

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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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 statement¹ 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.

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 current audit did not result in any recommendations.

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

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