

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



*Empowered lives.
Resilient nations.*

AUDIT

OF

UNDP BOSNIA AND HERZEGOVINA

GREEN ECONOMIC DEVELOPMENT ENVIRONMENT
(Directly Implemented Project No. 48025, Output No. 79758)

Report No. 1633

Issue Date: 5 July 2016

**Report on the Audit of UNDP Bosnia and Herzegovina
Green Economic Development Environment
(Project No. 48025, Output No. 79758)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Deloitte LLP (the audit firm), from 9 May to 20 May 2016, conducted an audit of Green Economic Development Environment (Project No. 48025, Output No. 79758) (the Project), which is directly implemented and managed by the UNDP Country Office in Bosnia and Herzegovina (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 2015 and the accompanying Funds Utilization statement¹ as of 31 December 2015 as well as the Statement of Assets as of 31 December 2015. The audit did not include activities and expenses incurred or undertaken at the "responsible party" level, or expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters). 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
4,378	Unqualified	19	Unqualified

The audit did not result in any recommendations.



Antoine Khoury
Officer-in-Charge
Office of Audit and Investigations

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.

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT FOR
THE OUTPUT PROJECT NO. 00079758
"GREEN ECONOMIC DEVELOPMENT
ENVIRONMENT"
FOR THE YEAR ENDED 31 DECEMBER 2015**

**Implementing partner:
United Nations Development Programme**

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Part I - Executive Summary of the Output Project no. 00079758 – Green Economic Development Environment

(All amounts are expressed in USD, unless otherwise stated)

1. EXECUTIVE SUMMARY

1.1. Project information

Energy efficiency in Bosnia and Herzegovina (“BiH”) is still in the early stages of development. Since public buildings in BiH currently consume three times the energy stipulated by EU standards, which represents a significant part of budget costs, one of the first steps is to improve efficiency of energy consumption..

Another set of problems is the “system”. There is no system in place for identification (no baseline study), selection of priorities and implementation nor monitoring and verification of energy efficiency in the public sector.

In order to overcome current problems, reduce energy consumption, and build a sustainable system for increased energy efficiency in BiH, the United Nations Development Programme (hereinafter “UNDP”) through its Green Economic Development project (hereinafter “the Project”) created a programme that focuses on institutionalization of energy management on all government levels as well as implementing concrete energy efficiency measures in public sector buildings that immediately show results and serve as lessons learnt that further motivate all BiH government levels to make a difference. The Project is directly implemented by the BiH Country Office (hereinafter “the Office”).

Besides significant financial savings in the public budget, the Project also contributes to:

- a) Reduced Greenhouse Gas emissions,
- b) Increased comfort (mostly targeting schools, kindergartens, health care centers etc.) and
- c) Creation of job opportunities for BiH citizens (green jobs).

Key Project activities can be summarized as follows:

- Strengthening the capacity of institutions - training, capacity building and the provision of technical assistance to funds, and the formation of the Association of Thermal Power Engineers;
- Institutionalization of energy management - introduction of the Energy Management Information System (EMIS) in public buildings, education of end users, monitoring of the achieved savings and creation of a legal obligation on the monitoring of energy consumption in public buildings;
- Establishment of a legislative framework - creation of bylaws and financial mechanisms with the Environmental Protection Funds in order to create a sustainable system of financing of projects in the field of energy efficiency;
- Implementation of infrastructural measures - objectives of these measures are energy savings, employment of local labor, increase of comfort in public buildings, savings in the budgets, and the possibility of reinvestment of saved funds;
- Raising public awareness about energy efficiency through a series of activities for the purpose of education of citizens about energy efficiency, energy-saving potentials and reduction of costs.

UNITED NATIONS DEVELOPMENT PROGRAMME

Part I - Executive Summary of the Output Project no. 00079758 – Green Economic Development Environment

(All amounts are expressed in USD, unless otherwise stated)

1. EXECUTIVE SUMMARY (CONTINUED)

1.1. Project information (continued)

Partners of the Project are as follows:

- Swedish Embassy in BIH / SIDA
- BIH Ministry of Foreign Trade and Economic Relations
- Environmental Fund of Federation of BiH; FBiH Ministry of Physical Planning
- Federal Ministry of Environment and Tourism
- Ministry of Spatial Planning, Civil Engineering and Ecology of Republika Srpska
- Fund for Environment and Energy Efficiency of RS;
- Various local public institutions.

1.2. Objective and scope of the financial audit

Following our contract for professional services (hereinafter "the Contract") we have performed an audit in accordance with the International Standards of Auditing.

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

1. Expressing an opinion on whether the financial expenses incurred by the project over a specified period and the funds utilization as at the end of 31 December 2015 are fairly presented in accordance with UNDP accounting policies and that the expenses incurred were:

- (i) in conformity with the approved project budgets;
- (ii) for the approved purposes of the project;
- (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and
- (iv) supported by properly approved vouchers and other supporting documents.

The Combined Delivery Report (CDR) and the accompanying Funds Utilization statement are the mandatory and official statements upon which the audit opinion should be expressed. Other forms of statement of expenses that may be prepared by a project office are not accepted.

2. Expressing an opinion on whether the statement of fixed assets presents fairly the balance of fixed assets of the UNDP project as at a given date. This statement must include all assets available as at 31 December 2015 and not only those purchased in a given period. Where a Directly Implemented project (hereinafter "DIM project") does not have any assets or equipment, it will not be necessary to express such an opinion.

UNITED NATIONS DEVELOPMENT PROGRAMME

Part I - Executive Summary of the Output Project no. 00079758 – Green Economic Development Environment

(All amounts are expressed in USD, unless otherwise stated)

1. EXECUTIVE SUMMARY (CONTINUED)

1.2. Objective and scope of the financial audit (continued)

3. Expressing an opinion on whether the statement of cash held by the project presents fairly the cash and bank balance of UNDP project as at 31 December 2015. Disbursements made against a DIM project are usually financed from the Office bank accounts. Exceptionally, a dedicated bank account may be opened and used solely for the cash transactions of a DIM project, e.g. if the project is in a remote location. The audit firm is required to express an opinion on the Statement of Cash only where a dedicated bank account for the DIM project has been established. In cases where the cash transactions of the audited DIM project are made through the country office bank accounts, this type of opinion is not required.

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

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

1.3 Work performed

The following table summarizes total reported expenses and total amount of transactions under our examination:

Project number	Output number	Project name	Total expenses as per CDR (in USD)	Total amount under our scope (in USD)	Total amount tested (in USD)	No. of samples	Amount tested in % of amount under scope
0048025	00079758	Green Economic Development Environment	4,377,523	4,377,523	1,181,696	38	27%

Specifically, the audit covered the following:

- a) The expenses incurred and recorded in the Combined Delivery Reports (CDR) of the Project during the period from 1 January to 31 December 2015 and the Funds Utilization statement as at 31 December 2015 as reported by the Office in Bosnia and Herzegovina;
- b) The value and existence of the fixed assets held by the Project as at 31 December 2015; and
- c) The value and existence of cash held by the Project as at 31 December 2015, either as cash at hand or in the bank account (Statement of Cash is required only if there is separate bank account for the DIM project under review).

As reported in the table above, sampling procedures on population tested were performed by us using Excel Analytics Toolbar in accordance to Deloitte's internal methodologies, guides and risk assessment. Precisely, samples tested are chosen using statistical method - Monetary Unit Sampling technique, a type of value-weighted selection.

Part I - Executive Summary of the Output Project no. 00079758 – Green Economic Development Environment

(All amounts are expressed in USD, unless otherwise stated)

1. EXECUTIVE SUMMARY (CONTINUED)

1.3 Work performed (continued)

Fieldwork performed directly on-the-spot in the Office premises in Sarajevo was organized during the period May 9 - 20, 2016. Overall audit timeline was as follows:

Audit phase	Timeline
Planning	May 2 – 6, 2016
Fieldwork	May 9 – 20, 2016
Reporting	May 23 – 27, 2016

1.4. Summary of audit results

Combined Delivery Report:

Our opinion on respective parts of the Combined Delivery Report is included in Part 2 of this report.

Statement of fixed assets

Our opinion on respective parts of the Statement of fixed assets is included in Part 2 of this report.

Statement of cash

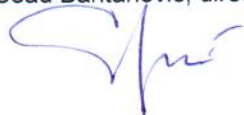
We did not provide opinion on whether the Statement of cash presents fairly the balance of cash of the project as at 31 December 2015, as cash transactions of the project are made through the Office bank account. In accordance to Annex II of the Contract for Professional Services (*Term of Reference*) the auditor is required to express an opinion on the Statement of Cash only where a dedicated bank account for the DIM project is established. In cases where the cash transactions are made through the Office bank accounts, no opinion is required.

Internal controls

We have obtained an understanding of the design of relevant control policies and procedures and determined whether they have been implemented. We have assessed the control risk in order to determine the level of our substantive procedures for the purpose of expressing our opinion on the project financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

Deloitte d.o.o. Sarajevo

Sead Bahtanović, director and licensed auditor



Sabina Softić, partner and licensed auditor



Sarajevo, Bosnia and Herzegovina
22 June 2016

Part II - Auditor report with opinion

(All amounts are expressed in USD, unless otherwise stated)

2. AUDIT REPORT WITH OPINION

2.1. Independent auditor's report

REPORT OF THE INDEPENDENT AUDITOR TO UNDP ON THE STATEMENT OF EXPENSES OF THE OUTPUT PROJECT NO. 00079758 "GREEN ECONOMIC DEVELOPMENT ENVIRONMENT"

We have audited the accompanying Combined Delivery Report (CDR) and Funds Utilization statement ("the statement") of the output project number 00079758, "Green Economic Development Environment" for the period 1 January to 31 December 2015.

Management's responsibility for the financial report

Management is responsible for the preparation of the statement for "Green Economic Development Environment" 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.

The auditor's responsibility

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

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

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

Unmodified opinion

In our opinion, the attached Combined Delivery Report (CDR) and Funds Utilization statement present fairly, in all material respects, the expenses incurred by the output project "Green Economic Development Environment" in the amount of \$4,377,523 for the period from 1 January to 31 December 2015 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.

Deloitte d.o.o.

Sead Bahtanović, director and licenced auditor

Sabina Softić, partner and licenced auditor



Sarajevo, Bosnia and Herzegovina

22 June 2016

REPORT OF THE INDEPENDENT AUDITOR TO UNDP ON THE STATEMENT OF FIXED ASSETS OF THE OUTPUT PROJECT NO. 00079758 "GREEN ECONOMIC DEVELOPMENT ENVIRONMENT"

We have audited the accompanying Statement of Fixed Assets ("the statement") of the UNDP output project number 00079758, "Green Economic Development Environment" as at 31 December 2015.

Management's responsibility for the financial report

Management is responsible for the preparation of the statement for "Green Economic Development Environment" output 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.

The auditor's responsibility

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

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

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

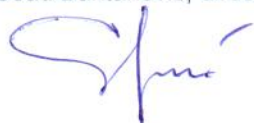
Unmodified opinion

In our opinion, the attached Statement of Fixed Assets presents fairly, in all material respects, the balance of inventory of the UNDP output project "Green Economic Development Environment" amounting to \$19,116 as at 31 December 2015 in accordance with UNDP accounting policies.

Deloitte d.o.o.

Sead Bahtanović, director and licenced auditor

Sabina Softić, partner and licenced auditor



Sarajevo, Bosnia and Herzegovina

22 June 2016

UNITED NATIONS DEVELOPMENT PROGRAMME

Part II - Auditor report with opinion

(All amounts are expressed in USD, unless otherwise stated)

2. AUDIT REPORT WITH OPINION (CONTINUED)

2.2. Signed Combined Delivery Report and the accompanying Funds Utilization statement



UN Development Programme
Report ID: unglodip

Combined Delivery Report By Project

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Project id : 00048025 Mainstreaming Environmental Go	Period :	Jan-Dec (2015)		
Output # : 00079758 Green Economic Development Env	Impl. Partner :	99999 UNDP		
	Location :	Bosnia-Herzgovina		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

Output # : 00079758 Green Economic Development Env	Impl. Partner :	99999 UNDP
	Location :	Bosnia-Herzgovina

Dept: 54204 (Bosnia&Herz-Dem. Governance)

Fund : 30071 (Programme Cost Sharing GOV1)

72120 - Svc Co-Trade and Business Serv	0.00	1,250.21	0.00	1,250.21
75105 - Facilities & Admin - Implement	0.00	62.51	0.00	62.51

Total for Fund 30071 0.00 1,312.72 0.00 1,312.72

Total for Dept : 54204 0.00 1,312.72 0.00 1,312.72

Dept: 54205 (Bosnia&Herz-Energy & Environmt)

Fund : 30000 (PROGRAMME COST SHARING)

71205 - Intl Consultants-Sht Term-Tech	0.00	3,600.00	0.00	3,600.00
71305 - Local Consult -Sht Term-Tech	0.00	101,773.47	0.00	101,773.47
71405 - Service Contracts-Individuals	0.00	34,816.96	0.00	34,816.96
71410 - MAIP Premium SC	0.00	121.19	0.00	121.19
71415 - Contribution to Security SC	0.00	1,363.38	0.00	1,363.38
72105 - Svc Co-Construction & Engineer	0.00	412,310.77	0.00	412,310.77
72120 - Svc Co-Trade and Business Serv	0.00	933,548.31	0.00	933,548.31
72130 - Svc Co-Transportation Services	0.00	161.79	0.00	161.79
74205 - Audio Visual Productions	0.00	103,844.99	0.00	103,844.99
74215 - Promotional Materials and Dist	0.00	1,054.70	0.00	1,054.70
74225 - Other Media Costs	0.00	1,473.36	0.00	1,473.36
75105 - Facilities & Admin - Implement	0.00	127,525.51	0.00	127,525.51
76125 - Realized Loss	0.00	395.81	0.00	395.81
76135 - Realized Gain	0.00	-107.70	0.00	-107.70

Total for Fund 30000 0.00 1,721,882.54 0.00 1,721,882.54

Fund : 30071 (Programme Cost Sharing GOV1)

33003 - IPSAS adj for Fixed Assets	0.00	-21,379.41	0.00	-21,379.41
61205 - Salaries - GS Staff	0.00	10,400.49	0.00	10,400.49
62205 - Dependency Allow - GS Staff	0.00	843.66	0.00	843.66
62210 - Contrib to Jt Staff Pens Fd-GS	0.00	2,057.17	0.00	2,057.17
62215 - Contrib. to Medical, social In	0.00	754.05	0.00	754.05
62240 - Annual Leave Expense - GS	0.00	614.64	0.00	614.64
63250 - Reimb for Med Costs (GS)	0.00	56.85	0.00	56.85
63530 - Contribution to EOG Benefits	0.00	390.02	0.00	390.02
63535 - Contribution to Security	0.00	468.01	0.00	468.01
63545 - Contribution to ICT	0.00	156.01	0.00	156.01
63550 - Contributions to MAIP	0.00	41.60	0.00	41.60
63555 - Contribution to UN JFA	0.00	312.02	0.00	312.02
63560 - Contributions to Appendix D	0.00	31.21	0.00	31.21
65115 - Contributions to ASHI Reserve	0.00	832.07	0.00	832.07
65135 - Payroll Mgt Cost Recovery ATLA	0.00	100.83	0.00	100.83



UNITED NATIONS DEVELOPMENT PROGRAMME

Part II - Auditor report with opinion

(All amounts are expressed in USD, unless otherwise stated)

2. AUDIT REPORT WITH OPINION (CONTINUED)

2.2. Signed Combined Delivery Report and the accompanying Funds Utilization statement (continued)



UN Development Programme
Report ID: unglodrp

Combined Delivery Report By Project

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Run Time: 07-02-2016 10:02:33

Project id : 00048025 Mainstreaming Environmental Gc	Period :	Jan-Dec (2016)		
Output # : 00079798 Green Economic Development Env	Impl. Partner :	9999 UNDP		
	Location :	Bosnia-Herzegovina		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
71305 - Local Consult -Shl Term-Tech	0.00	171,470.88	0.00	171,470.88
71310 - Local Consult -Short Term-Supp	0.00	64.80	0.00	64.80
71405 - Service Contracts-Individuals	0.00	85,161.11	0.00	85,161.11
71410 - MAIP Premium SC	0.00	295.80	0.00	295.80
71415 - Contribution to Security SC	0.00	3,327.33	0.00	3,327.33
71505 - UN Volunteers-Stipend & Allow	0.00	30,514.75	0.00	30,514.75
71520 - UNV-Language Allowance	0.00	1,858.57	0.00	1,858.57
71535 - UNV-Medical Insurance	0.00	1,963.03	0.00	1,963.03
71540 - UNV-Global Charges	0.00	1,248.80	0.00	1,248.80
71541 - UNVs-Contribution to security	0.00	1,353.07	0.00	1,353.07
71550 - UNV-Resettlement Allowance	0.00	2,505.45	0.00	2,505.45
71565 - UNV-Nat'l Appoint/Sep Incl Trvl	0.00	28.97	0.00	28.97
71590 - UNV Development Effectiveness	0.00	4,460.53	0.00	4,460.53
71605 - Travel Tickets-International	0.00	3,490.50	0.00	3,490.50
71615 - Daily Subsistence Allow-Intl	0.00	13,700.36	0.00	13,700.36
71620 - Daily Subsistence Allow-Local	0.00	21,038.63	0.00	21,038.63
71625 - Daily Substst Allow-Mtg Partic	0.00	61.11	0.00	61.11
71635 - Travel - Other	0.00	7,195.03	0.00	7,195.03
72105 - Svc Co-Construction & Engineer	0.00	1,955,397.06	0.00	1,955,397.06
72120 - Svc Co-Trade and Business Serv	0.00	52,309.14	0.00	52,309.14
72311 - Fuel, petroleum and other oils	0.00	3,481.05	0.00	3,481.05
72405 - Acquisition of Communic Equip	0.00	304.07	0.00	304.07
72420 - Land Telephone Charges	0.00	233.79	0.00	233.79
72425 - Mobile Telephone Charges	0.00	1,055.17	0.00	1,055.17
72430 - Postage and Pouch	0.00	643.86	0.00	643.86
72440 - Connectivity Charges	0.00	116.81	0.00	116.81
72505 - Stationery & other Office Supp	0.00	4,728.96	0.00	4,728.96
72705 - Hospitality-Special Events	0.00	32.45	0.00	32.45
72805 - Acquis of Computer Hardware	0.00	4,865.17	0.00	4,865.17
72815 - Inform Technology Supplies	0.00	1,126.10	0.00	1,126.10
73105 - Rent	0.00	7,425.22	0.00	7,425.22
73120 - Utilities	0.00	659.37	0.00	659.37
73125 - Common Services-Premises	0.00	8,917.19	0.00	8,917.19
73405 - Rental & Maint-Other Office Eq	0.00	515.78	0.00	515.78
73410 - Maint, Oper of Transport Equip	0.00	939.52	0.00	939.52
73420 - Leased Vehicles	0.00	39.33	0.00	39.33
74205 - Audio Visual Productions	0.00	111,488.96	0.00	111,488.96
74210 - Printing and Publications	0.00	100.90	0.00	100.90
74215 - Promotional Materials and Dist	0.00	278.55	0.00	278.55
74220 - Translation Costs	0.00	207.43	0.00	207.43
74225 - Other Media Costs	0.00	4,673.30	0.00	4,673.30
74230 - Audio & Visual Equipment	0.00	97.77	0.00	97.77
74510 - Bank Charges	0.00	2,985.23	0.00	2,985.23
74525 - Sundry	0.00	3,759.25	0.00	3,759.25
74896 - PP&E Expensed Items	0.00	6,136.36	0.00	6,136.36
75105 - Facilities & Admin - Implemen:	0.00	127,403.44	0.00	127,403.44
75705 - Learning costs	0.00	2,219.06	0.00	2,219.06
75707 - Learning - subsistence allowan	0.00	363.16	0.00	363.16
75709 - Learning - training of counter	0.00	2,631.51	0.00	2,631.51
76125 - Realized Loss	0.00	91.28	0.00	91.28
76135 - Realized Gain	0.00	-153.42	0.00	-153.42
77630 - Dep Exp Owned - ITC	0.00	1,432.63	0.00	1,432.63
77660 - Dep Exp Owned -Vehicle	0.00	2,303.08	0.00	2,303.08

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UNITED NATIONS DEVELOPMENT PROGRAMME

Part II - Auditor report with opinion

(All amounts are expressed in USD, unless otherwise stated)

2. AUDIT REPORT WITH OPINION (CONTINUED)

2.2. Signed Combined Delivery Report and the accompanying Funds Utilization statement (continued)

UNDP UN Development Programme
Report ID: urglodrp

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Combined Delivery Report By Project

Project Id : 00048623 Mainstreaming Environmental Go	Period :	Jan-Dec (2015)
Output # : 00079756 Green Economic Development Env	Impl. Partner :	89990 UNDP
	Location :	Bosnia-Herzgovina

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
Total for Fund 30071	0.00	2,654,029.49	0.00	2,654,029.49
Total for Dept : 54205	0.00	4,375,912.03	0.00	4,375,912.03
Dept: 54208 (Bosnia&Herz-Poverty Reduction)				
Fund : 30071 (Programme Cost Sharing GOV1)				
71620 - Daily Subsistence Allow-Local	0.00	284.00	0.00	284.00
75105 - Facilities & Admin - Implement	0.00	14.20	0.00	14.20
Total for Fund 30071	0.00	298.20	0.00	298.20
Total for Dept : 54208	0.00	298.20	0.00	298.20
Total for Output : 00079756	0.00	4,377,522.95	0.00	4,377,522.95
Project Total :	0.00	4,377,522.95	0.00	4,377,522.95

Signed By: *[Signature]*, Siniša Radic Date: 07/03/2016

Signed By: Larisa Rukon, LARISA RUKON Date: 10/02/16
HOST OF ROS



Part II - Auditor report with opinion

(All amounts are expressed in USD, unless otherwise stated)

2. AUDIT REPORT WITH OPINION (CONTINUED)

2.2. Signed Combined Delivery Report and the accompanying Funds Utilization statement (continued)



UN Development Programme
Report ID: ungidrp

Combined Delivery Report By Project

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Funds Utilization

Project/Award: 00046049 PIMS3880MSP:Biomas	Period : As at Dec 31, 2015
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Output # 00054633 Impl. Partner :99999 UNDP	UNDP AMOUNT
Outstanding NEX advances	0.00
Undepreciated Fixed Assets	1,359.51
Inventory	0.00
Prepayments	0.00
Commitments	0.00

Project/Award: 00048025 Mainstreaming Environmental Go	Period : As at Dec 31, 2015
--	-----------------------------

Output # 00079758 Impl. Partner :99999 UNDP	UNDP AMOUNT
Outstanding NEX advances	0.00
Undepreciated Fixed Assets	19,115.91
Inventory	0.00
Prepayments	0.00
Commitments	0.00

Project/Award: 00050485 CD to Process War Crimes Cases	Period : As at Dec 31, 2015
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Output # 00062395 Impl. Partner :99999 UNDP	UNDP AMOUNT
Outstanding NEX advances	0.00
Undepreciated Fixed Assets	3,146.97
Inventory	0.00

Part III – Management letter

(All amounts are expressed in USD, unless otherwise stated)

3. MANAGEMENT LETTER

In accordance with Annex II of the Contract we have performed an audit on the project financial statements of the output project no. 00079758 "Green Economic Development Environment" for the period 1 January to 31 December 2015.

Our work has been carried out primarily for the purpose of expressing an opinion on the Output Project Financial Statements. Consequently, our examination may have not covered all those areas where improvements could be made. The examination was set at a level which, in the given circumstances, was necessary for the audit's purposes.

Usual auditors' practice is to issue Management Recommendation Letter, whose aim is to bring to your attention any significant matters revealed by our audit (if any), and if applicable, to make recommendations. However, during the course of our audit we have identified no issues that have influence on our audit opinion or would bring any other concerns for our comments or recommendations.

Yours sincerely,

Deloitte d.o.o.

Sead Bahtanović, director and licenced auditor

Sabina Softić, partner and licenced auditor



Sarajevo, Bosnia and Herzegovina

22 June 2016