

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNCDF OFFICE IN THE DEMOCRATIC REPUBLIC OF THE CONGO

DRC PASMIF II – BELGIUM Funds
(Directly Implemented Project No. 75050, Output No. 87159)

Report No. 1694

Issue Date: 2 September 2016

**Report on the Audit of UNCDF in the Democratic Republic of the Congo
DRC PASMIF II – BELGIUM Funds (Project No. 75050, Output No. 87159)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Moore Stephens LLP (the audit firm), from 6 to 17 June 2016, conducted an audit of DRC PASMIF II – BELGIUM Funds (Project No. 75050, Output No. 87159) (the Project), which is directly implemented and managed by the UNCDF Office in the Democratic Republic of the Congo (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 2014 to 31 December 2015 and the accompanying Funds Utilization statement¹ as of 1 January 2015. The audit did not cover the Statement of Assets as no assets were purchased by the Project. 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 UNCDF Regional Offices and UNCDF 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*.

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
1,796	Unqualified

*Expenditures recorded in the Combined Delivery Report were \$1,976,325. Excluded from the audit scope were transactions that relate to expenditures processed and approved by other UNCDF offices outside of the country (\$179,896).

The audit did not result in any recommendations.



Helge S. Osttveiten
Director
Office of Audit and Investigations

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.