



AUDIT

OF

UNDP BOLIVIA

**FORTALECIMIENTO DE LAS CAPACIDADES PROPOSITIVAS
Y DIALÓGICAS DE LAS ORGANIZACIONES SOCIALES
(Directly Implemented Project No. 73828)**

**Report No. 1081
Issue Date: 17 June 2013**

Report on the audit of UNDP Bolivia
Fortalecimiento de las capacidades propositivas y dialógicas de las organizaciones sociales
(Project No. 73828)
Executive Summary

From 28 January to 27 February 2013, the Office of Audit and Investigations (OAI) of the United Nations Development Programme (UNDP), through PricewaterhouseCoopers (the audit firm), conducted an audit of Fortalecimiento de las capacidades propositivas y dialógicas de las organizaciones sociales, Project No. 73828 (the Project), which is directly implemented and managed by the UNDP Country Office in Bolivia (the Office). The audit was conducted under the general supervision of OAI in conformance with the *International Standards for the Professional Practice of Internal Auditing*. The last audit of the Office was conducted by OAI in 2010.

The Project reported expenditure totalling \$0.57 million during the period from 1 January 2010 to 31 December 2011. The following donors contributed to the project: European Union and Denmark.

Audit scope and objectives

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 Statement of Expenditure (Combined Delivery Report) for the period from 1 January 2010 to 31 December 2011 and Statement of Assets as of 31 December 2011.

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		Cash	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
569	Unqualified	10	Unqualified	-	Not Applicable*

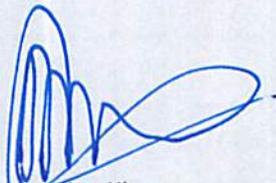
*No separate bank account and/or petty cash was held by the project

Key issues and recommendations

The audit raised two issues and resulted in two recommendations, both ranked medium (important) priority, meaning "Action is required to ensure that UNDP is not exposed to significant risks. Failure to take action could result in negative consequences for UNDP." These recommendations include actions to address: lack of compliance by the social organizations with their subsidy agreements; and expenses reported by the Project that had not been paid yet.

Management's comments

The Resident Representative accepted both recommendations and will take them into consideration for future projects.



Antoine Khoury
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