



AUDIT

OF

MUNICIPAL ECONOMIC AND ENVIRONMENTAL GOVERNANCE
(Directly Implemented Project No. 80522, Output No. 90162)

IN

UNDP BOSNIA AND HERZEGOVINA

Report No. 2528
Issue Date: 26 July 2022

**Report on the Audit of Municipal Economic and Environmental Governance
Implemented by UNDP Bosnia and Herzegovina
(Project No. 80522, Output No. 90162)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through BDO LLP (the audit firm), from 30 May to 10 June 2022, conducted an audit of ‘Municipal Economic and Environmental Governance’ (Project No. 80522, Output No. 90162) (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, through BDO LLP in 2021 and covered project expenses from 1 January to 31 December 2020.

The audit was conducted in accordance with the International Standards of Auditing (ISA), the 700 series. The audit work covered financial transactions as well as internal controls and systems for the purpose of expressing an opinion on whether the financial statements present fairly, in all material aspects, the Project’s operations, as well as assess compliance with UNDP regulations, rules, policies and procedures and donor agreements. The audit covered the Project’s Combined Delivery Report, which includes expenses for the period from 1 January to 31 December 2021 and the accompanying Funds Utilization statement¹ as of 31 December 2021 as well as Statement of Cash as of 31 December 2021. It also reviewed the relevant systems, procedures and practices in place as they relate to the Project, in the areas of governance, programme, and operations. The audit did not include activities and expenses incurred or undertaken at the “responsible party” level. The audit did not cover the Statement of Assets as no assets were held by 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* of the Institute of Internal Auditors (The IIA).

Overall audit rating

Based on the audit report submitted by the audit firm, OAI assessed the management of the Project as **fully satisfactory**, which means, “The assessed governance arrangements, risk management practices and controls, as applicable to the Project’s financial statements, were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.” The details of the audit results are presented in the table below:

Project Expenses*		Cash	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
733	Unmodified	0	Unmodified

*Expenses recorded in the Combined Delivery Report were \$1,046,171. Excluded from the scope were expenses incurred at the “responsible party” level (\$313,591).

The audit did not result in any recommendations.

Implementation status of previous OAI audit recommendations:

The previous audit (Report No. 2341, issued on 22 July 2021) did not result in any recommendations.

¹ The Funds Utilization statement includes the balance, as at a given date, of five items: (a) outstanding advances received by the project; (b) undepreciated 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.



Management comments and action plan

Comments and/or additional information provided have been incorporated into the report, where appropriate.

Brett Simpson
Officer-in-Charge
Office of Audit and Investigations




FINAL AUDIT REPORT

UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

Combined financial audit and audit of internal controls and systems of the UNDP directly implemented project “Municipal Economic and Environmental Governance”

Project ID 80522, Output ID 90162
Bosnia and Herzegovina



IDENTIFICATION

Project name:	Municipal Economic and Environmental Governance
Output name:	Municipal Economic and Environmental Governance
UNDP Country Office:	Bosnia and Herzegovina
Atlas Project ID:	80522
Atlas Output ID:	90162
Auditor:	BDO LLP
Period subject to audit:	1 January to 31 December 2021

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EXECUTIVE SUMMARY

BDO LLP conducted the financial audit of “Municipal Economic and Environmental Governance” (Project ID 80522 - Output ID 90162) (the project), directly implemented by UNDP Bosnia and Herzegovina (‘the Office’) for the year ended 31 December 2021. The audit was undertaken on behalf of UNDP, Office of Audit and Investigations (OAI).

AUDIT OPINIONS

We have issued audit opinions as summarised in the table below and as detailed in the next section:

Project Financial Position	Unmodified
Statement of Fixed Assets	Not applicable
Statement of Cash	Unmodified

MANAGEMENT LETTER SUMMARY

We have not raised any audit findings or recommendations as a result of the financial audit.

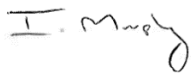
AUDIT OF INTERNAL CONTROLS AND SYSTEMS

Internal controls with regard to the project have been given the ratings below:

Audit area	Overall rating
Organization and Staffing	Fully satisfactory
Programme and Project Management	Fully satisfactory
Human Resources	Fully satisfactory
Finance	Fully satisfactory
Procurement	Fully satisfactory
Asset Management	Not applicable
Cash Management	Fully satisfactory
Information Systems	Fully satisfactory
General Administration	Fully satisfactory
Follow-up on Previous Audit	Not applicable

PRIOR YEAR AUDIT

The Project ID 80522 - Output ID 90162, “Municipal Economic and Environmental Governance”, was audited in the prior year. The previous audit (Report No. 2341, issued on 15 July 2021) did not result in any recommendations.



IAN MURPHY
PARTNER

For and on behalf of BDO LLP
55 Baker Street
London W1U 7EU

18 July 2022



THE AUDIT ENGAGEMENT

AUDIT OBJECTIVES AND SCOPE

Financial audit

The objective of the financial audit was to express an opinion on the DIM project's financial position which includes:

- ▶ Expressing an opinion on whether the financial expenses incurred by the project between 1 January and 31 December 2021 in the Combined Delivery Report (CDR), the Funds Utilization statement as at 31 December 2021 and the accounts receivable and accounts payable as at 31 December 2021 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. Specifically:
 - Expressing an opinion on the projects' expenditure expressed in both US\$ and CHF (in the text of the standard audit opinion mention the US\$ amount and its equivalent in CHF);
 - Including in the audit report two versions of the CDR, one version extracted from Atlas in US\$ and another version converted manually in CHF; and
 - Verifying the conversion done manually by the country office from US\$ to CHF.
- ▶ Expressing an opinion on whether the statement of fixed assets, at net book value, presents fairly the balance of depreciated assets of the UNDP project as at 31 December 2021. This statement must include all assets available as at 31 December 2021 and not only those purchased in a given period. Where a DIM project does not have any assets or equipment, it is not necessary to express such an opinion.
- ▶ 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 2021. An opinion on the statement of cash is required only where a dedicated bank account for the DIM project has been established.

The Financial Audit was conducted in accordance with the International Standards on Auditing (ISA), the 700 series. As applicable, the audit report provides the progress made in implementing the recommendations raised in the previous year's audit report.

The scope of the audit relates only to transactions concluded and recorded against the UNDP DIM project between 1 January and 31 December 2021. The scope of the audit did not include:

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

Audit of internal controls and systems

The objective of the audit of internal controls and systems cover the project's internal controls and systems in order to assess:

- (a) Reliability and integrity of project financial and operational information;
- (b) Effectiveness and efficiency of project operations;
- (c) Safeguarding of project assets;
- (d) Compliance with legislative mandates, regulations and rules, policies and procedures, as well as donor agreements.

The audit shall assess the internal controls with regard to the audited project in the following areas:

- (i) **Organization and Staffing:** Assess the overall project structure for effective work flows and management arrangements, including assignment of authority, accountability and responsibility to staff.
- (ii) **Programme and project management:** Assess the management aspects in terms of approval of the project, financial management of project funds, and monitoring of implementation towards achievement of project objectives. This includes reporting to the, Steering Committee, Project Board and/or Donors.

- (iii) **Human Resources:** Assess competitiveness and transparency of the recruitment process; and effectiveness of the management of project personnel, including contract administration, performance evaluation and payment of salaries and allowances.
 - (iv) **Finance:** Assess the compliance with UNDP policies with respect to the safe custody and adequate management of cash, commitment of expenditures against approved budget, disbursement or payments against liabilities and cash advances to field offices, project staff, etc.
 - (v) **Procurement:** Assess whether goods, services and civil works for the project are procured competitively and in a transparent manner in accordance with UNDP policies and procedures. This includes management of obligations and appropriate assessment of goods or services delivered and monitoring performance of the contractors, before payment.
 - (vi) **Asset Management:** Assess whether project assets are adequately recorded, safeguarded, monitored, including periodic physical verification of their use and existence.
 - (vii) **Cash Management:** Review the safeguarding of all cash (including bank accounts) held separately for the purposes of the project either in the UNDP country office or at the project field offices, including cash held as advances or imprest in any sub-office or field office.
 - (viii) **Information Systems:** Assess the efficiency and security of the information systems established and maintained from project funds and their adequacy to meet the management and reporting requirements of the projects.
 - (ix) **General Administration:** These include areas of operations not specifically covered above and for which expenses are charged to the project covering such areas as: travel of project staff, use and maintenance of project vehicles, lease and maintenance of office premises.
 - (x) **Follow-up on previous audits:** As may be applicable, assess the status of implementation of the previous year's audit recommendations.
-

AUDIT OPINIONS

INDEPENDENT AUDITOR'S REPORT TO UNDP - MUNICIPAL ECONOMIC AND ENVIRONMENTAL GOVERNANCE

PROJECT FINANCIAL POSITION

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

UNMODIFIED OPINION

We have audited the financial position of the UNDP project ID 80522 - output ID 90162 'Municipal Economic and Environmental Governance' for the period from 1 January to 31 December 2021 which includes: (a) the accompanying Combined Delivery Report (CDR); (b) the Funds Utilization statement ("the statement"); and (c) the project-related accounts receivable and accounts payable.

The CDR expenditure, totalling US\$ 1,046,171.04 (CHF 956,401.12), is comprised of expenditure directly incurred by the UNDP Country Office in Bosnia and Herzegovina for an amount of US\$ 732,580.30 (CHF 666,604.55) and expenditure incurred by entities other than the Country Office for an amount of US\$ 313,590.74 (CHF 289,796.57). Our audit only covered the expenditure directly incurred by the UNDP Country Office in Bosnia and Herzegovina of US\$ 732,580.30 (CHF 666,604.55).

In our opinion, the attached CDR and Funds Utilization statement present fairly, in all material respects, the expenses of US\$ 732,580.30 (CHF 666,604.55) directly incurred by the UNDP Country Office in Bosnia and Herzegovina and charged to the project for the period from 1 January to 31 December 2021 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.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities' section of this report. We are independent of UNDP in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MANAGEMENT RESPONSIBILITIES

Management is responsible for the preparation of the CDR and the Funds Utilization statement of the project and for such internal control as management determines is necessary to enable the preparation of a CDR and Funds Utilization statement that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the CDR and the Funds Utilization statement are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these documents.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

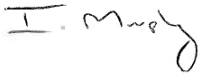
- ▶ Identify and assess the risks of material misstatement of the CDR and the Funds Utilization statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit 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 organization's internal control.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

USE OF THIS REPORT

This report is made solely to UNDP, in accordance with terms of reference defined by UNDP. Our work has been undertaken so that we might state to UNDP those matters we are required to state to it in accordance with UNDP's terms of reference and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than UNDP, for our work, for this report, or for the opinions we have formed.



IAN MURPHY
PARTNER

For and on behalf of BDO LLP
55 Baker Street
London W1U 7EU

18 July 2022



INDEPENDENT AUDITOR'S REPORT TO UNDP - MUNICIPAL ECONOMIC AND ENVIRONMENTAL GOVERNANCE

STATEMENT OF FIXED ASSETS

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

NO ASSETS HELD BY DIM PROJECT AUDITED

We noted that the UNDP project ID 80522 - Output ID 90162, 'Municipal Economic and Environmental Governance', had no assets and accordingly a statement of fixed assets was not produced.

INDEPENDENT AUDITOR'S REPORT TO UNDP - MUNICIPAL ECONOMIC AND ENVIRONMENTAL GOVERNANCE

STATEMENT OF CASH

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

UNMODIFIED OPINION

We have audited the accompanying statement of cash of the UNDP project ID 80522 - output ID 90162, 'Municipal Economic and Environmental Governance' as at 31 December 2021.

In our opinion, the attached statement of cash presents fairly, in all material respects, the cash and bank balance of the UNDP project 'Municipal Economic and Environmental Governance' amounting to USD 0.00 as at 31 December 2021 in accordance with UNDP accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the Auditor's responsibilities section of this report. We are independent of UNDP in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with this code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MANAGEMENT RESPONSIBILITIES

Management is responsible for the preparation of the Statement of Cash and other financial records for the project's activities and for such internal control as management determines is necessary to enable the preparation of the Statement of Cash to be free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the Statement of Cash is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement of Cash.

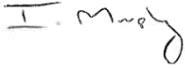
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the Statement of Cash, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

USE OF THIS REPORT

This report is made solely to UNDP, in accordance with terms of reference defined by UNDP. Our work has been undertaken so that we might state to UNDP those matters we are required to state to it in accordance with UNDP's terms of reference and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than UNDP, for our work, for this report, or for the opinions we have formed.



IAN MURPHY
PARTNER

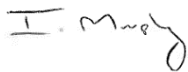
For and on behalf of BDO LLP
55 Baker Street
London W1U 7EU

18 July 2022



MANAGEMENT LETTER

We have not raised any audit findings or recommendations as a result of the financial and internal controls audit.



IAN MURPHY
PARTNER

For and on behalf of BDO LLP
55 Baker Street
London W1U 7EU

18 July 2022



ANNEXES

ANNEX I: COMBINED DELIVERY REPORT US\$



Combined Delivery Report

in USD

Project: 00080522 Municipal Economic and Environ
Country: Bosnia and Herzegovina
Period: Quarter 4, 2021
Status: Approved (DIM Project)

Report by Output and Fund

Account	Description	Government	UNDP	UN Agencies	Total
Output: 00090162	Municipal Governance	313,590.74	732,580.30	0.00	1,046,171.04
Fund: 30000	(PROGRAMME COST SHARING)	313,590.74	732,580.30	0.00	1,046,171.04
64397	- Services to projects -CO staff	0.00	3,531.89	0.00	3,531.89
71305	- Local Consulta-Sht Term-Tech	0.00	77,329.41	0.00	77,329.41
71360	- Local Consulta-Security	0.00	858.84	0.00	858.84
71405	- Service Contracts-Individuals	0.00	68,396.42	0.00	68,396.42
71410	- MAIP Premium SC	0.00	29.26	0.00	29.26
71415	- Contribution to Security SC	0.00	2,340.31	0.00	2,340.31
71620	- Daily Subsistence Allow-Local	0.00	104.01	0.00	104.01
71635	- Travel - Other	0.00	991.70	0.00	991.70
72105	- Svc Co-Construction & Engineer	309,233.36	105,458.17	0.00	414,691.53
72115	- Svc Co-Natural Resources & Env	0.00	54,687.21	0.00	54,687.21
72145	- Svc Co-Training and Educ Serv	0.00	1,851.42	0.00	1,851.42
72155	- Svc Co-Public Admin, Politics	0.00	43,007.16	0.00	43,007.16
72210	- Machinery and Equipment	0.00	69,681.82	0.00	69,681.82
72215	- Transportation Equipment	0.00	84,272.27	0.00	84,272.27
72220	- Furniture	0.00	1,797.48	0.00	1,797.48
72311	- Fuel, petroleum and other oils	0.00	147.59	0.00	147.59
72399	- Other material and goods	4,322.28	37,044.54	0.00	41,366.82
72405	- Acquisition of Communic Equip	0.00	71,532.18	0.00	71,532.18
72420	- Land Telephone Charges	0.00	184.43	0.00	184.43
72425	- Mobile Telephone Charges	0.00	103.39	0.00	103.39
72430	- Postage And Pouch	0.00	100.03	0.00	100.03
72505	- Stationery Other Office Supp	0.00	207.74	0.00	207.74
72605	- Grants to Instit & other Benef	0.00	4,431.47	0.00	4,431.47
72815	- Inform Technology Supplies	0.00	18.66	0.00	18.66
73105	- Rent	0.00	4,770.38	0.00	4,770.38
73110	- Custodial & Cleaning Services	0.00	112.64	0.00	112.64
73405	- Rental & Maint-Other Office Eq	0.00	210.00	0.00	210.00
74205	- Audio Visual Productions	0.00	10,933.05	0.00	10,933.05
74210	- Printing and Publications	0.00	2,194.75	0.00	2,194.75
74215	- Promotional Materials and Dist	0.00	3,855.98	0.00	3,855.98
74220	- Translation Costs	0.00	975.24	0.00	975.24
74510	- Bank Charges	35.10	592.11	0.00	627.21
74596	- Service to Projects - GOE	0.00	2,716.11	0.00	2,716.11
75105	- Facilities & Admin - Implement	0.00	77,587.24	0.00	77,587.24
75709	- Learning - training of counter	0.00	1,782.66	0.00	1,782.66
76125	- Realized Loss	0.00	872.68	0.00	872.68
76125	- Realized Loss	0.00	0.73	0.00	0.73
76130	- Unrealized Gain	0.00	-84.84	0.00	-84.84
76135	- Realized Gain	0.00	-2,045.83	0.00	-2,045.83

Funds Utilization

Output: 00090162 Municipal Governance	UNDP Amount
Outstanding NIM Advances:	0.00
Undepreciated Fixed Assets:	0.00
Unamortized Intangible Assets:	0.00
Inventory:	0.00
Prepayments:	0.00
Commitments:	0.00

Signed on behalf of Implementing Partner:

DocuSigned by:
Stephen Kinloch Pichat 17-Mar-2022
Stephen Kinloch Pichat

stephen.kinloch-pichat@undp.org

UNDP Deputy Resident Representative, BiH



ANNEX II: COMBINED DELIVERY REPORT CHF



Combined Delivery Report

in CHF

Project: 00080522 Municipal Economic and Environ
 Country: Bosnia and Herzegovina
 Period: Quarter 4, 2021
 Status: Approved (DIM Project)

Report by Output and Fund

Account	Description	Government	UNDP	UN Agencies	Total
Output: 00090162	Municipal Governance	289,796.57	666,604.55	0.00	956,401.12
Fund: 30000	(PROGRAMME COST SHARING)	289,796.57	666,604.55	0.00	956,401.12
64397	- Services to projects -CO staff	0.00	3,312.26	0.00	3,312.26
71305	- Local Consulta-Sht Term-Tech	0.00	70,756.99	0.00	70,756.99
71360	- Local Consulta-Security	0.00	761.51	0.00	761.51
71405	- Service Contracts-individuals	0.00	61,672.21	0.00	61,672.21
71410	- MAIP Premium SC	0.00	26.36	0.00	26.36
71415	- Contribution to Security SC	0.00	2,109.98	0.00	2,109.98
71620	- Daily Subsistence Allow-Local	0.00	98.08	0.00	98.08
71635	- Travel - Other	0.00	919.19	0.00	919.19
72105	- Svc Co-Construction & Engineer	285,917.65	97,049.51	0.00	382,967.16
72115	- Svc Co-Natural Resources & Env	0.00	49,122.17	0.00	49,122.17
72145	- Svc Co-Training and Educ Serv	0.00	1,647.76	0.00	1,647.76
72155	- Svc Co-Public Admin, Politics	0.00	39,824.63	0.00	39,824.63
72210	- Machinery and Equipment	0.00	64,525.35	0.00	64,525.35
72215	- Transportation Equipment	0.00	74,412.41	0.00	74,412.41
72220	- Furniture	0.00	1,664.47	0.00	1,664.47
72311	- Fuel, petroleum and other oils	0.00	134.03	0.00	134.03
72399	- Other material and goods	3,846.83	34,188.36	0.00	38,035.19
72405	- Acquisition of Communic Equip	0.00	64,307.43	0.00	64,307.43
72420	- Land Telephone Charges	0.00	163.77	0.00	163.77
72425	- Mobile Telephone Charges	0.00	95.61	0.00	95.61
72430	- Postage And Pouch	0.00	91.01	0.00	91.01
72505	- Stationery Other Office Supp	0.00	192.37	0.00	192.37
72605	- Grants to Instit & other Benef	0.00	4,103.54	0.00	4,103.54
72815	- Inform Technology Supplies	0.00	16.57	0.00	16.57
73105	- Rent	0.00	4,335.85	0.00	4,335.85
73110	- Custodial & Cleaning Services	0.00	100.25	0.00	100.25
73405	- Rental & Maint-Other Office Eq	0.00	191.31	0.00	191.31
74205	- Audio Visual Productions	0.00	10,124.01	0.00	10,124.01
74210	- Printing and Publications	0.00	2,032.34	0.00	2,032.34
74215	- Promotional Materials and Dist	0.00	3,490.39	0.00	3,490.39
74220	- Translation Costs	0.00	873.05	0.00	873.05
74510	- Bank Charges	32.09	528.20	0.00	560.29
74596	- Service to Projects - GOE	0.00	2,441.78	0.00	2,441.78
75105	- Facilities & Admin - Implement	0.00	70,778.11	0.00	70,778.11
75709	- Learning - training of counter	0.00	1,650.74	0.00	1,650.74
76125	- Realized Loss	0.00	807.04	0.00	807.04
76125	- Realized Loss	0.00	0.67	0.00	0.67
76130	- Unrealized Gain	0.00	-77.28	0.00	-77.28
76135	- Realized Gain	0.00	-1,867.48	0.00	-1,867.48

Funds Utilization

	UNDP Amount
Output: 00090162 Municipal Governance	
Outstanding NIM Advances:	0.00
Undepreciated Fixed Assets:	0.00
Unamortized Intangible Assets:	0.00
Inventory:	0.00
Prepayments:	0.00
Commitments:	0.00

Signed on behalf of Implementing Partner:

DocuSigned by:
 Stephen Kinloch Pichat 17-Mar-2022
 Stephen Kinloch Pichat

stephen.kinloch-pichat@undp.org

UNDP Deputy Resident Representative, BiH



ANNEX III: STATEMENT OF CASH

Statement of Cash as at 31 December 2021

Country Office: Bosnia and Herzegovina
Project Title: Municipal Economic and Environmental Governance
Output ID: 00090162
Period Covered: 01.01.2021 – 31.12.2021

	Amount	Equivalent as at 31/12/2021 (1.724 BAM/USD)
	BAM	USD
<i>Closing Balance represented by:</i>		
Cash in hand	0.00	0.00
Bank	0.00	0.00
TOTAL	0.00	0.00

Signed by: _____

Name and Title: Steliana Nedera, Resident Representative, UNDP CO BIH

Date: _____

Certified by Auditor: _____

(name and stamp)

IAN MURPHY
PARTNER

For and on behalf of BDO LLP
55 Baker Street
London W1U 7EU

Date: _____

Name of Audit Firm: _____

18 July 2022



Date: _____



ANNEX IV: STANDARD AUDIT RATINGS COVERING THE AUDIT OF INTERNAL CONTROLS AND SYSTEMS

Fully Satisfactory	The assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.
Satisfactory / Some Improvement Needed	The assessed governance arrangements, risk management practices and controls were generally established and functioning but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area.
Partially Satisfactory / Major Improvement Needed	The assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area.
Unsatisfactory	The assessed governance arrangements, risk management practices and controls were either not adequately established or not functioning well. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area.



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