

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP BOSNIA AND HERZEGOVINA

REVITALIZING LOCAL COMMUNITIES
(Directly Implemented Project No. 80525, Output No. 90164)

Report No. 1937

Issue Date: 6 July 2018

**Report on the Audit of UNDP Bosnia and Herzegovina
Revitalizing Local Communities
(Project No. 80525, Output No. 90164)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Deloitte d.o.o. Sarajevo (the audit firm), from 25 April to 7 May 2018, conducted an audit of Revitalizing Local Communities (Project No. 80525, Output No. 90164) (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 through KPMG in 2017, and covered project expenses from 1 January to 31 December 2016.

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 expenses for the period from 1 January to 31 December 2017 and the accompanying Funds Utilization statement¹ as of 31 December 2017 as well as the Statement of Assets and Statement of Cash Position as of 31 December 2017.

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 Expenses		Project Assets		Cash	
Amount (in \$ '000)	Opinion	Amount (in \$'000)	Opinion	Amount (in \$'000)	Opinion
2,611	Unmodified*	37	Unmodified*	130	Unmodified*

*Unmodified = unqualified or clean opinion

The audit did not result in any recommendations.

Management comments and action plan

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

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) undepreciated 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.