



AUDIT

OF

UNDP TURKEY

TURKEY RESILIENCE PROJECT IN RESPONSE TO THE SYRIA CRISIS
(Nationally Implemented Project No. 108446, Output Nos. 108275 and
108276)

Report No. 2262

Issue Date: 28 July 2020

**Report on the Audit of UNDP Turkey
Turkey Resilience Project in Response to the Syria Crisis
(Project No. 108446, Output Nos. 108275 and 108276)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through KPMG SA (the audit firm), from 2 to 30 June 2020 conducted an audit of Turkey Resilience Project in Response to the Syria Crisis, Project No. 108446, Output Nos. 108275 and 108276 (the Project), which is nationally implemented¹ with support services provided by the UNDP Country Office in Turkey (the Office). This was the first audit of the Project.

The audit firm conducted a financial audit in accordance with the International Standards of Auditing (ISA), the 700 series, 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 2019 and the accompanying Funds Utilization statement² as of 31 December 2019 as well as Statement of Assets for Output No. 108275 as of 31 December 2019.

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 UNDP Regional Centres and UNDP Headquarters). The audit did not cover the Statement of Assets for Output No. 108276 as no assets were procured using the Output's funds. 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 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
108275	10,161*	Unmodified	44	Unmodified
108276	3,025**	Unmodified	N/A	N/A

** Expenses recorded in the Combined Delivery Report were \$10,423,630. Excluded from the audit scope were transactions that relate to expenses processed and approved by other UNDP offices outside of the country (\$62,730). Also excluded were expenses incurred at the "responsible party" level (\$200,000), which were subject to a separate audit conducted by external auditors that resulted in an unmodified opinion.*

¹ The responsible units in UNDP facilitate the audits of nationally implemented (NIM) projects. However, this NIM project was audited by OAI due to the significant involvement of the Country Office in its implementation, and the subsequent materiality of the amount expended by UNDP.

² 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.

*** Expenses recorded in the Combined Delivery Report were \$8,294,855. Excluded from the audit scope were transactions that relate to expenses processed and approved by other UNDP offices outside of the country (\$25,092). Also excluded were expenses incurred at the "responsible party" level (\$5,244,509), 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.

Management comments and action plan

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

Moncef Ghrib

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Officer-in-Charge
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