

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP Bangladesh

COMPREHENSIVE DISASTER MANAGEMENT PROGRAMME PHASE II
(Directly Implemented Project, Output No. 73416)

Report No. 1388

Issue Date: 16 September 2014

Report on the audit of UNDP Bangladesh Comprehensive Disaster Management Programme Phase II (Output No. 73416) Executive Summary

The UNDP Office of Audit and Investigations (OAI), from 2 to 20 June 2014, through Moore Stephens LLP (the audit firm), conducted an audit of Comprehensive Disaster Management Programme Phase II, Output No. 73416 (the Project), which is directly implemented and managed by the UNDP Country Office in Bangladesh (the Office). The last audit of the Office was conducted by OAI in 2011.

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. 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), or where supporting documentation was not retained at the UNDP Country Office level. 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:

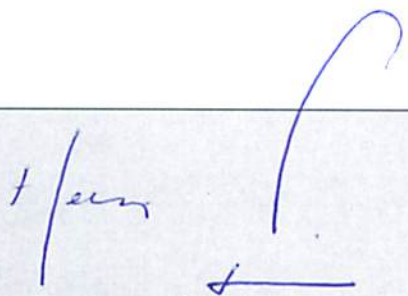
Project Expenditure		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
3,732*	Unqualified	N/A	N/A

*Expenditures recorded in the Combined Delivery Report were \$19,555,783. Excluded from the audit scope were expenditures incurred or undertaken at the "responsible party" level (\$12,061,796), transactions that relate to expenditures not processed or approved at the Office level (\$406,591), and expenditures incurred by implementing partners (\$3,355,445). The expenditures incurred by the "responsible party" have been subject to a separate audit with total expenditures of \$ 15.5 million. The audit was unqualified.

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

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.

The audit did not result in any recommendations.



Helge S. Osttveiten
Director
Office of Audit and Investigations