



AUDIT

OF

UNDP NIGER

PROJET D'APPUI A LA CONSOLIDATION DE LA PAIX DANS LE NORD DU NIGER
(Directly Implemented Project, Output No. 82830)

Report No. 1323

Issue Date: 11 September 2014

Report on the audit of UNDP Niger
Projet d'Appui à la Consolidation de la Paix dans le Nord du Niger, Output No. 82830
Executive Summary

The UNDP Office of Audit and Investigations (OAI), from 19 to 28 May 2014, through Moore Stephens LLP (the audit firm), conducted an audit of *Projet d'Appui à la Consolidation de la Paix dans le Nord du Niger*, Output No. 82830 (the Project), which is directly implemented and managed by the UNDP Country Office in Niger (the Office). This was the first audit of the Project.

The audit firm conducted a financial audit to express an opinion on whether the financial statements present fairly, in all material aspects, the Project's operations. The audit covered the Project's Combined Delivery Report, which includes expenditure for the period from 1 January to 31 December 2013 and the accompanying Funds Utilization statement¹ as of 31 December 2013 as well as Statement of Assets as of 31 December 2013. The audit did not include activities and expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters) and where supporting documentation was not retained at the UNDP Country Office level. In addition, the audit did not cover the Statement of Cash Position as no separate bank account was established and maintained for the Project.

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

Audit results

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

Project Expenditure		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
2,842*	Unqualified	8	Unqualified

*Expenditures recorded in the Combined Delivery Report were \$3,159,987. Excluded from the audit scope were expenditures not processed or approved at the Office level (\$317,706).

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

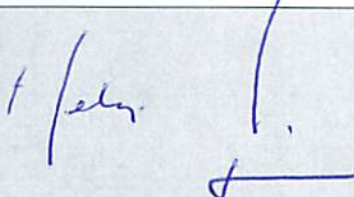
Key recommendations: Total = 2, high priority = 0

The audit did not result in any high (critical) priority recommendations. There are two medium (important) priority recommendations, which means, "Action is required to ensure that UNDP is not exposed to risks that are considered moderate. Failure to take action could contribute to negative consequences for UNDP." The recommendations include actions to address weaknesses in the management of workshops and cash payments.

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.

Management comments and action plan

The UN Resident Coordinator/UNDP Resident Representative accepted both recommendations and is in the process of implementing them. Comments and/or additional information provided have been incorporated into the report, where appropriate.

A handwritten signature in blue ink is visible above the printed name. The signature is cursive and appears to read 'H. Osttveiten'.

Helge S. Osttveiten
Director
Office of Audit and Investigations