



AUDIT

OF

UNDP UKRAINE

CBA PROJECT - PHASE III, KNOWLEDGE MANAGEMENT
(Directly Implemented Project No. 83522, Output No. 91960)

Report No. 1939

Issue Date: 30 July 2018

Report on the Audit of UNDP Ukraine
CBA Project - Phase III, Knowledge Management (Project No. 83522, Output No. 91960)
Executive Summary

The UNDP Office of Audit and Investigations (OAI), through Moore Stephens LLP (the audit firm), from 14 to 19 May 2018, conducted an audit of CBA Project - Phase III, Knowledge Management (Project No. 83522, Output No. 91960) (the Project), which is directly implemented and managed by the UNDP Country Office in Ukraine (the Office). The last audit of the Project was conducted by OAI, through Moore Stephens LLP 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 includes 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 Statement of Assets as of 31 December 2017. 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 Expenses*		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
3,412	Unmodified**	290	Unmodified

*Expenses recorded in the Combined Delivery Report were \$3,424,135. Excluded from the audit scope were expenses processed and approved by other UNDP offices outside of the country (\$12,508).

**Unmodified = unqualified or clean opinion

The audit did not result in any recommendations.

The previous audit (Report No. 1789, issued on 4 August 2017) 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) 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.

Management comments and action plan

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

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