

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



*Empowered lives.  
Resilient nations.*

**AUDIT**

**OF**

**UNDP IRAQ**

**IRAQ CRISIS RESPONSE AND RESILIENCE PROGRAMME (ICRRP)**  
**(Directly Implemented Project No. 85156)**  
**(Resilience Building in Iraq II, Output No. 105146 and**  
**Integrated Recovery Support, Output No. 105112)**

**Report No. 2149**

**Issue Date: 16 August 2019**

**Report on the Audit of UNDP Iraq  
Iraq Crisis Response and Resilience Programme (ICRRP) (Project No. 85156)  
Resilience Building in Iraq II (Output No. 105146) and  
Integrated Recovery Support, Output No. 105112)  
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through KPMG (the audit firm), from 9 to 23 June 2019, conducted an audit of the Iraq Crisis Response and Resilience Programme (ICRRP), Project No. 85156 (Resilience Building in Iraq II, Output No. 105146, and Integrated Recovery Support, Output No. 105112) (the Project), which is directly implemented and managed by the UNDP Country Office in Iraq (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 expenses for the period from 1 January to 31 December 2018 and the accompanying Funds Utilization statement<sup>1</sup> as of 31 December 2018 as well as Statement of Assets as of 31 December 2018. The audit did not include activities and expenses incurred or undertaken at the "responsible party" level. 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 reports submitted by the audit firm, the results are summarized in the table below:

Output no.	Project Expenses*		Project Assets	
	Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
105146	5,489	Unmodified	42	Unmodified
105112	13,449	Unmodified	6	Unmodified

\* For Output No. 105146: Expenses recorded in the Combined Delivery Report were \$8,628,838. Excluded from the audit scope were expenses incurred at the "responsible party" level (\$3,139,495), which were subject to a separate audit conducted by external auditors that resulted in an unmodified opinion.

\* For Output No. 105112: Expenses recorded in the Combined Delivery Report were \$14,855,046. Excluded from the audit scope were expenses incurred at the "responsible party" level (\$1,406,291), which were subject to a separate audit conducted by external auditors that resulted in an unmodified opinion.

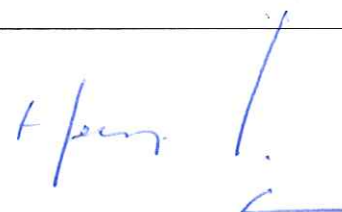
The audit did not result in any recommendations.

<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) 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.

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**Management comments and action plan**

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

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

Helge S. Ostveiten  
Director  
Office of Audit and Investigations