

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP PAKISTAN

STRENGTHENING THE RULE OF LAW PROJECT
(Directly Implemented Project No. 61652, Output Nos. 78193 and 94018)

Report No. 1851

Issue Date: 14 September 2017

**Report on the Audit of UNDP Pakistan
Strengthening The Rule of Law Project
(Project No. 61652, Output Nos. 78193 and 94018)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Deloitte (the audit firm), from 2 May to 2 June 2017, conducted an audit of Strengthening The Rule of Law Project, Project No. 61652, Output Nos. 78193 and 94018 (the Project), which is directly implemented and managed by the UNDP Country Office in Pakistan (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 included expenditure for the period from 1 January to 31 December 2016 and the accompanying Funds Utilization statement¹ as of 31 December 2016 as well as the Statement of Assets as of 31 December 2016. The audit did not include activities and expenses incurred or undertaken at the "responsible party" level and 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*.

Audit results

Based on the audit report 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
5,335	Unqualified	38	Unqualified

* Expenditures recorded in the Combined Delivery Report were \$7,691,482. Excluded from the audit scope were expenditures processed and approved by other UNDP offices outside of the country \$586,982. Also excluded were expenditures incurred at the "responsible party" level \$1,769,544, which were subject to a separate audit that resulted in an unqualified opinion.

The audit did not result in any recommendations.

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

Management comments and/or additional information provided have been incorporated into the report, where appropriate.

A handwritten signature in blue ink is enclosed in a rectangular box. The signature is stylized and appears to read 'H. Osttveiten'.

Helge S. Osttveiten
Director
Office of Audit and Investigations