UN Development Programme  
Report ID: unglcdrp

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Run Time: 01-04-2014 10:04:22

Project Id : 00058607 CIVILIAN POLICE PROJECT IN SOM	Period :	Jan-Dec (2013)
Output # : 00087378 MPTF Counter Piracy Civ Police	Impl. Partner :	99999 UNDP
	Location :	UNDP Somalia

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
71615 - Daily Subsistence Allow-Intl	0.00	1,304.00	0.00	1,304.00
71620 - Daily Subsistence Allow-Local	0.00	2,721.40	0.00	2,721.40
71630 - Shipment	0.00	129.51	0.00	129.51
72105 - Svc Co-Construction & Engineer	0.00	103,949.60	0.00	103,949.60
72125 - Svc Co-Studies & Research Serv	0.00	44,594.40	0.00	44,594.40
72215 - Transporation Equipment	0.00	189.00	0.00	189.00
72405 - Acquisition of Communic Equip	0.00	5,428.29	0.00	5,428.29
72445 - Common Services-Communications	0.00	827.00	0.00	827.00
73505 - Reimb to UNDP for Supp Svcs	0.00	8,830.75	0.00	8,830.75
74510 - Bank Charges	0.00	1,637.00	0.00	1,637.00
74525 - Sundry	0.00	20,098.54	0.00	20,098.54
74725 - Other L.T.S.H.	0.00	1,497.05	0.00	1,497.05
75105 - Facilities & Admin - Implement	0.00	26,831.19	0.00	26,831.19
76135 - Realized Gain	0.00	0.00	0.00	0.00
<b>Total for Fund 30000</b>	<b>0.00</b>	<b>410,133.83</b>	<b>0.00</b>	<b>410,133.83</b>
<b>Total for Dept : 46801</b>	<b>0.00</b>	<b>410,133.83</b>	<b>0.00</b>	<b>410,133.83</b>
<b>Dept: 46824 (North East Somalia)</b>				
<b>Fund : 30000 (PROGRAMME COST SHARING)</b>				
71620 - Daily Subsistence Allow-Local	0.00	1,172.00	0.00	1,172.00
72130 - Svc Co-Transportation Services	0.00	1,136.50	0.00	1,136.50
72165 - Svc Co-Social Svcs, Social Sci	0.00	60,447.00	0.00	60,447.00
72311 - Fuel, petroleum and other oils	0.00	942.20	0.00	942.20
72405 - Acquisition of Communic Equip	0.00	6,430.00	0.00	6,430.00
72425 - Mobile Telephone Charges	0.00	180.00	0.00	180.00
72440 - Connectivity Charges	0.00	20.00	0.00	20.00
72505 - Stationery & other Office Supp	0.00	2,513.50	0.00	2,513.50
72715 - Hospitality Catering	0.00	825.00	0.00	825.00
74210 - Printing and Publications	0.00	10.13	0.00	10.13
74510 - Bank Charges	0.00	991.93	0.00	991.93
75105 - Facilities & Admin - Implement	0.00	5,226.78	0.00	5,226.78
<b>Total for Fund 30000</b>	<b>0.00</b>	<b>79,895.04</b>	<b>0.00</b>	<b>79,895.04</b>
<b>Total for Dept : 46824</b>	<b>0.00</b>	<b>79,895.04</b>	<b>0.00</b>	<b>79,895.04</b>
<b>Total for Output : 00087378</b>	<b>0.00</b>	<b>490,028.87</b>	<b>0.00</b>	<b>490,028.87</b>
<b>Project Total :</b>	<b>0.00</b>	<b>11,115,603.94</b>	<b>0.00</b>	<b>11,115,603.94</b>



Signed By: 

Date: \_\_\_\_\_

Signed By: \_\_\_\_\_

Date: \_\_\_\_\_



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UNDP UN Development Programme  
 Report ID: UNAM558

Asset Management Detail Report

Page 1 of 1  
 Run Time: 14-05-2014 08:05:20

Business Unit: SOM10 Country: Somalia Category: In Service Project Type: All Amount >=0 From/To date: 01-JAN-2012 ~ 31-DEC-2013  
 Operating Unit: Department: Impl Agency: Donor: Fund Code: Project: 00073552 Profile ID:

Count: 0 Total Value: 0.00 (USD)




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*MUB KILIAN TUI*  
*BDU CATS AFRICA*



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UNITED NATIONS DEVELOPMENT PROGRAMME  
(UNDP) - SOMALIA

Civilian Police Project in Somalia  
Project No: 00058607 (Output:  
Support to Somali Police Force  
No:00082348)

Report and Financial Statement for the period from  
01 January 2012 to 31 December 2013



30 June 2014

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Certified Public Accountants  
12<sup>th</sup> Floor, DCDM Offices  
Pension Towers, Loita Street  
P.O. Box 10032-00100  
Nairobi, Kenya

Date: 30 June 2014

Reference: AUD/789/CAC

Mr. Helge S. Osttveiten,  
Director,  
United Nations Development Programme,  
Office of Audit and Investigations,

Dear Mr Helge S. Osttveiten,

**Re: Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Somali Police Force - Output No: 00082348**

We are pleased to submit our report and financial statements for the above project directly implemented by UNDP Somalia with funding from the Government of Japan for the period from 1 January 2012 to 31 December 2013.

We would like to express our gratitude for the courtesy and assistance extended to us by the staff of United Nations Development Programme - Somalia during the course of our assignment.

We are at your disposal to discuss any part of the report, should you so require.

Assuring you our best services at all times.

Yours Sincerely,



Clifford Ak Chip  
Chief Operating Officer  
BDO East Africa Kenya

# United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

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## 1. Executive summary

### 1.1 Background Information

Project name	Civilian Police Project in Somalia
Project number	00058607
Output name	Support to Somali Police Force
Output number	00082348
Implementing Partner	United Nations Development Programme - Somalia
Location	South Central region
Donor	Government of Japan
Budget	USD 5,200,000
Date of the signature of the Project agreement	No project document exists
Date of the official Project commencement	16 March 2012
Project duration	April 2012 to January 2013

Support to Somalia Police Force Project no: 00058607 - Output 00082348 was entered into between United Nations Development Fund - Somalia and the Government of Japan on 16 March 2012.

The project's output, with the main aim of providing stipends to the Somali Police Force in order to supplement their monthly salary as paid by the Somali government commenced on April 2012. By the end of the project in January 2013, stipends for 8 months had already been paid.

### 1.2 Cost plan

The project's cost plan was outlined as below:

NO	ACTIVITY	2012 USD	2013 USD
1	Stipend Payment and Management	5,200,000	474,538
	<b>Total</b>	<b>5,200,000</b>	<b>474,538</b>

### 1.3 Presence and locations of operation

The project was predominantly carried out in Mogadishu Somalia where a significant number of Somali Police officers are located. It was also carried out in other parts of South and Central Somalia but on a relatively smaller scale.



# United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

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## 1.4 Project Objectives, purpose and results

The overall objective of the project was to provide a monthly stipend to those police officers trained and certified through the agreed training process, and confirmed as being on duty under the Somali Police Force.

Regular stipends payments were critical to ensure the loyalty, commitment, morale improvement, performance and retention of police officers at this most critical time in Mogadishu and other accessible areas.

The project is still ongoing under a separate output with funding from other donors including the European Community (EC) and the Government of Japan through the United Nations Political Office in Somalia (UNPOS)

## 1.5 Implementing Partners

Although the project was a directly implemented (DIM), the operational logistics in Somalia and restriction of international staff had forced UNDP Somalia to partner with local organizations for effective implementation.

Local partners included:

- Transition Government of Somalia;
- Somalia Police Force;
- Police Advisory Committee;
- United Nations Political Office in Somalia (UNPOS); and
- African Mission in Somalia (AMISOM).

## 1.6 Objectives of the audit

BDO East Africa Kenya has been appointed to conduct a combined financial audit and an audit of internal controls and systems on behalf of UNDP Office of Audit and Investigations for the Civilian Police Project in Somalia - No: 00058607 Output: Support to Somali Police Force - No: 00082348 for the period from 01 January 2012 to 31 December 2013.

The audit objectives are twofold:

- (i). Audit of the project's financial statements

Financial audit to express opinion on projects financial statements that include:

1. Statement of Expenses (Combined Delivery Report) for the period 1 January 2012 to 31 December 2013 and fund utilization as at 31 December 2013;
2. Statement of Cash position reported by the project as at 31 December 2013;
3. Statement of fixed assets held by the project as at 31 December 2013.

The Financial Audit will be conducted in accordance with the International Standards of Auditing, the 700 series.

**United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607**

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

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(ii). Audit of the project’s internal control systems

An audit to express an opinion on the project’s internal control systems. The internal control audit shall be conducted in accordance with the International Professional Practices Framework (IPPF). However, we were not able to assess in full the internal controls and systems as the audit was carried out in Nairobi after the end of the audit period due to security reason.

### 1.7 Audit timeframe

The field work of the audit assignment was carried out from 20 May 2014 to 20 June 2014:

DATES	LOCATIONS	PERSONS INVOLVED
20 May 2014 to 20 June 2014	Nairobi Kenya	David Wakanene Clifford AhChip

### 1.8 Summary of significant findings

The table below provides a summary of the major findings arising from the audit:

AUDIT AREA	AUDIT FINDINGS
Organization and staffing	<ul style="list-style-type: none"> <li>Weak segregation of duties: The project assistant prepares the payment list and vouchers and is involved in the detailed audit of the payment to the police officers.</li> </ul>
Programme and project management	<ul style="list-style-type: none"> <li>The project has been closed but formal closure procedures have not been done.</li> </ul>
Finance	<ul style="list-style-type: none"> <li>Support documentation for stipend payments (Round 15) amounting to USD 2,367,470 in 2012 were not available for review and audit;</li> <li>Consequently these have been classified as <u>questioned cost</u> and we are not able to form an audit opinion.</li> </ul>
Cash management	<ul style="list-style-type: none"> <li>Cash for stipend has been requested up to USD 350,000 per tranche instead of the recommended USD 250,000;</li> <li>There was no sufficient audit evidence to support cash management procedures from disbursement to re-banking of any surplus (unissued cash).</li> </ul>

United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

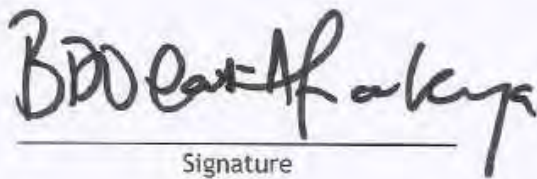
Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

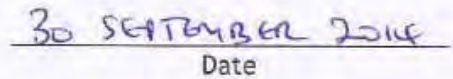
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**1.9 Summary of questioned costs for the period**

The table below provides a summary of the questioned costs arising from the audit:

DESCRIPTION	AMOUNT USD
Stipend payment	2,367,470
<b>TOTAL</b>	<b>2,367,470</b>

  
Signature

  
Date

## 2. Financial Statement

### 2.1 Statement of Management Responsibility for Financial Reporting

The Management of the United Nations Development Programme - Somalia for the Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Somali Police Force - Output No: 00082348 is responsible for preparing the Combined Delivery Report (CDR) comprising of a Statement of Expenses and accompanying Funds Utilization Statement, Statement of Assets and Statement of Cash Position for each year in accordance with Generally Accepted Accounting Principles (GAAP), International Public Sector Accounting Standards (IPSAS) and UNDP's financial rules and regulations for financial reporting which gives a true and fair view of the state of affairs of the Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Somali Police Force - Output No: 00082348 for the period from 1 January 2012 to 31 December 2013.

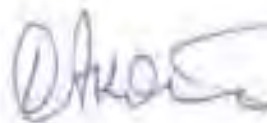
Management of United Nations Development Programme Somalia acknowledges its responsibility for:

- (i). Adequate accounting records and maintenance of effective internal control systems;
- (ii). The preparation of financial statements which fairly present the state of affairs of the Project as at the end of the financial period and which comply with Generally Accepted Accounting Principles (GAAP), International Public Sector Accounting Standards (IPSAS) and United Nations Development Programme's financial rules and regulations;
- (iii). The selection of appropriate accounting policies supported by reasonable and prudent judgements.

Management reports that:

- (i). Adequate accounting records and effective system of internal controls and risk management have been maintained;
- (ii). Appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- (iii). Applicable accounting standards have been adhered to.

Signed on their behalf by:



Digitally signed by David Akopyan  
DN: cn=David Akopyan, o=UNDP,  
ou=UNDP Somalia,  
email=david.akopyan@undp.org, c=KE  
Date: 2014.09.17 19:05:05 +03'00'

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Signature

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Date

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Signature

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Date



Tel: +254 20 2246422  
Tel: +254 733605496  
Fax: +254 20 2246345  
kenya@bdo-ea.com  
www.bdo-ea.com

BDO East Africa  
Certified Public Accountants  
12<sup>th</sup> Floor, DCDM Offices  
Pension Towers, Loita Street  
P.O. Box 10032-00100  
Nairobi, Kenya

## 2.2 Audit Report

### REPORT OF THE INDEPENDENT AUDITORS TO UNDP SOMALIA

We have audited the financial statements of United Nations Development Programme Somalia, Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Somali Police Force - Output No: 00082348, which comprise the Statement of Expenses and accompanying Funds Utilization Statement for the period from 01 January 2012 to 31 December 2013, and a summary of significant accounting policies and other explanatory notes as set out on pages 9 to 10.

Management is responsible for the preparation of the financial statement for Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Somali Police Force - Output No: 00082348 and for such internal controls as management determines are necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

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

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with evidence to give reasonable assurance that the financial statements are free from material misstatement, whether by fraud or other irregularity or error. However, the supporting documents with respect to payments amounting to **USD 2,367,470** out of a total expenditure of **USD 5,211,902** were not made available to us. As a result, and in absence of any alternative evidence available to us, we have been unable to form a view on the financial reports.



In our opinion:

1. Combined Delivery Report (CDR) and Fund Utilization Statement:

(a) Because of the significance of the matter described in the fifth paragraph above, we were unable to obtain sufficient appropriate evidence to provide a basis for our audit opinion. Accordingly, we are unable to express an opinion on the Combined Delivery Report (CDR) of **USD 5,211,902** incurred by the project and audited by us for the period from 01 January 2012 to 31 December 2013.

(b) We are not able to form an opinion as to whether the Statement of Expenses and Fund Utilisation Statement are:

- in conformity with the approved project budgets;
- for the approved purposes of the project;
- in compliance with the relevant UNDP regulations and rules, policies and procedures; and
- Supported by properly approved vouchers and other supporting documents.

2. Statement of Cash Position:

The project does not operate a dedicated bank account. Consequently, there is no Statement of Cash balances as at 31 December 2013.

3. Statement of Fixed Assets:

No items of fixed assets were held by UNDP for the project as at 31 December 2013.

BDO East Africa Kenya  
Certified Public Accountant of Kenya  
12<sup>th</sup> Floor, Pension Towers  
Loita Street  
P.O Box 10032 - 00100  
Nairobi

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Clifford A. Chip  
Signing partner and engagement partner responsible for the independent audit  
CPA, Practicing Registration Number P/1964

Date: 30 SEPTEMBER 2014

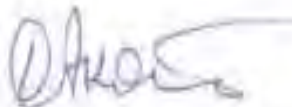
United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

**2.3 Statement of Expenses and Fund Utilization Statement - 01 January 2012 to 31 December 2013**

EXPENSE CATEGORY	NOTES	TOTAL USD	01 JANUARY 2013 TO 31 DECEMBER 2013 USD	01 JANUARY 2012 TO 31 DECEMBER 2012 USD
<b><u>Expenditure</u></b>				
Activity 1: Stipend payment and management		5,211,902	486,440	4,725,462
<b>Total Expenditure at 31 December</b>		<b>5,211,902</b>	<b>486,440</b>	<b>4,725,462</b>
<b><u>Fund Utilization</u></b>				
Outstanding NEX advances	2.4.2	-	-	-
Fixed assets	2.4.3	-	-	-
Inventory	2.4.4	-	-	-
Prepayments	2.4.5	-	-	-
Commitments	2.4.6	-	-	-
<b>Total Fund Utilization</b>		<b>-</b>	<b>-</b>	<b>-</b>

This Statement of Expenses and accompanying Fund Utilization Statement has been approved for issue on **17 September 2014** by the management of Civilian Police Project in Somalia - Project No: 00058607; Output: Support to Somali Police Force - Output No: 00082348.



Digitally signed by David Akopyan  
 DN: cn=David Akopyan, o=UNDP,  
 ou=UNDP Somalia,  
 email=david.akopyan@undp.org, c=KE  
 Date: 2014.09.17 19:05:05 +03'00'

_____ Signature	_____ Title	_____ Date
_____ Signature	_____ Title	_____ Date

## 2.4 Notes to the Financial Statement

### 2.4.1 Significant accounting policies

The principal accounting policies adopted in the preparation of the Statement of Expenses, Fund Utilization Statement, Statement of Assets and Statement of Cash Position are outlined below:

- Basis of preparation: The Statement of Expenses has been prepared in accordance with Generally Accepted Accounting Principle (GAAP), International Public Sector Accounting Standards (IPSAS) and UNDP financial rules and regulations;

- Foreign currencies

#### Functional currency

Items included in the financial statements of the Project are measured using *United States Dollar*, which is both the functional and presentation currency.

#### Presentation currency

United States Dollar (US Dollar) is the presentation currency. All transactions are carried out through the US Dollar.

- Expenditure: Expenses are accounted on accrual basis.
- Fixed assets:
  - a. assets purchased from 01 January 2012: assets worth USD 500 and above and match the UNDP's use and control principle are recorded in ATLAS, capitalization is done and depreciation charged as an expense within the reporting period;
  - b. Assets purchased prior to 01 January 2012: assets are not recorded in ATLAS and depreciation is not charged.
- Inventory: Inventory is recorded based on its purpose at either:
  - a. For inventory held for sale: lower of cost or net realizable value; or
  - b. For inventory held for distribution at no cost: lower of cost or net replacement cost.
- Prepayments: Prepayments are stated actual amounts paid and are not revalued.
- Commitments: Commitments are stated at their actual amounts and recognised as expenses.

### 2.4.2 Outstanding NEX advances

This represents advances made to the implementing partner but not expensed as at the reporting date and are held in the implementing partner's bank account(s). The project does not operate a dedicated bank account.



# United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

## 2.4.3 Fixed assets

This represents items of fixed assets that were acquired for the project but are temporarily under UNDP's control. No items of fixed assets were held by UNDP for the project as at 31 December 2013.

## 2.4.4 Inventory

This represents items of inventory that were acquired for the project but are temporarily under UNDP's control. No item of inventory was held by UNDP for the project as at 31 December 2013.

## 2.4.5 Prepayments

This represents payments in advance for services not rendered or goods not delivered. No prepayment was made as at 31 December 2013.

## 2.4.6 Commitments

This represents a legal and financial obligation arising from a contract, agreement, or other form of undertaking by UNDP or based on a liability recognized by UNDP against the resources of the period. No items of commitments were held by UNDP for the project as at 31 December 2013.

## 2.5 Comparison between actual and budgeted expenditure

EXPENSE CATEGORY	CUMULATIVE ACTUAL EXPENDITURE (A) USD	BUDGETED EXPENDITURE (B) USD	VARIANCE (C=B-A) USD	PERCENTAGE VARIANCE (D=C/B*100)
Activity 1: Stipend payment and management	5,211,902	5,200,000	11,902	(0.23%)
<b>Total Expenditure</b>	<b>5,211,902</b>	<b>5,200,000</b>	<b>11,902</b>	<b>(0.23%)</b>

## 2.6 Summary of verified expenditure

EXPENSE CATEGORY	Expenses verified 2012 USD	Expenses verified 2013 USD	Total expenses verified USD	Total Expenses incurred USD	%
Activity 1: Stipend payment and management	2,857,151	486,011	3,346,162	5,211,901	64%
<b>Total Expenditure</b>	<b>2,857,151</b>	<b>486,011</b>	<b>3,346,162</b>	<b>5,211,901</b>	<b>64%</b>

- We have verified 64% (equivalent to USD 3,346,162) of total expenses for the period from 01 January 2012 to 31 December 2013.
- We have not been able to verify the remaining expenses.

### 3. Management Letter

#### 3.1 Definition of standard audit rating

In providing the auditors' assessment, the Internal Audit Services of UNDP uses the following harmonized audit rating definitions.

<b>Satisfactory</b>	Internal controls, governance and risk management processes were adequately established and functioning well. No issues were identified that would significantly affect the achievements of the project.
<b>Partially Satisfactory</b>	Internal controls, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity.
<b>Unsatisfactory</b>	Internal controls, governance and risk management processes were either not established or not performing well. The issues identified were such that the achievement of the overall objectives of the audited entity could be seriously compromised.

We assessed the project as **unsatisfactory** which means “Internal controls, governance and risk management processes were either not established or not performing well. The issues identified were such that the achievement of the overall objectives of the audited entity could be seriously compromised.” This rating was mainly due to lack of support documentation to support payment of stipends to police officers. Ratings per audit area are summarized below:

Audit Area	Not Applicable	Satisfactory	Partially satisfactory	Unsatisfactory
Organization and staffing				
Programme and project management				
Human resources				
Finance				
Procurement				
Asset management				
Cash Management				
Information Systems				
General administration				
Follow up on previous audits				

### 3.2 Priorities of audit recommendations

In order to permit management to assess the relative importance of the weaknesses of any control issues identified during the review, each has been assigned a subjective rating, which may in turn be used in prioritising the resources required to address the problem. The key to these ratings is as follows:

High (Critical)	Prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences of UNDP.
Medium (Important)	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 to UNDP.
Low	Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the audit team directly with the Office management, either during the exit meeting or through a separate memo subsequent to the field work. Therefore, low priority recommendations are not included in this report.

### 3.3 Long form management letter

No	Issue title	Observation	Priority	Recommendation	Management Comments and action plan	Auditor's response
1.	<ul style="list-style-type: none"> <li>Project Management</li> </ul>	<ul style="list-style-type: none"> <li>The project was closed in January 2013 but formal operational and financial closure procedures have not been done as at 20 June 2014.</li> </ul>	<ul style="list-style-type: none"> <li>Medium</li> </ul>	<ul style="list-style-type: none"> <li>Ensure project is closed as per the steps laid out in POPP (Programmes and Project Management). When the relevant activities have been achieved, the project manager should notify the project board on its completion. Project status in Atlas will be set to "Operationally Closed" and no further commitments can be made going forward. The final CDR should then be prepared and signed by the management and the project accounts shall be closed. On Atlas, the status of the project will be set to financially closed.</li> </ul>	<ul style="list-style-type: none"> <li>Recommendations are noted and proper procedure will be followed.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to be reviewed in the next audit assignment.</li> </ul>
2.	<ul style="list-style-type: none"> <li>Finance</li> </ul>	<ul style="list-style-type: none"> <li>Some payments to police officers had been</li> </ul>	<ul style="list-style-type: none"> <li>High</li> </ul>	<ul style="list-style-type: none"> <li>Ensure the payments to police officers are</li> </ul>	<ul style="list-style-type: none"> <li>Recommendations are noted and proper</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to be reviewed in the next</li> </ul>

United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

No	Issue title	Observation	Priority	Recommendation	Management Comments and action plan	Auditor's response
		recorded as expenditures in the accounting records while the payments had not been effected.		recorded in the accounting records as expenditures only after the actual payment has been effected.	procedure will be followed.	audit assignment.
3.	<ul style="list-style-type: none"> <li>Finance</li> </ul>	<ul style="list-style-type: none"> <li>Some payment vouchers used to record payment to police officers had not been signed by recipients (5% of the sample selected in 2013);</li> <li>Additionally some vouchers did not have photographs of the recipients (7% of the sample selected in 2013);</li> <li>Numerous vouchers were inadequately completed with one or more signature sections not signed by the relevant people (2% of the sample selected in 2013).</li> </ul>	<ul style="list-style-type: none"> <li>High</li> </ul>	<ul style="list-style-type: none"> <li>Ensure all recipients of cash sign or affix a thumb print against the payment voucher;</li> <li>Photographs of all recipients should be attached to the payment vouchers for identification purposes;</li> <li>All parties required to approve the payment should approve and sign off before payment is released to the recipients.</li> </ul>	<ul style="list-style-type: none"> <li>These issues will be raised with the Stipend Monitoring Committee for action.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to be reviewed in the next audit assignment.</li> </ul>
4.	<ul style="list-style-type: none"> <li>Finance</li> </ul>	<ul style="list-style-type: none"> <li>Support documentation for the stipend payments amounting to USD 2,367,470 (Round of 15)</li> </ul>	<ul style="list-style-type: none"> <li>High</li> </ul>	<ul style="list-style-type: none"> <li>Ensure all the original support vouchers are properly recorded, approved by the stipend</li> </ul>	<ul style="list-style-type: none"> <li>The documentation referred was reported as destroyed during the attack on the</li> </ul>	<ul style="list-style-type: none"> <li>Costs classified as questioned</li> </ul>

United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

No	Issue title	Observation	Priority	Recommendation	Management Comments and action plan	Auditor's response
		in 2012 was not available for review and audit test.		monitoring committee, signed by the police man/woman receiving the stipend; <ul style="list-style-type: none"> <li>• Ensure an approved daily report is submitted to UNDP notifying the number of officers paid and money disbursed and incidents registered;</li> <li>• Ensure that a full financial report with all signed vouchers is returned to UNDP for verification prior finalizing the payment;</li> <li>• Scan documentation and maintain an offsite backup storage system to compensate for loss of documents in case of future calamities;</li> <li>• Ensure that all the documentation is filed appropriately for future correspondences.</li> </ul>	UNCC on 19 June 2013.	
5.	<ul style="list-style-type: none"> <li>• Cash management</li> </ul>	<ul style="list-style-type: none"> <li>• Segregation of duties: there is no adequate</li> </ul>	<ul style="list-style-type: none"> <li>• High</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure that the individual involved in the</li> </ul>	<ul style="list-style-type: none"> <li>• Recommendations are noted and proper</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance to be reviewed in the next</li> </ul>

United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

No	Issue title	Observation	Priority	Recommendation	Management Comments and action plan	Auditor's response
		<p>controls on cash management;</p> <ul style="list-style-type: none"> <li>The following tasks are vested on the project assistant:                             <ul style="list-style-type: none"> <li>(i) prepares schedule of police officers to be paid;</li> <li>(ii) prepares the payment voucher;</li> <li>(iii) and undertakes the audit of payment.</li> </ul> </li> <li>The person is in charge of recording as well as for monitoring control.</li> </ul>		<p>preparation of audit schedule is different from the one carrying out the payment verification. This segregation of duties will reduce any potential cases of fraud either singularly or through collusion.</p>	<p>procedure will be followed.</p>	<p>audit assignment.</p>
6.	<ul style="list-style-type: none"> <li>Finance</li> </ul>	<ul style="list-style-type: none"> <li>There is no supporting documentation to substantiate the movement of funds from the central bank to the paying points. For large amount of money (USD 350,000), we would expect to have proper documentation of the recording and approval process;</li> <li>There are no sufficient</li> </ul>	<ul style="list-style-type: none"> <li>Medium</li> </ul>	<ul style="list-style-type: none"> <li>Ensure adequate record is kept, cash is counted and signed at the Central bank upon pick up, the stipend monitoring committee at the academy counts and signs the receipt of cash;</li> <li>At close of business day, the stipend monitoring committee prepares and approves a daily report indicating the number of</li> </ul>	<ul style="list-style-type: none"> <li>These issues will be raised with the Stipend Monitoring Committee for action.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to be reviewed in the next audit assignment.</li> </ul>

United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - Period from 01 January 2012 to 31 December 2013

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No	Issue title	Observation	Priority	Recommendation	Management Comments and action plan	Auditor's response
		documentation/records to support the treatment/movement of any cash surplus from the paying points to the bank.		officers paid and money disbursed and the surplus. The surplus is banked and a deposit notification from the bank attached to the report. All documents to be filed for future reviews.		

**Appendix I: Approved Combined Delivery Report 2012**

**Appendix II: Approved Combined Delivery Report 2013**

**Appendix III: Approved Asset Listing as at 31 December 2013**





UN Development Programme  
Report ID: ungl143p

Combined Delivery Report By Project

Page 1 of 2  
Run Time: 13-05-2014 14:05:55

Selection Criteria:

Business Unit: SOM10  
Period: Jan-Dec (2012)  
Selected Award Id: 00058607  
Selected Fund Code: ALL  
Selected Dept. IDs: B0468  
Selected Projects: 00082348

Award Id: 00058607 CIVILIAN POLICE PROJECT IN SOM	Period: Jan-Dec (2012)
Project #: 00082348 Support to Somalia Police Forc	Impl. Partner: 99999 UNDP
	Location: UNDP Somalia

	Govt Disb	UNDP Disb	UN Agencies	Encumbrance	Total Exp
Dept: 46601 (Somalia - Central)					
Fund: 32045 (JPN - Partnership Devt Pgm PCF)					
72185 - Svc Co-Social Svcs, Social Sci	0.00	4,006,515.00	0.00	0.00	4,006,515.00
73505 - Reimb to UNDP for Supp Svcs	0.00	226,490.50	0.00	0.00	226,490.50
74510 - Bank Charges	0.00	111,494.14	0.00	0.00	111,494.14
74525 - Sundry	0.00	71,819.94	0.00	0.00	71,819.94
75105 - Facilities & Admin - Implement	0.00	309,142.38	0.00	0.00	309,142.38
Total for Fund 32045	0.00	4,725,461.96	0.00	0.00	4,725,461.96
Total for Dept: 46601	0.00	4,725,461.96	0.00	0.00	4,725,461.96
Total for Project: 00082348	0.00	4,725,461.96	0.00	0.00	4,725,461.96
Award Total:	0.00	4,725,461.96	0.00	0.00	4,725,461.96



Signed by:

*[Handwritten signature]*

Date:

1505 2014



*[Handwritten signature]*

DAVID WALANENG

BDO EAST AFRICA



UN Development Programme  
Report ID: ungi143p

Combined Delivery Report By Project

Page 1 of 2  
Run Time: 13-05-2014 14:05:58

Selection Criteria:

Business Unit : SOM10  
Period : Jan-Dec (2013)  
Selected Award Id : 00058607  
Selected Fund Code : ALL  
Selected Depl. IDs : B0468  
Selected Projects : 00082348

Award Id : 00058607	CIVILIAN POLICE PROJECT IN SOM	Period :	Jan-Dec (2013)
Project # : 00082348	Support to Somalia's Police Force	Impl. Partner :	99999 UNDP
		Location :	UNDP Somalia
		Govt Disb	UNDP Disb
		UN Agencies	Encumbrance
			Total Exp

Dept: 46801 (Somalia - Central)

Fund : 32045 (JPN - Partnership Devt Pgm PCF)

71615 - Daily Subsistence Allow-Ind	0.00	12,720.00	0.00	0.00	12,720.00
72185 - Svc Co-Social Svcs, Social Sci	0.00	415,675.46	0.00	0.00	415,675.46
73505 - Reimb to UNDP for Supp Svcs	0.00	26,011.14	0.00	0.00	26,011.14
74510 - Bank Charges	0.00	209.88	0.00	0.00	209.88
75105 - Facilities & Admin - Implement	0.00	31,823.15	0.00	0.00	31,823.15
<b>Total for Fund 32045</b>	<b>0.00</b>	<b>486,439.63</b>	<b>0.00</b>	<b>0.00</b>	<b>486,439.63</b>
<b>Total for Dept : 46801</b>	<b>0.00</b>	<b>486,439.63</b>	<b>0.00</b>	<b>0.00</b>	<b>486,439.63</b>
<b>Total for Project : 00082348</b>	<b>0.00</b>	<b>486,439.63</b>	<b>0.00</b>	<b>0.00</b>	<b>486,439.63</b>

<b>Award Total :</b>	<b>0.00</b>	<b>486,439.63</b>	<b>0.00</b>	<b>0.00</b>	<b>486,439.63</b>
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*[Handwritten Signature]*

DAVID WAKARAWU  
BDO EAST AFRICA



Signed By :

*[Handwritten Signature]*

Date :

15.05.2014

*[Handwritten Initials]*



**Selection Criteria:**

Business Unit : SOM10  
Period : Jan-Dec (2012)  
Selected Award Id : 00058607  
Selected Fund Code : ALL  
Selected Dept. IDs : B0468  
Selected Projects : 00082348

Award Id : 00058607 CIVILIAN POLICE PROJECT IN SOM		Period :	Jan-Dec (2012)		
Project # : 00082348 Support to Somalia Police Forc		Impl. Partner :	99999 UNDP		
		Location :	UNDP Somalia		
	Govt Disb	UNDP Disb	UN Agencies	Encumbrance	Total Exp

Dept: 46801 (Somalia - Central)

Fund : 32045 (JPN - Partnership Devt Pgm PCF)

72165 - Svc Co-Social Svcs. Social Sci	0.00	4,006,515.00	0.00	0.00	4,006,515.00
73505 - Reimb to UNDP for Supp Svcs	0.00	228,490.50	0.00	0.00	228,490.50
74510 - Bank Charges	0.00	111,494.14	0.00	0.00	111,494.14
74525 - Sundry	0.00	71,819.94	0.00	0.00	71,819.94
75105 - Facilities & Admin - Implement	0.00	309,142.38	0.00	0.00	309,142.38
<b>Total for Fund 32045</b>	<b>0.00</b>	<b>4,725,461.96</b>	<b>0.00</b>	<b>0.00</b>	<b>4,725,461.96</b>
<b>Total for Dept : 46801</b>	<b>0.00</b>	<b>4,725,461.96</b>	<b>0.00</b>	<b>0.00</b>	<b>4,725,461.96</b>
<b>Total for Project : 00082348</b>	<b>0.00</b>	<b>4,725,461.96</b>	<b>0.00</b>	<b>0.00</b>	<b>4,725,461.96</b>

<b>Award Total :</b>	<b>0.00</b>	<b>4,725,461.96</b>	<b>0.00</b>	<b>0.00</b>	<b>4,725,461.96</b>
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Signed By :

*Oliver*

Date :

15.05.2014



*D. Walawe*

DAVID WALAWE

BDO EAST AFRICA



UN

DIP

UN Development Programme  
Report ID: UNAM5558

Asset Management Detail Report

Page 1 of 1  
Run Time: 14-05-2014 08:05:51

Business Unit: SOM10 Country: Somalia Category: In Service Project Type: All Amount >=0 From/To date: 01-JAN-2012 ~ 31-DEC-2013  
Operating Unit: Department: Impl Agency: Donor: Fund Code: Project: 00082348 Profile ID:

Count: 0 Total Value: 0.00 (USD)




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*BDO BALANCE*

*BDO EAST AFRICA*



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As an independent Member Firm of BDO International Limited, BDO serves multinational clients through a global network of 1,082 offices in 119 countries.

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UNITED NATIONS DEVELOPMENT PROGRAMME  
(UNDP) - SOMALIA

Civilian Police Project in  
Somalia Project No: 00058607  
(Output: Support to Police  
Force No: 00085942)

Report and Financial Statement for period ended 31 December  
2013



30 June 2014

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Pension Towers, Loita Street  
P.O. Box 10032-00100  
Nairobi, Kenya

Date: 30 June 2014

Reference: AUD/879/CAC

Mr. Helge S. Osttveiten,  
Director,  
United Nations Development Programme,  
Office of Audit and Investigations,

Dear Mr Helge S. Osttveiten,

**Re: Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Police Project - Output No: 00085942**

We are pleased to submit our report and financial statements for the above project being implemented directly by UNDP Somalia with funding from the Government of Japan for the period ended 31 December 2013.

We would like to express our gratitude for the courtesy and assistance extended to us by the staff of United Nations Development Programme - Somalia during the course of our assignment.

We are at your disposal to discuss any part of the report, should you so require.

Assuring you our best services at all times.

Yours Sincerely,



Clifford Ak Chip  
Chief Operating Officer  
BDO East Africa Kenya



# United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - For the period ended 31 December 2013

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## 1. Executive summary

### 1.1 Background Information

Project name	Civilian Police Project in Somalia
Project number	00058607
Output name	Support to Police Project
Output number	00085942
Implementing Partner	United Nations Development Programme - Somalia
Location	South Central region
Donor	Government of Japan
Budget	USD 7,030,000
Date of the signature of the Project agreement	No project document exists
Date of the official Project commencement	1 March 2013
Project duration	March 2013 to June 2014

Support to Somalia Police Force Project no: 00058607 - Output 00085942 was entered into between United Nations Development Fund - Somalia and the Government of Japan on 1 March 2013.

The project's output, with the main aim of providing stipends to the Somali Police Force in order to supplement their monthly salary as paid by the Somali government commenced on 1 March 2013 and is currently ongoing.

### 1.2 Cost plan

The project's cost plan was outlined as below:

NO	ACTIVITY	2013 USD
1.	SPF Payment and Management	5,344,436
2.	Strengthen CC and Oversight	1,496,302
3.	Project Management	189,262
	<b>Total</b>	<b>7,030,000</b>

### 1.3 Presence and locations of operation

The project was predominantly carried out in Mogadishu Somalia where a significant number of Somali Police officers are located. It was also carried out in other parts of South and Central Somalia but on a relatively smaller scale.

## **1.4 Project Objectives, purpose and results**

The overall objective of the project was to provide a monthly stipend to those police officers trained and certified through the agreed training process, and confirmed as being on duty under the Somali Police Force.

Regular stipends payments were critical to ensure the loyalty, commitment, morale improvement, performance and retention of police officers at this most critical time in Mogadishu and other accessible areas.

The project is still ongoing under a separate output with funding from other donors including the European Union (EU) and the Government of Japan through the United Nations Political Office in Somalia (UNPOS).

## **1.5 Implementing Partners**

Although the project is a directly implemented (DIM), the operational logistics in Somalia and restriction of international staff have forced UNDP Somalia to partner with local organizations for effective implementation.

Local partners include:

- Transition Government of Somalia;
- Somalia Police Force;
- Police Advisory Committee;
- United Nations Political Office in Somalia (UNPOS); and
- African Mission in Somalia (AMISOM).

## **1.6 Objectives of the audit**

BDO East Africa Kenya has been appointed to conduct a combined financial audit and an audit of internal controls and systems on behalf of UNDP Office of Audit and Investigations for the Civilian Police Project in Somalia - No: 00058607 Output: Support to Police Project - No: 00085942 for the period ended 31 December 2013.

The audit objectives are twofold:

- (i). Audit of the project's financial statements

Financial audit to express opinion on projects financial statements that include:

1. Statement of Expenses (Combined Delivery Report) for the period ended 31 December 2013;
2. Statement of Cash Position reported by the project as at 31 December 2013;
3. Statement of Assets held by the project as at 31 December 2013.

The Financial Audit will be conducted in accordance with the International Standards of Auditing, the 700 series.

United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - For the period ended 31 December 2013

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(ii). Audit of the project's internal control systems

An audit to express an opinion on the project's internal control systems. The internal control audit shall be conducted in accordance with the International Professional Practices Framework (IPPF). However, we were not able to assess in full the internal controls and systems as the audit was carried out in Nairobi after the end of the project period due to security reason.

### 1.7 Audit timeframe

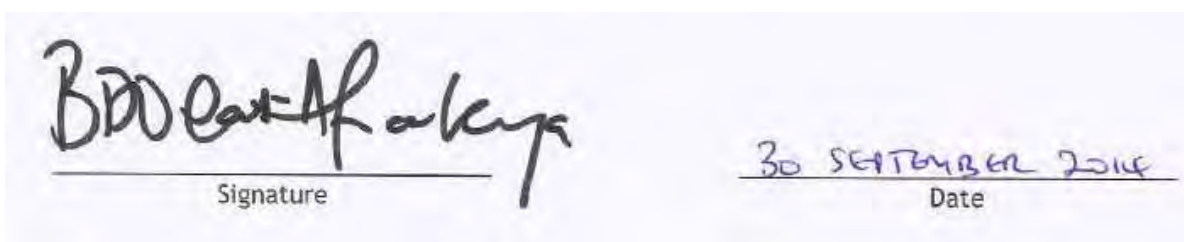
The field work of the audit assignment was carried out from 20 May 2014 to 20 June 2014:

DATES	LOCATIONS	PERSONS INVOLVED
20 May 2014 to 20 June 2014	Nairobi Kenya	Nelly Muriungi Fatma Yusuf Clifford AhChip

### 1.8 Summary of significant findings

The table below provides a summary of the major findings arising from the audit:

AUDIT AREA	AUDIT FINDINGS
Programme and project management	<ul style="list-style-type: none"><li>The project was not formally approved. No project agreement was available for review.</li></ul>



BDO East Africa  
Signature

30 SEPTEMBER 2014  
Date

## 2. Financial Statement

### 2.1 Statement of Management Responsibility for Financial Reporting

The Management of the United Nations Development Programme - Somalia for the Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Somali Police Project - Output No: 00085942 is responsible for preparing the Combined Delivery Report (CDR) comprising of a Statement of Expenses and accompanying Funds Utilization Statement, Statement of Assets and Statement of Cash Position for each year in accordance with Generally Accepted Accounting Principles (GAAP), International Public Sector Accounting Standards (IPSAS) and UNDP's financial rules and regulations for financial reporting which gives a true and fair view of the state of affairs of the Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Somali Police Project - Output No: 00085942 for the period ended 31 December 2013.

Management of United Nations Development Programme Somalia acknowledges its responsibility for:

- (i). Adequate accounting records and maintenance of effective internal control systems;
- (ii). The preparation of financial statements which fairly present the state of affairs of the Project as at the end of the financial period and which comply with Generally Accepted Accounting Principles (GAAP), International Public Sector Accounting Standards (IPSAS) and United Nations Development Programme's financial rules and regulations;
- (iii). The selection of appropriate accounting policies supported by reasonable and prudent judgements.

Management reports that:

- (i). Adequate accounting records and effective system of internal controls and risk management have been maintained;
- (ii). Appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- (iii). Applicable accounting standards have been adhered to.

Signed on their be



Digitally signed by David Akopyan  
DN: cn=David Akopyan, o=UNDP,  
ou=UNDP Somalia,  
email=david.akopyan@undp.org, c=KE  
Date: 2014.09.17 19:05:05 +03'00'

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Signature

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Date

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Signature

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Date



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Nairobi, Kenya

## 2.2 Audit Report

### REPORT OF THE INDEPENDENT AUDITORS TO UNDP SOMALIA

We have audited the financial statements of United Nations Development Programme Somalia, Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Police Project - Output No: 00085942, which comprise the Statement of Expenses and accompanying Fund Utilization Statement, Statement of Assets and Statement of Cash Position for the period from 01 January 2012 to 31 December 2013, and a summary of significant accounting policies and other explanatory notes as set out on pages 8 to 9.

Management is responsible for the preparation of the financial statements for Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Police Project - Output No: 00085942 and for such internal controls as management determines are necessary to enable the preparation of statements that are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). 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 financial 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 financial 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 financial statements.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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



In our opinion:

1. Combined Delivery Report (CDR) and Fund Utilization Statement:

(a) the attached Combined Delivery Report (CDR) presents fairly, in all material respects, the expense of **USD 3,729,861 [(USD 3,729,861 (2013) and USD NIL (2012)]** incurred by the Civilian Police Project in Somalia - Project No: 00058607 Output: Support to Police Project - Output No: 00085942 for the period 01 January 2012 to 31 December 2013 in accordance with agreed upon 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 UNDP regulations and rules, policies and procedures; and
- (iv) Supported by properly approved vouchers and other supporting documents.

(b) the accompanying Fund Utilisation Statement presents fairly, in all material respect, the position as at 31 December 2013;

2. Statement of Cash Position:

The project does not operate a dedicated bank account. Consequently, there is no Statement of Cash Balances as at 31 December 2013.

3. Statement of Fixed Assets:

No items of fixed assets were held by UNDP for the project as at 31 December 2013.



BDO East Africa Kenya  
Certified Public Accountant of Kenya  
12<sup>th</sup> Floor, Pension Towers  
Loita Street  
P.O Box 10032 - 00100  
Nairobi



Clifford A. Chip  
Signing Partner and engagement partner responsible for the independent audit  
CPA, Practising Registration Number P/1964

Date: 30 SEPTEMBER 2014

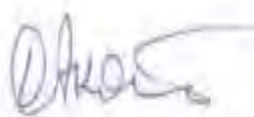
United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - For the period ended 31 December 2013

**2.3 Statement of Expenses and Fund Utilization Statement - Period Ended 31 December 2013**

EXPENSE CATEGORY	NOTES	01 MARCH 2013 TO 31 DECEMBER 2013 USD
<b><u>Expenditure</u></b>		
Activity 1: SPF payment and management		2,909,673
Activity 2: Strengthen CC and oversight		382,816
Activity 3: Project Management		437,372
<b>Total Expenditure at 31 December</b>		<b>3,729,861</b>
<b><u>Fund Utilization</u></b>		
Outstanding NEX advances	2.4.2	-
Undepreciated fixed assets	2.4.3	-
Inventory	2.4.4	
Prepayments	2.4.5	-
Commitments	2.4.6	17,553
<b>Total Fund Utilization</b>		<b>17, 553</b>

This Statement of Expenses has been approved for issue on 17 September 2014 by management of Civilian Police Project in Somalia - Project No: 00058607; Output: Support to Police Project - Output No: 00085942.



Digitally signed by David Akopyan  
DN: cn=David Akopyan, o=UNDP,  
ou=UNDP Somalia,  
email=david.akopyan@undp.org, c=KE  
Date: 2014.09.17 19:05:05 +03'00'

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Signature

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Title

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Date

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Signature

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Title

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Date

## 2.4 Notes to the Fund Accountability Statement

### 2.4.1 Significant accounting policies

The principal accounting policies adopted in the preparation of the Statement of Expenses, Fund Utilization Statement, Statement of Assets and Statement of Cash Position are outlined below:

- Basis of preparation: The Statement of Expenses has been prepared in accordance with Generally Accepted Accounting Principles, International Public Sector Accounting Standards (IPSAs) and UNDP financial rules and regulations;
- Foreign currencies
  - Functional currency  
Items included in the financial statements of the Project are measured using *United States Dollar*, which is both the functional and presentation currency.
  - Presentation currency  
United States Dollar (US Dollar) is the presentation currency. All transactions are carried out through the US Dollar.
- Expenditure: Expenses are accounted on accrual basis.
- Fixed assets:
  - a. Assets purchased from 01 January 2012: assets worth USD 500 and above and match the UNDP's use and control principle are recorded in ATLAS, capitalization is done and depreciation charged as an expense within the reporting period;
  - b. Assets purchased prior to 01 January 2012: assets are not recorded in ATLAS and depreciation is not charged.
- Inventory: Inventory is recorded based on its purpose at either:
  - a. For inventory held for sale: lower of cost or net realizable value; or
  - b. For inventory held for distribution at no cost: lower of cost or net replacement cost.
- Prepayments: Prepayments are stated at actual amounts paid and are not revalued.
- Commitments: Commitments are stated at their actual amounts and recognised as expenses.

### 2.4.2 Outstanding NEX advances

This represents advances made to the implementing partner but not expensed as at the reporting date and are held in the implementing partner's bank account. The project does not operate a dedicated bank account.



# United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - For the period ended 31 December 2013

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## 2.4.3 Fixed assets

This represents items of fixed assets that were acquired for the project but are temporarily under UNDP's control. No items of fixed assets were held by UNDP for the project as at 31 December 2013.

## 2.4.4 Inventory

This represents items of inventory that were acquired for the project but are temporarily under UNDP's control. No item of inventory was held by UNDP for the project as at 31 December 2013.

## 2.4.5 Prepayments

This represents payments in advance for services not rendered or goods not delivered. No items of inventory were held by UNDP for the project as at 31 December 2013.

## 2.4.6 Commitments

This represents a legal and financial obligation arising from a contract, agreement, or other form of undertaking by UNDP or based on a liability recognized by UNDP against the resources of the period. The following items of commitments were held by UNDP for the project as at 31 December 2013.

Description	USD
Computer Printers	2, 200
Airfreight Transport	2, 698
Airfreight Transport	2, 261
Desktop Computers	9, 804
Printer or Facsimile Toner	590
<b>TOTAL</b>	<b>17, 553</b>

## 2.5 Comparison between actual and budgeted expenditure

EXPENSE CATEGORY	TOTAL ACTUAL EXPENDITURE (A) USD	BUDGETED EXPENDITURE (B) USD	VARIANCE (C=B-A) USD	PERCENTAGE VARIANCE (D=C/B*100)
Activity 1: SPF payment and management	2,909,673	5,344,436	2,434,763	46%
Activity 2: Strengthen CC and oversight	382,816	1,496,302	1,113,486	74%
Activity 3: Project Management	437,372	189,262	(248,110)	-131%
<b>Total Expenditure</b>	<b>3,729,861</b>	<b>7,030,000</b>	<b>3,300,139</b>	<b>47%</b>

United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607

Report and Financial Statement - For the period ended 31 December 2013

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## 2.6 Summary of verified expenditure

EXPENSE CATEGORY	Verified Expenses 2013 USD	Total Expenses incurred USD	%
Activity 1: SPF payment and management	2,884,393	2,909,673	99%
Activity 2: Strengthen CC and oversight	330,094	382,816	86%
Activity 3: Project Management	266,304	437,372	61%
<b>Total Expenditure</b>	<b>3,480,791</b>	<b>3,729,861</b>	<b>93%</b>

- We have verified 93% (equivalent to USD 3,480,791) of total expenses for the period ended 31 December 2013.

### 3. Management Letter

#### 3.1 Definition of Standard Audit Rating

In providing the auditors' assessment, the Internal Audit Services of UNDP uses the following harmonized audit rating definitions.

Satisfactory	Internal controls, governance and risk management processes were adequately established and functioning well. No issues were identified that would significantly affect the achievements of the project.
Partially Satisfactory	Internal controls, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity.
Unsatisfactory	Internal controls, governance and risk management processes were either not established or not performing well. The issues identified were such that the achievement of the overall objectives of the audited entity could be seriously compromised.

We assessed the project as **satisfactory** which means “Internal controls, governance and risk management processes were adequately established and functioning well. No issues were identified that would significantly affect the achievement of the objectives of the audited entity.” Ratings per audit area are summarized below.

Audit Area	Not Applicable	Satisfactory	Partially satisfactory	Unsatisfactory
Organization and staffing				
Programme and project management				
Human resources				
Finance				
Procurement				
Asset management				
Cash Management				
Information Systems				
General administration				
Follow up on previous audits				

#### 3.2 Priorities of audit recommendations

In order to permit management to assess the relative importance of the weaknesses of any control issues identified during the review, each has been assigned a subjective rating,

**United Nations Development Programme Somalia - Civilian Police Project in Somalia - No: 00058607**

Report and Financial Statement - For the period ended 31 December 2013

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which may in turn be used in prioritising the resources required to address the problem. The key to these ratings is as follows:

High (Critical)	Prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences of UNDP.
Medium (Important)	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 to UNDP.
Low	Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the audit team directly with the Office management, either during the exit meeting or through a separate memo subsequent to the field work. Therefore, low priority recommendations are not included in this report.

### 3.3 Long form management letter

No	Issue Title	Observation	Priority	Recommendation	Management Comments and Action Plan	Auditor's Response
1.	<ul style="list-style-type: none"> <li>Project Management</li> </ul>	<ul style="list-style-type: none"> <li>Project authorization from the Regional Bureau was not availed as well as a documented formal project approval by the Local Project Appraisal Committee.</li> </ul>	<ul style="list-style-type: none"> <li>Medium</li> </ul>	<ul style="list-style-type: none"> <li>The project should be approved before Donor agreements are signed and project commences. (3.1.2 DIM Guidelines; Project Approval).</li> </ul>	<ul style="list-style-type: none"> <li>This recommendation is noted and proper procedures will be followed in the future.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to be reviewed in subsequent audits.</li> </ul>

Appendix I: Approved Combined Delivery Report 2013

Appendix II: Approved Asset Listing as at 31 December 2013



Project Id : 00058607 CIVILIAN POLICE PROJECT IN SOM	Period : Jan-Dec (2013)
Output # : 00082348 Support to Somalia Police Forc	Impl. Partner : 99999 UNDP
	Location : UNDP Somalia
	Govt Exp UNDP Exp UN Agencies Exp Total Exp

Total for Dept : 46801	0.00	486,439.63	0.00	486,439.63
Total for Output : 00082348	0.00	486,439.63	0.00	486,439.63

Output # : 00085942 Support to Police Project	Impl. Partner : 99999 UNDP
	Location : UNDP Somalia

Dept: 46801 (Somalia - Central)

Fund : 32045 (JPN-Partnership Devt. Pgm. PCF)

61305 - Salaries - IP Staff	0.00	137,792.52	0.00	137,792.52
61310 - Post Adjustment - IP Staff	0.00	24,460.06	0.00	24,460.06
62305 - Dependency Allowances-IP Staff	0.00	4,672.05	0.00	4,672.05
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	8,726.65	0.00	8,726.65
62315 - Contrib. to medical, social in	0.00	7,826.45	0.00	7,826.45
62320 - Mobility, Hardship, Non-remova	0.00	8,162.50	0.00	8,162.50
62335 - Hazard Duty Station Allow-IP	0.00	15,954.25	0.00	15,954.25
62340 - Annual Leave Expense - IP	0.00	-1,929.53	0.00	-1,929.53
63335 - Home Leave Trvl & Allow-IP Stf	0.00	1,233.32	0.00	1,233.32
63360 - Medical Exams(Incl Pre-empl)	0.00	239.00	0.00	239.00
63365 - Special Oper Living Allow-IP	0.00	27,315.00	0.00	27,315.00
63520 - Personal Security Measures	0.00	14,248.99	0.00	14,248.99
63530 - Contribution to EOS Benefits	0.00	1,224.76	0.00	1,224.76
63535 - Contribution to Security	0.00	1,306.40	0.00	1,306.40
63540 - Contribution to Training	0.00	326.60	0.00	326.60
63545 - Contribution to ICT	0.00	489.92	0.00	489.92
63550 - Contributions to MAIP	0.00	65.32	0.00	65.32
63555 - Contribution to UN JFA	0.00	587.88	0.00	587.88
63560 - Contributions to Appendix D	0.00	98.00	0.00	98.00
64305 - Appointments - IP Staff	0.00	12,702.62	0.00	12,702.62
64306 - Appointment-Ticket Costs	0.00	7,584.00	0.00	7,584.00
64308 - Appointments-Lump Sum	0.00	9,735.62	0.00	9,735.62
64309 - Appointment-Shipments	0.00	10,500.00	0.00	10,500.00
65115 - Contributions to ASHI Reserve	0.00	2,612.80	0.00	2,612.80
65135 - Payroll Mgt Cost Recovery ATLA	0.00	257.52	0.00	257.52
71405 - Service Contracts-Individuals	0.00	38,159.15	0.00	38,159.15
71410 - MAIP Premium SC	0.00	163.79	0.00	163.79
71605 - Travel Tickets-International	0.00	38,835.74	0.00	38,835.74
71610 - Travel Tickets-Local	0.00	5,281.75	0.00	5,281.75
71615 - Daily Subsistence Allow-Intl	0.00	29,800.00	0.00	29,800.00
71620 - Daily Subsistence Allow-Local	0.00	39,393.40	0.00	39,393.40
71625 - Daily Subsist Allow-Mtg Partic	0.00	25,860.00	0.00	25,860.00
71635 - Travel - Other	0.00	716.00	0.00	716.00
72105 - Svc Co-Construction & Engineer	0.00	72,296.81	0.00	72,296.81
72155 - Svc Co-Public Admin, Politics	0.00	19,955.00	0.00	19,955.00
72165 - Svc Co-Social Svcs, Social Sci	0.00	2,355,327.00	0.00	2,355,327.00
72315 - Food & Textile Products	0.00	881.83	0.00	881.83
72330 - Medical Products	0.00	128.50	0.00	128.50
72405 - Acquisition of Communic Equip	0.00	130,395.71	0.00	130,395.71
72425 - Mobile Telephone Charges	0.00	394.66	0.00	394.66





Combined Delivery Report By Project

UN Development Programme  
Report ID: unglcdrp

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Project Id : 00058607 CIVILIAN POLICE PROJECT IN SOM	Period :	Jan-Dec (2013)
Output # : 00085942 Support to Police Project	Impl. Partner :	99999 UNDP
	Location :	UNDP Somalia

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72440 - Connectivity Charges	0.00	80.00	0.00	80.00
72445 - Common Services-Communications	0.00	1,699.91	0.00	1,699.91
72605 - Grants to Instil & other Benef	0.00	4,629.70	0.00	4,629.70
72705 - Hospitality-Special Events	0.00	545.12	0.00	545.12
72715 - Hospitality Catering	0.00	558.17	0.00	558.17
72815 - Inform Technology Supplies	0.00	87,035.83	0.00	87,035.83
73105 - Rent	0.00	49,998.00	0.00	49,998.00
73125 - Common Services-Premises	0.00	6,884.38	0.00	6,884.38
73505 - Reimb to UNDP for Supp Srvs	0.00	9,114.70	0.00	9,114.70
74510 - Bank Charges	0.00	160,381.74	0.00	160,381.74
74525 - Sundry	0.00	102,511.28	0.00	102,511.28
74705 - Port Operation	0.00	1,597.67	0.00	1,597.67
75105 - Facilities & Admin - Implement	0.00	243,753.35	0.00	243,753.35
75705 - Learning costs	0.00	1,450.00	0.00	1,450.00
75710 - Participation of counterparts	0.00	1,922.26	0.00	1,922.26
76125 - Realized Loss	0.00	0.01	0.00	0.01
76135 - Realized Gain	0.00	- 12.82	0.00	- 12.82
<b>Total for Fund 32045</b>	<b>0.00</b>	<b>3,725,931.34</b>	<b>0.00</b>	<b>3,725,931.34</b>
<b>Total for Dept : 46801</b>	<b>0.00</b>	<b>3,725,931.34</b>	<b>0.00</b>	<b>3,725,931.34</b>
<b>Dept: 46823 (North West Somalia)</b>				
<b>Fund : 32045 (JPN-Partnership Devt. Pgm. PCF)</b>				
71615 - Daily Subsistence Allow-Intl	0.00	3,387.92	0.00	3,387.92
75105 - Facilities & Admin - Implement	0.00	237.16	0.00	237.16
<b>Total for Fund 32045</b>	<b>0.00</b>	<b>3,625.08</b>	<b>0.00</b>	<b>3,625.08</b>
<b>Total for Dept : 46823</b>	<b>0.00</b>	<b>3,625.08</b>	<b>0.00</b>	<b>3,625.08</b>
<b>Dept: 46824 (North East Somalia)</b>				
<b>Fund : 32045 (JPN-Partnership Devt. Pgm. PCF)</b>				
72311 - Fuel, petroleum and other oils	0.00	200.20	0.00	200.20
74510 - Bank Charges	0.00	3.00	0.00	3.00
75105 - Facilities & Admin - Implement	0.00	14.22	0.00	14.22
<b>Total for Fund 32045</b>	<b>0.00</b>	<b>217.42</b>	<b>0.00</b>	<b>217.42</b>
<b>Total for Dept : 46824</b>	<b>0.00</b>	<b>217.42</b>	<b>0.00</b>	<b>217.42</b>
<b>Dept: 46825 (South Central Somalia)</b>				
<b>Fund : 32045 (JPN-Partnership Devt. Pgm. PCF)</b>				
72505 - Stationery & other Office Supp	0.00	80.00	0.00	80.00
74510 - Bank Charges	0.00	1.40	0.00	1.40



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Project Id : 00058607 CIVILIAN POLICE PROJECT IN SOM	Period :	Jan-Dec (2013)		
Output # : 00085942 Support to Police Project	Impl. Partner :	99999 UNDP		
	Location :	UNDP Somalia		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

75105 - Facilities & Admin - Implement	0.00	5.70	0.00	5.70
<b>Total for Fund 32045</b>	<b>0.00</b>	<b>87.10</b>	<b>0.00</b>	<b>87.10</b>
<b>Total for Dept : 46825</b>	<b>0.00</b>	<b>87.10</b>	<b>0.00</b>	<b>87.10</b>
<b>Total for Output : 00085942</b>	<b>0.00</b>	<b>3,729,860.94</b>	<b>0.00</b>	<b>3,729,860.94</b>

Output # : 00087378 MPTF Counter Piracy Civ Police	Impl. Partner :	99999 UNDP
	Location :	UNDP Somalia

Dept: 09701 (BDP/Poverty Reduction Group)

Fund : 30000 (PROGRAMME COST SHARING)

72215 - Transportation Equipment	0.00	0.00	0.00	0.00
<b>Total for Fund 30000</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total for Dept : 09701</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Dept: 46801 (Somalia - Central)

Fund : 30000 (PROGRAMME COST SHARING)

61305 - Salaries - IP Staff	0.00	50,730.21	0.00	50,730.21
61310 - Post Adjustment - IP Staff	0.00	38,264.13	0.00	38,264.13
62305 - Dependency Allowances-IP Staff	0.00	380.35	0.00	380.35
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	1,298.50	0.00	1,298.50
62315 - Contrib. to medical, social in	0.00	469.89	0.00	469.89
62320 - Mobility, Hardship, Non-remova	0.00	13,522.23	0.00	13,522.23
62335 - Hazard Duty Station Allow-IP	0.00	5,108.93	0.00	5,108.93
62340 - Annual Leave Expense - IP	0.00	501.47	0.00	501.47
63335 - Home Leave Trvl & Allow-IP Stf	0.00	0.00	0.00	0.00
63365 - Special Oper Living Allow-IP	0.00	6,582.34	0.00	6,582.34
63530 - Contribution to EOS Benefits	0.00	3,045.34	0.00	3,045.34
63535 - Contribution to Security	0.00	3,248.39	0.00	3,248.39
63540 - Contribution to Training	0.00	774.65	0.00	774.65
63545 - Contribution to ICT	0.00	1,255.58	0.00	1,255.58
63550 - Contributions to MAIP	0.00	162.40	0.00	162.40
63555 - Contribution to UN JFA	0.00	1,461.75	0.00	1,461.75
63560 - Contributions to Appendix D	0.00	243.62	0.00	243.62
65115 - Contributions to ASHI Reserve	0.00	5,900.64	0.00	5,900.64
65135 - Payroll Mgt Cost Recovery ATLA	0.00	682.42	0.00	682.42
71405 - Service Contracts-Individuals	0.00	37,556.60	0.00	37,556.60
71410 - MAIP Premium SC	0.00	163.58	0.00	163.58
71505 - UN Volunteers-Stipend & Allow	0.00	926.40	0.00	926.40
71590 - UNV HQ use only	0.00	0.00	0.00	0.00
71605 - Travel Tickets-International	0.00	17,783.84	0.00	17,783.84
71610 - Travel Tickets-Local	0.00	2,032.84	0.00	2,032.84



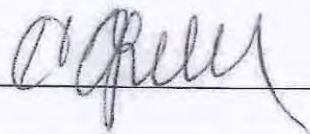




Project Id : 00058607 CIVILIAN POLICE PROJECT IN SOM	Period :	Jan-Dec (2013)
Output # : 00087378 MPTF Counter Piracy Civ Police	Impl. Partner :	99999 UNDP
	Location :	UNDP Somalia

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
71615 - Daily Subsistence Allow-Intl	0.00	1,304.00	0.00	1,304.00
71620 - Daily Subsistence Allow-Local	0.00	2,721.40	0.00	2,721.40
71630 - Shipment	0.00	129.51	0.00	129.51
72105 - Svc Co-Construction & Engineer	0.00	103,949.60	0.00	103,949.60
72125 - Svc Co-Studies & Research Serv	0.00	44,594.40	0.00	44,594.40
72215 - Transportation Equipment	0.00	189.00	0.00	189.00
72405 - Acquisition of Communic Equip	0.00	5,428.29	0.00	5,428.29
72445 - Common Services-Communications	0.00	827.00	0.00	827.00
73505 - Reimb to UNDP for Supp Svcs	0.00	8,830.75	0.00	8,830.75
74510 - Bank Charges	0.00	1,637.00	0.00	1,637.00
74525 - Sundry	0.00	20,098.54	0.00	20,098.54
74725 - Other L.T.S.H.	0.00	1,497.05	0.00	1,497.05
75105 - Facilities & Admin - Implement	0.00	26,831.19	0.00	26,831.19
76135 - Realized Gain	0.00	0.00	0.00	0.00
<b>Total for Fund 30000</b>	<b>0.00</b>	<b>410,133.83</b>	<b>0.00</b>	<b>410,133.83</b>
<b>Total for Dept : 46801</b>	<b>0.00</b>	<b>410,133.83</b>	<b>0.00</b>	<b>410,133.83</b>
<b>Dept: 46824 (North East Somalia)</b>				
<b>Fund : 30000 (PROGRAMME COST SHARING)</b>				
71620 - Daily Subsistence Allow-Local	0.00	1,172.00	0.00	1,172.00
72130 - Svc Co-Transportation Services	0.00	1,136.50	0.00	1,136.50
72165 - Svc Co-Social Svcs, Social Sci	0.00	60,447.00	0.00	60,447.00
72311 - Fuel, petroleum and other oils	0.00	942.20	0.00	942.20
72405 - Acquisition of Communic Equip	0.00	6,430.00	0.00	6,430.00
72425 - Mobile Telephone Charges	0.00	180.00	0.00	180.00
72440 - Connectivity Charges	0.00	20.00	0.00	20.00
72505 - Stationery & other Office Supp	0.00	2,513.50	0.00	2,513.50
72715 - Hospitality Catering	0.00	825.00	0.00	825.00
74210 - Printing and Publications	0.00	10.13	0.00	10.13
74510 - Bank Charges	0.00	991.93	0.00	991.93
75105 - Facilities & Admin - Implement	0.00	5,226.78	0.00	5,226.78
<b>Total for Fund 30000</b>	<b>0.00</b>	<b>79,895.04</b>	<b>0.00</b>	<b>79,895.04</b>
<b>Total for Dept : 46824</b>	<b>0.00</b>	<b>79,895.04</b>	<b>0.00</b>	<b>79,895.04</b>
<b>Total for Output : 00087378</b>	<b>0.00</b>	<b>490,028.87</b>	<b>0.00</b>	<b>490,028.87</b>
<b>Project Total :</b>	<b>0.00</b>	<b>11,115,603.94</b>	<b>0.00</b>	<b>11,115,603.94</b>



Signed By: 

Date: \_\_\_\_\_

Signed By: \_\_\_\_\_

Date: \_\_\_\_\_



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Combined Delivery Report By Project

UN Development Programme  
Report ID: unglcdrp

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Run Time: 01-04-2014 10:04:41

Funds Utilization

Outstanding NEX advances	0.00
Undepreciated Fixed Assets	11,695.55
Inventory	0.00
Prepayments	0.00
Commitments	61,213.00

Output #	00085942	Impl. Partner :99999 UNDP	UNDP AMOUNT
Outstanding NEX advances			0.00
Undepreciated Fixed Assets			0.00
Inventory			0.00
Prepayments			0.00
Commitments			17,552.60

Output #	00087378	Impl. Partner :99999 UNDP	UNDP AMOUNT
Outstanding NEX advances			0.00
Undepreciated Fixed Assets			0.00
Inventory			0.00
Prepayments			0.00
Commitments			52,754.42



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UN Development Programme  
Report ID: UNAM5558

Asset Management Detail Report

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Run Time: 14-05-2014 08:05:04

Business Unit: SOM10 Country: Somalia  
Operating Unit: Department:  
Category: In Service Impl Agency:  
Project Type: All Donor:  
Amount >=0 Fund Code:  
From/to date: 01-JAN-2012 ~ 31-DEC-2013  
Project: 00085942 Profile ID:

Count: 0 Total Value: 0.00 (USD)




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BDO EAST AFRICA*



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