

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP SUDAN

UNDP/UNHCR TRANSITIONAL SOLUTIONS INITIATIVE (TSI)
(Directly Implemented Project, Output No. 82557)

Report No. 1369

Issue Date: 17 September 2014

**Report on the audit of UNDP Sudan
UNDP/UNHCR Transitional Solutions Initiative (TSI), Output No. 82557
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), from 13 to 26 July 2014, through Talal Abu – Ghazaleh & Co (the audit firm), conducted an audit of UNDP/UNHCR Transitional Solutions Initiative (TSI), Output No. 82557 (the Project), which is directly implemented and managed by the UNDP Country Office in Sudan (the Office). This was the first audit of the Project.

The audit firm conducted a financial audit to express an opinion on whether the financial statements present fairly, in all material aspects, the Project’s operations. The audit covered the Project’s Combined Delivery Report, which includes expenditure for the period from 1 January to 31 December 2013 and the accompanying Funds Utilization statement¹ as of 31 December 2013 as well as Statement of Assets as of 31 December 2013. The audit did not include activities and expenses incurred at the “responsible party” level. In addition, the audit did not cover the Statement of Cash Position as no separate bank account was established and maintained for the Project.

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

Audit results

Based on the audit report and corresponding management letter submitted by the audit firm, the results are summarized in the table below:

Project Expenditure*		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
2,311	Unqualified	109	Unqualified

*Expenditures recorded in the Combined Delivery Report were \$2,874,450. Excluded from the audit scope were transactions that relate to expenditures incurred by responsible parties (\$563,528). The expenditures incurred by the “responsible party” have been subject to a separate audit with total expenditures of \$ 563,528. The audit was unqualified.

The audit firm issued an unqualified opinion on the Funds Utilization statement.

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

The audit did not result in any recommendations.



Helge S. Ostveiten
Director
Office of Audit and Investigations

Auditor's Report

Financial audit of “UNDP / UNHCR Transitional Solutions Initiative” (The Project) implemented by UNDP Sudan for the period from January 1, 2013 to December 31, 2013.

PROJECT TITLE AND ID

Title: “UNDP / UNHCR Transitional Solutions Initiative” (TSI)

IDs: (Atlas Project ID: 66369 Output ID: 82557)

FUNDED BY

UNDP (TRAC and BCPR), Netherlands and Norway through MPTF.

Talal Abu - Ghazaleh & Co.
Certified Public Accountants



UNDP/UNHCR Transitional Solutions Initiative (TSI)

Implemented By

UNDP in Sudan

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

This report presents the results of our financial audit of the Output ID 82557 titled "UNDP/UNHCR Transitional Solutions Initiative (TSI)", for the period from January 1, 2013 to December 31, 2013.

This Financial audit was mandated in accordance with the Audit contract for professional service signed with UNDP/OAI (Ref. PS 2014 dated 6 May 2014).

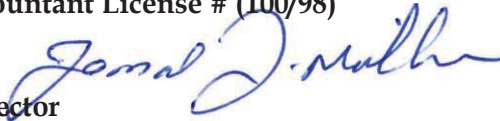
Sincerely yours,

Jamal Milhem, CPA
Certified Accountant License # (100/98)

Executive Director

Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 7 September 2014



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

1. PART I – EXECUTIVE SUMMARY

The Executive Summary summarizes the important issues raised in the financial audit of the project titled “UNDP/UNHCR Transitional Solutions Initiative”.

1.1. Background Information about Project

In consultation with the Government of Sudan (GoS), Eastern Sudan was selected as a pilot area for the Transitional Solutions Initiative (TSI), a global partnership spearheaded by UNDP, the United Nations High Commissioner for Refugees (UNHCR) and the World Bank with the objective of providing a framework for transitioning protracted refugee situations to durable solutions. In Eastern Sudan, the TSI is a Joint Programme implemented by UNDP Sudan and UNHCR Sudan and draws on the comparative advantages and strengths of both agencies, recognizing that while UNHCR has a unique mandate for refugee protection, while durable solutions and self-reliance could only be achieved through close collaboration with development partners such as UNDP.

The UNDP/UNHCR TSI Joint Programme seeks to enhance self-reliance, reduce aid dependency and assist socio-economic integration by restoring and expanding sustainable livelihoods opportunities for refugees and host communities. Phase 1 of the Joint Programme covers 2012 to 2014, and targets 162,879 direct and indirect beneficiaries or 32,000 households in Kassala, Gedaref States and Eastern Sudan. The Programme focuses on eight key Output areas to achieve the objectives defined. Major donors for phase 1 are the Government of Norway, the Government of the Netherlands, and UNDP.

The project is implemented by UNDP and UNHCR adopting two modalities; one as direct implementation modality (DIM) cooperating with international NGOs, national NGOs and Community Based Organization with proved previous experience in the project area. The other modality is national implementation (NIM) through government ministries and related departments.

The comparison between the budget and expenditures during 2013 is presented below:

Category/ Activity	Budget USD	Expenditure incurred by UNDP in USD	Expenditure incurred by Government in USD	Total Expenditure in USD
	2013	2013	2013	2013
Activity 1	719,440	480,117	--	480,117
Activity 4	678,502	500,507	201,162	701,669
Activity 5	491,379	325,868	203,800	529,668
Activity 7	567,619	295,826	101,511	397,337
Activity 8	273,000	268,057	57,055	325,112
Activity 9	519,155	400,147	--	400,147
Activity 0	--	40,400		40,400
TOTAL	3,249,095	2,310,922	563,528	2,874,450

1.2. Project Identification information

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

Table 1:

Project Name	Output Number	Atlas Project ID	2013 Approved Budget (USD)	2013 Actual Expenditure per CDR (USD)
UNDP/UNHCR Transitional Solutions Initiative (TSI)	82557	66369	3,249,095	2,874,450

* A total amount of USD 563,528 was excluded from our audit scope since the related expenditures were incurred by the Government.

1.3. Audit Objectives

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

- 1) Expressing an opinion on whether the expenses incurred by the project during year ended 2013 and the funds utilization as at 31 December 2013 were fairly presented in accordance with UNDP accounting policies and that the expenses incurred were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents. The Combined Delivery Report (CDR) and the accompanying Funds Utilization statement were the mandatory and official statements upon which the audit opinion had to be expressed.
- 2) Expressing an opinion on whether the statement of fixed assets presents fairly the balance of assets of the UNDP project as at 31 December 2013. This statement should include all assets available as at 31 December 2013 and not only those purchased during the period under audit.
- 3) Expressing an opinion on whether the statement of cash held by the project presents fairly the cash and bank balance of the UNDP project as at 31 December 2013. As an audit firm we were required to express an opinion on the Statement of Cash Position only in the case where a dedicated bank account for the project had been established. In cases where the cash transactions of the audited DIM project were made through the country office bank accounts, this type of opinion was not required.

Scope of Audit:

We performed our audit in accordance with the International Standards of Auditing (ISA700) and in compliance with the UNDP rules and regulations. We also reviewed the internal controls and compliance with procurement guidelines issued by UNDP and submitted the necessary recommendations to the management of the Office.

The scope of the audit related to transactions concluded and recorded against the UNDP DIM project from January 1, 2013 to December 31, 2013. The scope of the audit did not include:

- Activities and expenses incurred or undertaken at the level of “responsible parties”; and
- Expenses processed and approved in locations outside the country such as UNDP Regional Centers and UNDP Headquarters and where the supporting documentation were not retained at the level of the UNDP country office

Specifically, the audit covered the following:

- a) Expenses incurred and recorded in the Combined Delivery Reports (CDR) of the project from January 1, 2013 to December 31, 2013;
- b) The value and existence of the fixed assets held by the project as at December 31, 2013; and
- c) The value and existence of Cash held by the project as at December 31, 2013 (in the case there was a separate bank account for the DIM project under review).

Accounting principles:

The Combined Delivery Report (CDR) was prepared on the accrual basis accounting system. Therefore, expenditures were recognized when incurred rather than when paid.

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

Since 2012, UNDP started applying IPSAS and as a result, fixed assets depreciation expenses are included in the CDR.

1.4. Summary of the work done and audit results:

1.1.1. Work Done:

This summary presents the results of our financial audit of Output ID 82557 titled “UNDP/UNHCR Transitional Solutions Initiative”, for the period from January 1, 2013 to December, 31 2013.

The total costs incurred locally by UNDP in Sudan on the above mentioned project is USD 2,310,922. The audit sampling covered approximately 78 percent of the total expenditures as shown in the following table:

Table 2:

Project Location	No. of Samples	Total Expenditures incurred by UNDP (USD)	Total UNDP Expenditures tested (USD)	Percentage
Khartoum	95	2,310,922	1,804,358	78%

1.1.2. Results of Audit:

- **The Combined Delivery Report (CDR) and Funds Utilization statement**

The review did not disclose any financial errors in the Project's CDR and Funds Utilization statement. Accordingly, the financial expenses incurred by the project during the period 1 January to 31 December 2013 and the funds utilization as at 31 December 2013 are fairly presented in accordance with UNDP accounting policies and the expenses incurred were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents”.

- **The Statement of Fixed Assets**

The results of our review did not disclose any material misstatement that could affect the presentation of the statement of fixed assets as at 31 December 2013.

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

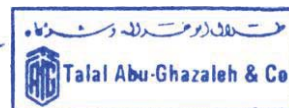
In accordance with the Terms of Reference for the audit, we did not issue an opinion on the Statement of Cash Position as there was no separate bank account for the project under review.

Jamal Milhem, CPA

Certified Accountant License # (100/98)



Executive Director



Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 7 September 2014

2. PART II – AUDITOR’S REPORT WITH OPINION

2.1. Auditor’s Report

REPORT OF THE INDEPENDENT AUDITORS TO UNDP ON DIM PROJECT
“UNDP/UNHCR TRANSITIONAL SOLUTIONS INITIATIVE (TSI)” IN SUDAN

**To the Director of the Office of Audit and Investigations
United Nations Development Programme**

Report on the Project Financial Statement

We have audited the accompanying Combined Delivery Report (CDR) and Funds Utilization Statement (the Statement) of the UNDP Project “UNDP/UNHCR Transitional Solutions Initiative”, bearing output number 82557 for the period from 1 January to 31 December 2013.

Management’s Responsibility

Management is responsible for the preparation and fair presentation of the statement for “UNDP/UNHCR Transitional Solutions Initiative” Project and for such internal control as management determines is necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with the International Standards on Auditing (ISA700). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statements are free from material misstatement.

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

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



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Unmodified Opinion

In our opinion, the attached Combined Delivery Report (CDR) and Funds Utilization statement gives a true and fair view of the expenditures of USD 2,310,922 incurred by the Project "UNDP/UNHCR Transitional Solutions Initiative (TSI)" for the period from 1 January to 31 December 2013 in accordance with UNDP accounting policies and were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents.

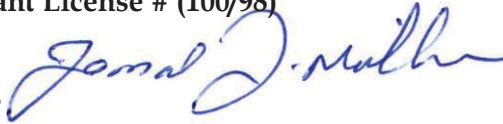
Jamal Milhem, CPA

Certified Accountant License # (100/98)

Executive Director

Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 7 September 2014



2.2. 2013 CDR Output No. 82557

2013 - Signed CDR.



UN Development Programme
Report ID: unglcdrp

Combined Delivery Report By Project

Page 1 of 6
Run Time: 11-03-2014 06:03:32

Selection Criteria :

Business Unit : SDN10
Period : Jan-Dec (2013)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : B0470
Selected Outputs : 00082557

Project Id : 00066369 TRANSITIONAL SOLUTIONS INITIAT	Period :	Jan-Dec (2013)		
Output # : 00082557 TRANSITIONAL SOLUTIONS INITIAT	Impl. Partner :	02885 UNDP (Direct Execution)		
	Location :	Sudan		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

Dept: 47001 (Sudan - Central)

Fund : 04000 (Core Programme, UNU Centre)

71405 - Service Contracts-Individuals	0.00	2,063.27	0.00	2,063.27
71410 - MAIP Premium SC	0.00	9.26	0.00	9.26
77630 - Dep Exp Owned - ITC	0.00	1,427.93	0.00	1,427.93

Total for Fund 04000 0.00 3,500.46 0.00 3,500.46

Fund : 26921 (CPR TTF Conflict)

72125 - Svc Co-Studies & Research Serv	0.00	0.09	0.00	0.09
72425 - Mobile Telephone Charges	0.00	39.92	0.00	39.92
74510 - Bank Charges	0.00	-3.42	0.00	-3.42
74525 - Sundry	0.00	9.40	0.00	9.40
74965 - Low value equipment	0.00	978.26	0.00	978.26
75105 - Facilities & Admin - Implement	0.00	-4.44	0.00	-4.44
77630 - Dep Exp Owned - ITC	0.00	495.64	0.00	495.64
77660 - Dep Exp Owned -Vehicle	0.00	2,084.43	0.00	2,084.43

Total for Fund 26921 0.00 3,599.88 0.00 3,599.88

Fund : 30000 (PROGRAMME COST SHARING)

71620 - Daily Subsistence Allow-Local	0.00	453.63	0.00	453.63
72125 - Svc Co-Studies & Research Serv	0.00	5,667.69	0.00	5,667.69
74510 - Bank Charges	0.00	-5,170.97	0.00	-5,170.97
74525 - Sundry	0.00	200.13	0.00	200.13
75105 - Facilities & Admin - Implement	0.00	228.20	0.00	228.20
77660 - Dep Exp Owned -Vehicle	0.00	2,109.43	0.00	2,109.43

Total for Fund 30000 0.00 3,488.11 0.00 3,488.11

Total for Dept : 47001 0.00 10,588.45 0.00 10,588.45

Dept: 47003 (Sudan - Crisis Prev & Rcvry)

Fund : 04000 (Core Programme, UNU Centre)

72165 - Svc Co-Social Svcs, Social Sci	0.00	399.83	0.00	399.83
72615 - Micro Capital Grants-Other	0.00	75,691.08	0.00	75,691.08
74510 - Bank Charges	0.00	254.78	0.00	254.78
76135 - Realized Gain	0.00	-238.26	0.00	-238.26

Total for Fund 04000 0.00 76,107.43 0.00 76,107.43



Combined Delivery Report By Project

Project Id : 00066369 TRANSITIONAL SOLUTIONS INITIAT	Period :	Jan-Dec (2013)
Output # : 00082557 TRANSITIONAL SOLUTIONS INITIAT	Impl. Partner :	02885 UNDP (Direct Execution)
	Location :	Sudan

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
Fund : 26921 (CPR TTF Conflict)				
61105 - Salaries - NP Staff	0.00	9,634.07	0.00	9,634.07
61305 - Salaries - IP Staff	0.00	56,607.74	0.00	56,607.74
61310 - Post Adjustment - IP Staff	0.00	45,235.90	0.00	45,235.90
62105 - Dependency Allowance-NP Staff	0.00	134.47	0.00	134.47
62110 - Contrib Joint Staff Pension-NP	0.00	1,927.42	0.00	1,927.42
62115 - Contrib to Med,SocIns-NP Staff	0.00	924.19	0.00	924.19
62140 - Annual Leave Expense - NO	0.00	1,028.12	0.00	1,028.12
62305 - Dependency Allowances-IP Staff	0.00	11,716.08	0.00	11,716.08
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	30,139.98	0.00	30,139.98
62315 - Contrib. to medical, social in	0.00	607.39	0.00	607.39
62320 - Mobility, Hardship, Non-remova	0.00	29,533.86	0.00	29,533.86
62340 - Annual Leave Expense - IP	0.00	12,004.17	0.00	12,004.17
63330 - Ed Grt Incl Trvl&Allow-IP Stf	0.00	14,573.88	0.00	14,573.88
63335 - Home Leave Trvl & Allow-IP Stf	0.00	616.68	0.00	616.68
63360 - Medical Exams(incl Pre-empt)	0.00	1,163.32	0.00	1,163.32
63365 - Special Oper Living Allow-IP	0.00	23,547.04	0.00	23,547.04
63530 - Contribution to EOS Benefits	0.00	5,632.83	0.00	5,632.83
63535 - Contribution to Security	0.00	6,008.37	0.00	6,008.37
63540 - Contribution to Training	0.00	1,405.70	0.00	1,405.70
63545 - Contribution to ICT	0.00	2,253.15	0.00	2,253.15
63550 - Contributions to MAIP	0.00	300.45	0.00	300.45
63555 - Contribution to UN JFA	0.00	2,703.73	0.00	2,703.73
63560 - Contributions to Appendix D	0.00	450.61	0.00	450.61
64307 - Appointment-Subsistence Allow	0.00	2,310.00	0.00	2,310.00
64308 - Appointments-Lump Sum	0.00	7,254.06	0.00	7,254.06
64309 - Appointment-Shipments	0.00	10,500.00	0.00	10,500.00
64321 - Reassignment-Ticket Costs	0.00	928.74	0.00	928.74
64322 - Reassignmnts-Subsistence Allow	0.00	2,190.00	0.00	2,190.00
64323 - Reassignments-Lump Sum	0.00	9,076.56	0.00	9,076.56
64324 - Reassignments-Shipments	0.00	10,000.00	0.00	10,000.00
65115 - Contributions to ASHI Reserve	0.00	12,016.62	0.00	12,016.62
65135 - Payroll Mgt Cost Recovery ATLA	0.00	1,119.72	0.00	1,119.72
71305 - Local Consult.-Sht Term-Tech	0.00	3,523.32	0.00	3,523.32
71405 - Service Contracts-Individuals	0.00	11,021.99	0.00	11,021.99
71410 - MAIP Premium SC	0.00	11.42	0.00	11.42
71505 - UN Volunteers-Stipend & Allow	0.00	9,045.68	0.00	9,045.68
71510 - UNV Settling-In-Grant	0.00	4,713.00	0.00	4,713.00
71520 - UNV-Language Allowance	0.00	61.94	0.00	61.94
71535 - UNV-Medical Insurance	0.00	526.88	0.00	526.88
71540 - UNV-Global Charges	0.00	547.80	0.00	547.80
71545 - UNV-Home Leave Travel & Allowa	0.00	24.78	0.00	24.78
71550 - UNV-Resettlement Allowance	0.00	464.52	0.00	464.52
71560 - UNV-Intl Appoint/Sep incl Trvl	0.00	3,650.00	0.00	3,650.00
71590 - UNV HQ use only	0.00	1,903.47	0.00	1,903.47
71605 - Travel Tickets-International	0.00	13,580.38	0.00	13,580.38
71615 - Daily Subsistence Allow-Intl	0.00	5,640.00	0.00	5,640.00
71620 - Daily Subsistence Allow-Local	0.00	5,131.49	0.00	5,131.49
71635 - Travel - Other	0.00	483.10	0.00	483.10
72311 - Fuel, petroleum and other oils	0.00	1,597.36	0.00	1,597.36
72330 - Medical Products	0.00	291.92	0.00	291.92
72505 - Stationery & other Office Supp	0.00	283.89	0.00	283.89
72815 - Inform Technology Supplies	0.00	367.64	0.00	367.64



Combined Delivery Report By Project

Project Id : 00066369 TRANSITIONAL SOLUTIONS INITIAT	Period :	Jan-Dec (2013)
Output # : 00082557 TRANSITIONAL SOLUTIONS INITIAT	Impl. Partner :	02885 UNDP (Direct Execution)
	Location :	Sudan

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
73410 - Maint, Oper of Transport Equip	0.00	202.97	0.00	202.97
74225 - Other Media Costs	0.00	1,879.17	0.00	1,879.17
74325 - Contrib.To CO Common Security	0.00	1,285.21	0.00	1,285.21
74510 - Bank Charges	0.00	125.96	0.00	125.96
74965 - Low value equipment	0.00	525.36	0.00	525.36
75105 - Facilities & Admin - Implement	0.00	0.00	0.00	0.00
76125 - Realized Loss	0.00	219.00	0.00	219.00
76135 - Realized Gain	0.00	-141.74	0.00	-141.74
77630 - Dep Exp Owned - ITC	0.00	160.78	0.00	160.78
Total for Fund 26921	0.00	380,672.14	0.00	380,672.14
Fund : 30000 (PROGRAMME COST SHARING)				
61105 - Salaries - NP Staff	0.00	68,808.98	0.00	68,808.98
61160 - Other payroll costs NP	0.00	125.00	0.00	125.00
61305 - Salaries - IP Staff	0.00	59,709.73	0.00	59,709.73
61310 - Post Adjustment - IP Staff	0.00	10,018.56	0.00	10,018.56
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	6,647.83	0.00	6,647.83
62315 - Contrib. to medical, social in	0.00	439.73	0.00	439.73
62320 - Mobility, Hardship, Non-remova	0.00	6,029.47	0.00	6,029.47
62340 - Annual Leave Expense - IP	0.00	2,533.71	0.00	2,533.71
63335 - Home Leave Trvl & Allow-IP Stf	0.00	308.34	0.00	308.34
63360 - Medical Exams(incl Pre-empl)	0.00	132.64	0.00	132.64
63365 - Special Oper Living Allow-IP	0.00	5,339.19	0.00	5,339.19
63530 - Contribution to EOS Benefits	0.00	1,162.40	0.00	1,162.40
63535 - Contribution to Security	0.00	1,239.88	0.00	1,239.88
63540 - Contribution to Training	0.00	310.00	0.00	310.00
63545 - Contribution to ICT	0.00	464.96	0.00	464.96
63550 - Contributions to MAIP	0.00	61.99	0.00	61.99
63555 - Contribution to UN JFA	0.00	557.95	0.00	557.95
63560 - Contributions to Appendix D	0.00	93.02	0.00	93.02
64306 - Appointment-Ticket Costs	0.00	9,154.17	0.00	9,154.17
64307 - Appointment-Subsistence Allow	0.00	2,310.00	0.00	2,310.00
64308 - Appointments-Lump Sum	0.00	5,913.51	0.00	5,913.51
64309 - Appointment-Shipments	0.00	10,500.00	0.00	10,500.00
65115 - Contributions to ASHI Reserve	0.00	2,479.82	0.00	2,479.82
65135 - Payroll Mgt Cost Recovery ATLA	0.00	197.21	0.00	197.21
71205 - Intl Consultants-Sht Term-Tech	0.00	30,854.88	0.00	30,854.88
71305 - Local Consult.-Sht Term-Tech	0.00	17,710.81	0.00	17,710.81
71405 - Service Contracts-Individuals	0.00	56,037.59	0.00	56,037.59
71410 - MAIP Premium SC	0.00	160.10	0.00	160.10
71605 - Travel Tickets-International	0.00	372.54	0.00	372.54
71610 - Travel Tickets-Local	0.00	100.00	0.00	100.00
71615 - Daily Subsistence Allow-Intl	0.00	2,657.00	0.00	2,657.00
71620 - Daily Subsistence Allow-Local	0.00	23,888.11	0.00	23,888.11
71630 - Shipment	0.00	600.00	0.00	600.00
72105 - Svc Co-Construction & Engineer	0.00	12,735.00	0.00	12,735.00
72125 - Svc Co-Studies & Research Serv	0.00	5,867.60	0.00	5,867.60
72165 - Svc Co-Social Svcs, Social Sci	0.00	2,848.87	0.00	2,848.87
72210 - Machinery and Equipment	0.00	90,057.00	0.00	90,057.00
72311 - Fuel, petroleum and other oils	0.00	8,772.86	0.00	8,772.86
72425 - Mobile Telephone Charges	0.00	524.16	0.00	524.16
72505 - Stationery & other Office Supp	0.00	1,203.17	0.00	1,203.17



Combined Delivery Report By Project

Project Id : 00066369 TRANSITIONAL SOLUTIONS INITIAT	Period :	Jan-Dec (2013)
Output # : 00082557 TRANSITIONAL SOLUTIONS INITIAT	Impl. Partner :	02885 UNDP (Direct Execution)
	Location :	Sudan

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72510 - Publications	0.00	271.74	0.00	271.74
72615 - Micro Capital Grants-Other	374,057.69	820,091.88	0.00	1,194,149.57
72620 - Joint Programming Expenditure	70,992.75	-65,586.61	0.00	5,406.14
73105 - Rent	0.00	20,827.97	0.00	20,827.97
73120 - Utilities	0.00	16.49	0.00	16.49
73125 - Common Services-Premises	0.00	8,949.70	0.00	8,949.70
73405 - Rental & Maint-Other Office Eq	0.00	9,754.68	0.00	9,754.68
73406 - Maintenance of Equipment	0.00	1,694.00	0.00	1,694.00
73410 - Maint, Oper of Transport Equip	0.00	299.22	0.00	299.22
74225 - Other Media Costs	0.00	362.69	0.00	362.69
74325 - Contrib.To CO Common Security	0.00	2,570.42	0.00	2,570.42
74505 - Insurance	0.00	5,336.99	0.00	5,336.99
74510 - Bank Charges	0.00	87,435.43	0.00	87,435.43
74696 - PP&E Expensed Items	0.00	4,538.04	0.00	4,538.04
74705 - Port Operation	0.00	2,191.68	0.00	2,191.68
75105 - Facilities & Admin - Implement	0.00	150,027.94	0.00	150,027.94
75110 - Facilities & Admin - Services	0.00	9,149.90	0.00	9,149.90
75705 - Learning costs	20,946.45	76,507.42	0.00	97,453.87
75707 - Learning - subsistence allowan	28,943.94	14,259.41	0.00	43,203.35
75710 - Participation of counterparts	41,699.58	140,976.54	0.00	182,676.12
75711 - TrnWrkshp&Conf - Stipends	26,887.30	0.00	0.00	26,887.30
76120 - Unrealized Loss	0.00	33,244.01	0.00	33,244.01
76125 - Realized Loss	0.00	1,204.87	0.00	1,204.87
76130 - Unrealized Gain	0.00	- 0.03	0.00	- 0.03
76135 - Realized Gain	0.00	- 872.85	0.00	- 872.85
77630 - Dep Exp Owned - ITC	0.00	503.05	0.00	503.05
Total for Fund 30000	563,527.71	1,772,482.36	0.00	2,336,010.07
Total for Dept : 47003	563,527.71	2,229,261.93	0.00	2,792,789.64
Dept: 47004 (Sudan - Dem. Governance)				
Fund : 30000 (PROGRAMME COST SHARING)				
61105 - Salaries - NP Staff	0.00	66,422.79	0.00	66,422.79
75105 - Facilities & Admin - Implement	0.00	4,649.60	0.00	4,649.60
Total for Fund 30000	0.00	71,072.39	0.00	71,072.39
Total for Dept : 47004	0.00	71,072.39	0.00	71,072.39
Total for Output : 00082557	563,527.71	2,310,922.77	0.00	2,874,450.48

Project Total :	563,527.71	2,310,922.77	0.00	2,874,450.48
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Signed By :

Date :

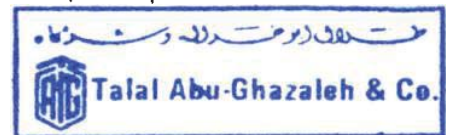
11/3/2014

Signed By :

Date :

14/3/2014

Jamal D. Malhe





Combined Delivery Report By Project

Selection Criteria :

Business Unit : SDN10
Period : Jan-Dec (2013)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : B0470
Selected Outputs : 00082557

Project Id : ALL	Period : Jan-Dec (2013)
Output # : ALL	Impl. Partner :
	Location :

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
47001 - Sudan - Central	0.00	10,588.45	0.00	10,588.45
47003 - Sudan - Crisis Prev & Rcvry	563,527.71	2,229,261.93	0.00	2,792,789.64
47004 - Sudan - Dem. Governance	0.00	71,072.39	0.00	71,072.39



Funds Utilization

Selection Criteria :

Business Unit : SDN10
Period : Jan-Dec (2013)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : B0470
Selected Outputs : 00082557

Project/Award: 00066369 TRANSITIONAL SOLUTIONS INITIAT

Period : As at Dec 31, 2013

Output #	Impl. Partner	UNDP AMOUNT
00082557	:02885 UNDP (Direct Execution)	
Outstanding NEX advances		94,542.83
Undepreciated Fixed Assets		101,649.61
Inventory		0.00
Prepayments		0.00
Commitments		132,923.22

3. CERTIFICATION OF THE STATEMENT OF FIXED ASSETS

To the Director of the Office of Audit and Investigations

United Nations Development Programme

Report on the Statement of Fixed Assets

We have audited the accompanying Statement of Fixed Assets (the statement) of the UNDP Output ID 82557 “UNDP/UNHCR Transitional Solutions Initiative”, as of 31 December 2013.

Management’s Responsibility

Management is responsible for the preparation of the statement for “UNDP/UNHCR Transitional Solutions Initiative” Project and for such internal control as management determines is necessary to enable the preparation of the statement that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with the International Standards on Auditing (ISA700). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

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

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



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Unmodified Opinion

In our opinion, the attached Statement of assets presents fairly, in all material respects, the balance of inventory of USD 108,671 incurred by the project as at 31 December 2013 in accordance with UNDP accounting policies.

Jamal Milhem, CPA

Certified Accountant License # (100/98)

Executive Director

Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 7 September 2014



3.1 Statement of Fixed Assets - 2013

UNDP/UNHCR Transitional Solutions Initiative (TSI)

STATEMENT OF FIXED ASSETS		
AS AT 31 DECEMBER 2013		
Category	Location	Value USD
IT Equipment	Kassala	33,182
Vehicles		75,489
Total Value		108,671

3.2 List of Fixed Assets and Equipment:

Statement of assets as of 31 December 2013

Country Office : UNDP Sudan
Project Title : UNDP / UNHCT Transitional Solutions Initiative (TSI)
Project number : 00066369
Output number : 00082557

Asset ID	Description	Serial Number	Location	Acquisition Date	Acquisition Cost in USD	Net Book Value in USD	Project
00000003896	A Notebook computers	C8D4JQ1	SDNKASSALA	19-Dec-12	1,649.00	1,410.66	00082557
00000003897	A Notebook computers	8H9S8W1	SDNKASSALA	19-Dec-12	1,649.00	1,410.66	00082557
00000003898	A Notebook computers	6PDS8W1	SDNKASSALA	19-Dec-12	1,649.00	1,410.66	00082557
00000003899	A Notebook computers	4Y9S8W1	SDNKASSALA	19-Dec-12	1,649.00	1,410.66	00082557
00000003900	A Notebook computers	G3J58W1	SDNKASSALA	19-Dec-12	1,649.00	1,410.66	00082557
00000003901	A Notebook computers	7J9S8W1	SDNKASSALA	19-Dec-12	1,649.00	1,410.66	00082557
00000003902	A Notebook computers	6XBCJV1	SDNKASSALA	19-Dec-12	1,649.00	1,410.66	00082557
00000003937	A Station wagons	JTEBD9FJ3CK011015	SDNKASSALA	20-May-13	37,969.80	35,860.37	00082557
00000004004	A Projectors	7030648247S	SDNKASSALA	8-May-13	634.06	591.79	00082557
00000004016	A Vehicles - Repair Supplies	JTGEB73J7D9010722	SDNKASSALA	20-May-13	37,519.80	35,435.37	00082557
00000004025	A Photographic equipment	8296208	SDNKASSALA	8-May-13	1,422.10	1,303.59	00082557
00000004057	A Scanners	SG2G7012SP	SDNKASSALA	16-Jun-13	5,244.57	4,862.15	00082557
00000004091	A Photocopiers	W903P400641	SDNKASSALA	14-Jul-13	2,264.49	2,151.27	00082557
00000004163	A Notebook computers	BDY8VY1	SDNKASSALA	25-Sep-13	2,414.70	2,314.09	00082557
00000004164	A Notebook computers	JZX8VY1	SDNKASSALA	25-Sep-13	2,414.70	2,314.09	00082557
00000004165	A Notebook computers	30Y8VY1	SDNKASSALA	25-Sep-13	2,414.70	2,314.09	00082557
00000004198	A Notebook computers	HS69VY1	SDNKASSALA	25-Sep-13	2,414.70	2,314.09	00082557
00000004199	A Notebook computers	93Y8VY1	SDNKASSALA	25-Sep-13	2,414.70	2,314.09	00082557
					108,671.32	101,649.61	

Asset focal point

Head of Unit

(Signature)
(Signature)



4. CERTIFICATION OF THE STATEMENT OF CASH POSITION

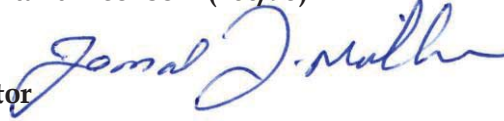
To the Director of the Office of Audit and Investigations
United Nations Development Programme

In accordance with the Terms of Reference for the audit, we did not issue an opinion on the Statement of Cash Position as there was no separate bank account for the project under review.

Jamal Milhem, CPA

Certified Accountant License # (100/98)

Executive Director



Talal Abu - Ghazaleh & Co.

Ramallah - Palestine, 7 September 2014



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5. PART III - MANAGEMENT LETTER

We did not identify reportable issues during our audit of the output ID 82557 “UNDP/UNHCR Transitional Solutions Initiative” implemented by UNDP - Sudan for the period from January 1, 2013 to December 31, 2013.