

**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**Office of Audit and Investigations**



*Empowered lives.  
Resilient nations.*

**AUDIT**

**OF**

**UNDP BOSNIA AND HERZEGOVINA**

**EU FLOOD RECOVERY PROGRAMME**

**(Directly Implemented Project No. 81239, Output No. 91517)**

**Report No. 1634**

**Issue Date: 8 July 2016**

## Report on the Audit of UNDP Bosnia and Herzegovina EU Flood Recovery Programme (Project No. 81239, Output No. 91517) 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 the EU Flood Recovery Programme (Project No. 81239, Output No. 91517) (the Project), which is directly implemented and managed by the UNDP Country Office in Bosnia and Herzegovina (the Office). The last audit of the Project was conducted by OAI in 2015 and covered project expenditure from 1 January to 31 December 2014.

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 statement<sup>1</sup> 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 Assets as no assets were purchased by the Project. 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*	
Amount (in \$ '000)	Opinion
28,479	Unqualified

\* Expenditures recorded in the Combined Delivery Report were \$31,958,544. Excluded from the audit scope were transactions that relate to expenditures processed by other United Nations agencies (\$3,479,956).


### Implementation status of previous OAI audit recommendations

The previous audit (Report No. 1485, 15 July 2015) had one recommendation. It was assessed by the audit firm as fully implemented.

<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.

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The current audit did not result in any recommendations.

A handwritten signature in blue ink is enclosed within a black rectangular box. The signature is stylized and appears to read 'Antoine Khoury'.

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

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT FOR  
THE OUTPUT PROJECT NO. 00091517  
"EU FLOOD RECOVERY PROGRAMME"  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**Implementing partner:  
United Nations Development Programme**

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## UNITED NATIONS DEVELOPMENT PROGRAMME

### Part I - Executive Summary of the Output Project no. 00091517 - EU Flood Recovery Programme

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

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#### 1. EXECUTIVE SUMMARY

##### 1.1. Project information

EU Flood Recovery Programme (hereinafter "the Project") is the largest EU funded recovery programme implemented following the natural disaster that struck Bosnia and Herzegovina in May 2014. The overall objective of the Project was to aid the post-disaster recovery of flood-affected local communities in Bosnia and Herzegovina by addressing critical requirements identified by the Recovery Needs Assessment. The Project was initiated on 11 July 2014 and will last until 31 December 2016 (original duration until 10 March 2016 was extended to include extensive quality assurance process and beneficiary support).

Main activities of the Project are:

1. Design and implement a comprehensive housing rehabilitation program in flood-affected localities for 4,640 socially and economically vulnerable households;
2. Restore public services and infrastructure in no fewer than 50 affected localities;
3. Support the revitalization of local farm holdings and target Micro, Small and Medium Enterprises in restoring/improving volume of economic activity, but retaining/creating up to 5,547 jobs in agriculture and local businesses in affected areas.

The main Project results were as follows:

- 1) A comprehensive Housing Risk Assessment survey was completed;
- 2) Dwelling of 4,649 for approximately 14,456 people rehabilitated in accordance with relevant housing standards and post-hand-over quality assurance provided.
- 3) Educational institutions (totalling 119 and include pre-school facilities) in flood-affected areas rehabilitated and refurbished, and post-completion quality assurance and support to beneficiaries provided for at least 89 institutions. In four educational facilities additional Disaster Risk Reduction (hereinafter "DRR") measures were implemented.
- 4) Seven public administration and welfare facilities in flood-affected localities were reconstructed as well as post-completion quality assurance provided for at least five institutions. DRR measures were implemented in one public administration building.
- 5) Six healthcare facilities within flood-affected areas rehabilitated and post-completion quality assurance provided for all rehabilitated facilities.
- 6) Thirty-one critical water and sanitation facilities in flood-affected areas reconstructed, including post-completion quality assurance for at least 11 sites.
- 7) Local roads and bridges (totalling 114) in flood-affected areas rehabilitated, and post-completion quality assurance provided for at least 35 sites.
- 8) New jobs created (totalling 5,889) and retained through direct support to 1,245 farmers/agricultural households and 116 local businesses, and post-assistance quality assurance and support provided to all beneficiaries.
- 9) A comprehensive data repository software including information on all activities, beneficiaries and results created as a programme legacy tool.

**Part I - Executive Summary of the Output Project no. 00091517 - EU Flood Recovery Programme**

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

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**1. EXECUTIVE SUMMARY (CONTINUED)**

**1.1. Project information (continued)**

**Implementing partners**

The Project was implemented by the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF) and International Organization for Migrations (IOM).

**Partners**

Partners on the ground include all municipality level governments where the Project activities have been implemented, as all public calls for selection of beneficiaries (housing and livelihoods components - Bijeljina, Šamac, Dobož, Maglaj, Orašje, Odžak, Brčko District, Domaljevac-Šamac, Sanski Most, Prijedor, Banja Luka, Laktaši, Tuzla, Živinice, Modriča, Srebrenik, Lukavac, Zenica, Žepče, Kladanj, Kalesija, Živinice, Srbac, Čelinac, Vukosavlje, Šekovići, Lopare, Petrovo, Donji Žabar, Banovići, Bosanska Krupa, Čelić, Derventa, Gračanica, Gradiška, Ključ, Kotor Varoš, Kostajnica, Novi Grad, Travnik, Vareš, Zvornik, Zavidovići, Usora, Kakanj, Dobož Istok, Kozarska Dubica, Milići, Pelagićevo, Visoko and Vlasenica) were jointly organized. Besides this, partners include representatives and beneficiaries of all local public facilities as well as communal infrastructure projects which have been included in the Project.

**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 Standard 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. 00091517 - EU Flood Recovery Programme

*(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 the 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 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:

Output Project number	Output number	Output 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
00081239	00091517	EU Flood Recovery programme	31,958,543	28,478,587 <sup>[1]</sup>	3,116,461	41	11%

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.

<sup>[1]</sup> Expenditures exclude the amount of USD 3,479,956 implemented by the United Nations Children's Fund (UNICEF) and International Organization for Migrations (IOM) which were outside the scope of our audit.



**Part I - Executive Summary of the Output Project no. 00091517 - EU Flood Recovery Programme**

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

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**1. EXECUTIVE SUMMARY (CONTINUED)**

**1.3. Work performed (continued)**

Precisely, samples tested are chosen using statistical method - Monetary Unit Sampling technique, a type of value-weighted selection.

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

<b>Audit phase</b>	<b>Timeline</b>
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**

We did not provide opinion on whether the Statement of fixed assets presents fairly the balance of assets of the project, as the Output Project did not hold any assets or equipment as at 31 December 2015.

**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 country office bank account. In accordance to Annex II of the Contract for Professional Services (*Term of Reference*) auditor is required to express an opinion on the Statemet of cash only where a dedicated bank account for the DIM project is established. In cases where the cash transactions are made through the country 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

**UNITED NATIONS DEVELOPMENT PROGRAMME**

**Part II - Auditor report with opinion**

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

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**2. AUDIT REPORT WITH OPINION**

**2.1. Independent auditors' report**

## REPORT OF THE INDEPENDENT AUDITOR TO UNDP ON THE STATEMENT OF EXPENSES OF THE OUTPUT PROJECT NO. 00091517 "EU FLOOD RECOVERY PROGRAMME"

We have audited the accompanying Combined Delivery Report (CDR) and Funds Utilization statement ("the statement") of the UNDP output project number 00091517, "EU Flood Recovery programme" 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 "EU Flood Recovery programme" 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 applicable for this engagement. 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) (excluding the amount of \$3,479,956 implemented by the United Nations Children's Fund and International Organization for Migrations which was outside the scope of our audit) and Funds Utilization statement present fairly, in all material respects, the expenses incurred by the output project "EU Flood Recovery programme" in the amount of \$31,958,543 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

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: unglodrp

Combined Delivery Report By Project

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Run Time: 07-02-2016 19:02:36

Project Id : 00081236 UN response to BiH floods 2014	Period :	Jan-Dec (2015)		
Output # : 00091617 EU Flood Recovery programme	Impl. Partner :	9999 UNDP		
	Location :	Bosnia-Herzegovina		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
75105 - Facilities & Admin - Implement	0.00	7,433.68	0.00	7,433.68
<b>Total for Fund 11999</b>	<b>0.00</b>	<b>7,433.68</b>	<b>92,021.00</b>	<b>100,354.68</b>
<b>Fund : 30079 (EUROPEAN COMMISSION)</b>				
72105 - Svc Co-Construction & Engineer	0.00	0.00	1,327,441.00	1,327,441.00
75105 - Facilities & Admin - Implement	0.00	92,920.87	0.00	92,920.87
<b>Total for Fund 30079</b>	<b>0.00</b>	<b>92,920.87</b>	<b>1,327,441.00</b>	<b>1,420,361.87</b>
<b>Total for Dept : 54201</b>	<b>0.00</b>	<b>100,354.55</b>	<b>1,420,362.00</b>	<b>1,520,716.55</b>
<b>Fund : 54203 (Bosnia&amp;Herz-Crisis Prev &amp;Rcvry)</b>				
<b>Fund : 04000 (Core Programme, UNU Centre)</b>				
72105 - Svc Co-Construction & Engineer	0.00	42,723.81	0.00	42,723.81
74610 - Bank Charges	0.00	27,499.24	0.00	27,499.24
74625 - Sundry	0.00	0.00	0.00	0.00
76125 - Realized Loss	0.00	0.00	0.00	0.00
<b>Total for Fund 04000</b>	<b>0.00</b>	<b>70,223.05</b>	<b>0.00</b>	<b>70,223.05</b>
<b>Fund : 11888 (Country Co-Financing CS)</b>				
61105 - Salaries - NP Staff	0.00	28,830.19	0.00	28,830.19
62110 - Contrib Joint Staff Pension-NP	0.00	6,623.43	0.00	6,623.43
62140 - Annual Leave Expense - NO	0.00	1,322.41	0.00	1,322.41
63530 - Contribution to EOS Benefits	0.00	1,246.54	0.00	1,246.54
63535 - Contribution to Security	0.00	1,495.66	0.00	1,495.66
63545 - Contribution to ICT	0.00	498.62	0.00	498.62
63550 - Contributions to MAIP	0.00	132.99	0.00	132.99
63555 - Contribution to UN JFA	0.00	997.23	0.00	997.23
63560 - Contributions to Appendix D	0.00	99.72	0.00	99.72
65115 - Contributions to ASH Reserve	0.00	2,659.28	0.00	2,659.28
65135 - Payroll Mgt Cost Recovery ATLA	0.00	298.92	0.00	298.92
71405 - Service Contracts-Individuals	0.00	12,643.94	0.00	12,643.94
71410 - MAIP Premium SC	0.00	0.00	0.00	0.00
71415 - Contribution to Security SC	0.00	0.00	0.00	0.00
75105 - Facilities & Admin - Implement	0.00	4,545.53	0.00	4,545.53
<b>Total for Fund 11888</b>	<b>0.00</b>	<b>61,364.66</b>	<b>0.00</b>	<b>61,364.66</b>
<b>Fund : 11999 (Development Advisory Services)</b>				
64308 - Direct Project Cost-Staff	0.00	146,590.71	0.00	146,590.71
71305 - Local Consult- Sht Term Tech	0.00	0.00	0.00	0.00
71620 - Daily Subsistence Allow-Local	0.00	0.00	0.00	0.00
71635 - Travel - Other	0.00	0.00	0.00	0.00
72105 - Svc Co-Construction & Engineer	0.00	41,103.01	0.00	41,103.01
72305 - Agri & Forestry Products	0.00	14,829.37	0.00	14,829.37
72399 - Other Materials and Goods	0.00	0.00	0.00	0.00

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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)



UN Development Programme  
Report ID: unglcdm

Combined Delivery Report By Project

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Run Time: 07-02-2016 19:02:36

Project Id : 00091230 UN response to BH floods 2014	Period :	Jan-Dec (2015)		
Output # : 00091517 EU Flood Recovery programme	Impl Partner :	9999 UNDP		
	Location :	Bosnia-Herzegovina		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72425 - Mobile Telephone Charges	0.00	0.00	0.00	0.00
73406 - Maintenance of Equipment	0.00	0.00	0.00	0.00
74210 - Printing and Publications	0.00	0.00	0.00	0.00
74525 - Sundry	0.00	0.00	0.00	0.00
75105 - Facilities & Admin - Implement	0.00	16,201.05	0.00	16,201.05
75115 - Facilities & Admin - OH & Ind	0.00	120,304.18	0.00	120,304.18
76125 - Realized Loss	0.00	0.01	0.00	0.01
76135 - Realized Gain	0.00	-0.01	0.00	-0.01
<b>Total for Fund 11959</b>	<b>0.00</b>	<b>339,018.32</b>	<b>0.00</b>	<b>339,018.32</b>
<b>Fund : 30071 (Programme Cost Sharing GOV1)</b>				
72105 - Svc Co-Construction & Engineer	0.00	173,663.87	0.00	173,663.87
75105 - Facilities & Admin - Implement	0.00	8,683.19	0.00	8,683.19
<b>Total for Fund 30071</b>	<b>0.00</b>	<b>182,347.06</b>	<b>0.00</b>	<b>182,347.06</b>
<b>Fund : 30079 (EUROPEAN COMMISSION)</b>				
61105 - Salaries - NP Staff	0.00	36,335.91	0.00	36,335.91
61205 - Salaries - GS Staff	0.00	6,403.39	0.00	6,403.39
62110 - Contrib Joint Staff Pension-NP	0.00	8,347.59	0.00	8,347.59
62115 - Contrib to Med_Scals-NP Staff	0.00	1,293.93	0.00	1,293.93
62140 - Annual Leave Expense - NO	0.00	2,362.35	0.00	2,362.35
63530 - Contribution to EDS Benefits	0.00	1,582.79	0.00	1,582.79
63535 - Contribution to Security	0.00	1,875.34	0.00	1,875.34
63545 - Contribution to ICT	0.00	625.13	0.00	625.13
63550 - Contributions to MAJP	0.00	166.73	0.00	166.73
63555 - Contribution to UN JFA	0.00	1,250.23	0.00	1,250.23
63560 - Contributions to Appendix D	0.00	125.02	0.00	125.02
65115 - Contributions to ASHI Reserve	0.00	3,333.90	0.00	3,333.90
65135 - Payroll Mgt Cost Recovery ATLA	0.00	268.92	0.00	268.92
71205 - Intl Consultants-Sht Term-Tech	0.00	11,000.00	0.00	11,000.00
71305 - Local Consult.-Sht Term-Tech	0.00	574,192.80	0.00	574,192.80
71405 - Service Contracts-Individuals	0.00	643,903.04	0.00	643,903.04
71410 - MAJP Premium SC	0.00	1,967.86	0.00	1,967.86
71415 - Contribution to Security SC	0.00	24,001.42	0.00	24,001.42
71520 - Daily Subsistence Allow-Local	0.00	31,157.42	0.00	31,157.42
71625 - Daily Subsist Allow-Mtg Partic	0.00	656.00	0.00	656.00
71630 - Shipment	0.00	123.60	0.00	123.60
71635 - Travel - Other	0.00	72,672.69	0.00	72,672.69
72105 - Svc Co-Construction & Engineer	0.00	21,077,235.08	0.00	21,077,235.08
72120 - Svc Co-Trade and Business Serv	0.00	190.80	0.00	190.80
72130 - Svc Co-Transportation Services	0.00	1,681.61	0.00	1,681.61
72135 - Svc Co-Communications Service	0.00	262.23	0.00	262.23
72145 - Svc Co-Training and Educ Serv	0.00	652.01	0.00	652.01
72210 - Machinery and Equipment	0.00	1,753,270.29	0.00	1,753,270.29
72220 - Furniture	0.00	1,931,788.72	0.00	1,931,788.72
72305 - Agri & Forestry Products	0.00	574,651.84	0.00	574,651.84
72311 - Fuel, petroleum and other oils	0.00	259.09	0.00	259.09
72315 - Food & Textile Products	0.00	247,783.30	0.00	247,783.30
72320 - Wood & Paper Products	0.00	129,959.41	0.00	129,959.41
72399 - Other Materials and Goods	0.00	365,031.60	0.00	365,031.60

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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)

Combined Delivery Report By Project

UN Development Programme  
Report ID: unglodrp

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Run Time: 07-02-2018 19:02:36

Project Id :	60001239 UN response to BiH floods 2014	Period :	Jan-Dec (2015)	
Output # :	00091517 EU Flood Recovery programme	Impl. Partner :	99999 UNDP	
		Location :	Bosnia-Herzgovina	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72401 - Prefab structure/other buildin	0.00	33,702.53	0.00	33,702.53
72425 - Mobile Telephone Charges	0.00	0.00	0.00	0.00
72430 - Postage and Pouch	0.00	1,041.81	0.00	1,041.81
72505 - Stationery & other Office Supp	0.00	27,430.82	0.00	27,430.82
73120 - Utilities	0.00	38,504.89	0.00	38,504.89
73406 - Maintenance of Equipment	0.00	107,156.32	0.00	107,156.32
74205 - Audio Visual Productions	0.00	3,322.80	0.00	3,322.80
74210 - Printing and Publications	0.00	3,515.72	0.00	3,515.72
74215 - Promotional Materials and Dist	0.00	11,823.40	0.00	11,823.40
74220 - Transition Costs	0.00	4,029.74	0.00	4,029.74
74225 - Other Media Costs	0.00	12,925.29	0.00	12,925.29
74230 - Audio & Visual Equipment	0.00	616.59	0.00	616.59
74510 - Bank Charges	0.00	-10,501.55	0.00	-10,501.55
74525 - Sundry	0.00	31,881.01	0.00	31,881.01
74725 - Other L.T.S.H.	0.00	43,893.08	0.00	43,893.08
75105 - Facilities & Admin - Implement	0.00	1,947,128.07	0.00	1,947,128.07
75710 - Participation of counterparts	0.00	321.05	0.00	321.05
76125 - Realized Loss	0.00	27,788.57	0.00	27,788.57
76135 - Realized Gain	0.00	-6,270.75	0.00	-6,270.75
<b>Total for Fund 30079</b>	<b>0.00</b>	<b>29,784,761.73</b>	<b>0.00</b>	<b>29,784,761.73</b>
<b>Total for Dept : 54203</b>	<b>0.00</b>	<b>30,437,714.82</b>	<b>0.00</b>	<b>30,437,714.82</b>
Dept: 54206 (Bosnia&Herz-MIV/AIDS)				
Fund : 30079 (EUROPEAN COMMISSION)				
74525 - Sundry	0.00	104.94	0.00	104.94
75105 - Facilities & Admin - Implement	0.00	7.35	0.00	7.35
<b>Total for Fund 30079</b>	<b>0.00</b>	<b>112.29</b>	<b>0.00</b>	<b>112.29</b>
<b>Total for Dept : 54206</b>	<b>0.00</b>	<b>112.29</b>	<b>0.00</b>	<b>112.29</b>
<b>Total for Output : 00091517</b>	<b>0.00</b>	<b>30,538,181.66</b>	<b>1,420,362.00</b>	<b>31,958,543.66</b>

put # :	00002158 UN Resilience to floods	Impl. Partner :	99999 UNDP	
		Location :	Bosnia-Herzgovina	
Dept: 54203 (Bosnia&Herz-Crisis Prev & Recovery)				
Fund : 26931 (CPR TTF - Disaster)				
71205 - Intl Consultants-Sht Term-Tech	0.00	65,589.39	0.00	65,589.39
71305 - Local Consult-Sht Term-Tech	0.00	44,743.34	0.00	44,743.34
71405 - Service Contracts-individuals	0.00	7,170.21	0.00	7,170.21
71410 - WAIP Premium SC	0.00	24.40	0.00	24.40
71415 - Contribution to Security SC	0.00	274.63	0.00	274.63
71505 - UN Volunteers-Sipend & Allow	0.00	17,182.97	0.00	17,182.97




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: ungd08

Combined Delivery Report By Project

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Run Time: 07-02-2016 19:02:36

Project Id : 00981239 UN response to BiH floods 2014	Period :	Jan-Dec (2015)		
Output # : 00992158 UN Resilience to floods	Imp. Partner :	99998 UNDP		
	Location :	Bosnia-Herzegovina		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
71510 - UNV Settling-In-Grant	0.00	4,402.00	0.00	4,402.00
71520 - UNV-Language Allowance	0.00	355.36	0.00	355.36
71535 - UNV-Medical Insurance	0.00	949.28	0.00	949.28
71540 - UNV-Global Charges	0.00	724.04	0.00	724.04
71541 - UNVs-Contribution to security	0.00	626.62	0.00	626.62
71545 - UNV-Home Leave Travel & Allowa	0.00	56.86	0.00	56.86
71550 - UNV-Resettlement Allowance	0.00	1,416.07	0.00	1,416.07
71660 - UNV-Intl Appoint/Sep Incl Trvl	0.00	2,000.00	0.00	2,000.00
71590 - UNV Development Effectiveness	0.00	4,122.14	0.00	4,122.14
71605 - Travel Tickets-International	0.00	2,221.09	0.00	2,221.09
71615 - Daily Subsistence Allow-Intl	0.00	12,099.17	0.00	12,099.17
71620 - Daily Subsistence Allow-Local	0.00	1,819.06	0.00	1,819.06
71635 - Travel - Other	0.00	6,136.70	0.00	6,136.70
72105 - Svc Co-Construction & Engineer	0.00	10,110.47	0.00	10,110.47
72120 - Svc Co-Trade and Business Serv	0.00	136.44	0.00	136.44
72125 - Svc Co-Studies & Research Serv	0.00	2,335.27	0.00	2,335.27
72145 - Svc Co-Training and Educ Serv	0.00	1,673.80	0.00	1,673.80
72210 - Machinery and Equipment	0.00	21,334.44	0.00	21,334.44
72215 - Transportation Equipment	0.00	5,915.08	0.00	5,915.08
72311 - Fuel, petroleum and other oils	0.00	223.91	0.00	223.91
72315 - Food & Textile Products	0.00	1,207.39	0.00	1,207.39
72350 - Medical Kits	0.00	4,776.31	0.00	4,776.31
72370 - Security related goods and mat	0.00	26,860.59	0.00	26,860.59
72401 - Prefab structure/other buildin	0.00	23,272.65	0.00	23,272.65
72405 - Acquisition of Communic Equip	0.00	10,966.69	0.00	10,966.69
72410 - Acquisition of Audio Visual Eq	0.00	361.55	0.00	361.55
72430 - Postage and Pouch	0.00	20.07	0.00	20.07
72445 - Common Services-Communications	0.00	550.00	0.00	550.00
72505 - Stationery & other Office Supp	0.00	4,209.58	0.00	4,209.58
72510 - Publications	0.00	0.00	0.00	0.00
72705 - Hospitality-Special Events	0.00	2,288.04	0.00	2,288.04
72810 - Acquis of Computer Software	0.00	0.00	0.00	0.00
72815 - Inform Technology Supplies	0.00	350.68	0.00	350.68
73105 - Rent	0.00	1,290.62	0.00	1,290.62
73125 - Common Services-Premises	0.00	2,841.19	0.00	2,841.19
73216 - Construction Cost	0.00	90,796.85	0.00	90,796.85
73410 - Maint, Oper of Transport Equip	0.00	1,406.74	0.00	1,406.74
74205 - Audio Visual Productions	0.00	139.28	0.00	139.28
74210 - Printing and Publications	0.00	553.00	0.00	553.00
74215 - Promotional Materials and Dist	0.00	475.77	0.00	475.77
74220 - Translation Costs	0.00	6,906.04	0.00	6,906.04
74225 - Other Media Costs	0.00	58.28	0.00	58.28
74230 - Audio & Visual Equipment	0.00	848.42	0.00	848.42
74510 - Bank Charges	0.00	303.49	0.00	303.49
74525 - Sundry	0.00	621.86	0.00	621.86
74595 - PP&E Expensed Items	0.00	13,076.45	0.00	13,076.45
75105 - Facilities & Admin - Impiemnt	0.00	28,845.60	0.00	28,845.60
75705 - Learning costs	0.00	1,809.66	0.00	1,809.66
75709 - Learning - training of counter	0.00	2,540.35	0.00	2,540.35
76125 - Realized Loss	0.00	17.57	0.00	17.57
76135 - Realized Gain	0.00	-152.23	0.00	-152.23
<b>Total for Fund 26931</b>	<b>0.00</b>	<b>440,792.23</b>	<b>0.00</b>	<b>440,792.23</b>

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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)



UN Development Programme  
Report ID: unglodrp

Combined Delivery Report By Project

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Run Time: 07-02-2016 19:02:36

Project Id : 0001229 UN response to BiH floods 2014	Period :	Jan-Dec (2015)		
Output # : 0002158 UN Resilience to floods	Impal. Partner :	9999 UNDP		
	Location :	Bosnia-Herzegovina		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
<b>Fund : 30071 (Programme Cost Sharing GOV1)</b>				
72401 - Prefab structure/other buildin	0.00	19,634.56	0.00	19,634.56
73216 - Construction Cost	0.00	1,585.40	0.00	1,585.40
75105 - Facilities & Admin - Implement	0.00	1,061.15	0.00	1,061.15
<b>Total for Fund 30071</b>	<b>0.00</b>	<b>22,284.11</b>	<b>0.00</b>	<b>22,284.11</b>
<b>Total for Dept : 54203</b>	<b>0.00</b>	<b>463,075.34</b>	<b>0.00</b>	<b>463,075.34</b>
<b>Total for Output : 0002158</b>	<b>0.00</b>	<b>463,075.34</b>	<b>0.00</b>	<b>463,075.34</b>
<b>Project Total :</b>	<b>0.00</b>	<b>34,582,598.20</b>	<b>1,490,353.00</b>	<b>36,162,951.20</b>

Signed By: EDIS ARIFAGIC Date: 10/02/16  
 UN RECOVERY PROGRAMME ATTACHE  
 Signed By: Zaima Kurbat Date: 10/02/16  
 HEAD OF POS



**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: unglcdrp

Combined Delivery Report By Project

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Run Time: 07-02-2016 19:02:22

**Funds Utilization**

Commitments \_\_\_\_\_ 0.00

Output #	00090943	Impl. Partner :99999 UNDP	UNDP AMOUNT
			0.00
		Outstanding NEX advances	0.00
		Undepreciated Fixed Assets	0.00
		Inventory	0.00
		Prepayments	0.00
		Commitments _____	0.00

Output #	00091517	Impl. Partner :99999 UNDP	UNDP AMOUNT
			0.00
		Outstanding NEX advances	0.00
		Undepreciated Fixed Assets	0.00
		Inventory	0.00
		Prepayments	0.00
		Commitments _____	0.00

Output #	00092158	Impl. Partner :99999 UNDP	UNDP AMOUNT
			0.00
		Outstanding NEX advances	0.00
		Undepreciated Fixed Assets	0.00
		Inventory	0.00
		Prepayments	0.00
		Commitments _____	0.00

Project/Award: 00083639 Conflict Related Sexual Violen Period : As at Dec 31, 2015

Output #	00092015	Impl. Partner :99999 UNDP	UNDP AMOUNT
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**Part III – Management letter**

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

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**3. MANAGEMENT LETTER**

In accordance with the Annex II of the Contract, we have performed an audit on the project financial statements of the output project no. 0009157 "EU Flood Recovery programme" 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



Sarajevo, Bosnia and Herzegovina

22 June 2016

Sabina Softić, partner and licenced auditor

