

**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**Office of Audit and Investigations**



*Empowered lives.  
Resilient nations.*

**AUDIT**

**OF**

**UNDP BURKINA FASO**

**PROJET D'APPUI AUX ÉLECTIONS AU BURKINA FASO - PAE-BF**  
**(Directly Implemented Project No. 87567, Output No. 94520)**

**Report No. 1665**

**Issue Date: 20 September 2016**

**Report on the Audit of UNDP Burkina Faso**  
**Projet d'appui aux élections au Burkina Faso – PAE-BF**  
**(Project No. 87567, Output No. 94520)**  
**Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Moore Stephens LLP (the audit firm), from 13 to 30 June 2016, conducted an audit of *Projet d'appui aux élections au Burkina Faso – PAE-BF* (Project No. 87567, Output No. 94520) (the Project), which is directly implemented and managed by the UNDP Country Office in Burkina Faso (the Office). This was the first audit of the Project.

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 expenditure for the period from 1 January to 31 December 2015 and the accompanying Funds Utilization statement<sup>1</sup> as well as Statement of Assets as of 31 December 2015. It also reviewed the relevant systems, procedures and practices in place as they relate to the Project, in the areas of: organization and staffing, project management, human resources management, financial and cash management, procurement, asset management, information systems and general administration. 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). 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*.

**Overall audit rating**

Based on the audit report and corresponding management letter submitted by the audit firm, OAI assessed the management of the Project as **satisfactory**, which means, "Internal controls, governance and risk management processes, as applicable to the Project's financial statements, were adequately established and functioning well. No issues were identified that would significantly affect the achievement of the objectives of the audited entity." The details of the audit results are presented in the table below:

Project Expenditure*		Project Assets	
Amount (in \$ millions)	Opinion	Amount (in \$ millions)	Opinion
1.8	Unqualified	0.17	Unqualified

\*Expenditures recorded in the Combined Delivery Report were \$4.6 million. Excluded from the audit scope were transactions that relate to expenditures processed and approved by other UNDP offices outside of the country (\$2.8 million).

<sup>1</sup> 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.

**Key recommendations:** Total = 6, high priority = 1

The six recommendations aim to ensure the following:

Objectives	Recommendation No.	Priority Rating
Reliability and integrity of financial and operational information	3, 4, 5	Medium
Safeguarding of assets	6	Medium
Compliance with legislative mandates, regulations and rules, policies and procedures	1	Medium
	2	High

For high (critical) priority recommendations, prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences for UNDP. The high (critical) priority recommendation is presented below:

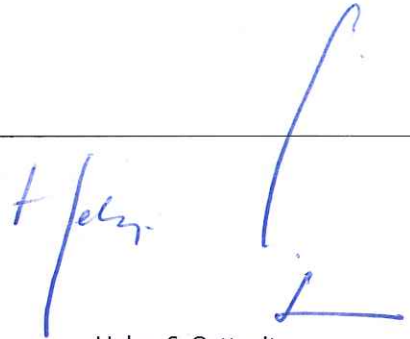
Annual Work Plan not approved by the Project Steering Committee (Issue 2)

The Annual Work Plan of the Project was not approved by the Project Steering Committee. In addition, the Committee met only once during the audited period instead of quarterly, as required by the Project Documents.

Recommendation: The Steering Committee should fulfil their obligations by holding regular meetings and approving the Annual Work Plan prior to its implementation.

### Management comments and action plan

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



Helge S. Osttveiten  
Director  
Office of Audit and Investigations