UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations

AUDIT
OF
UNDP UKRAINE

PROCUREMENT SUPPORT SERVICES TO THE MINISTRY OF HEALTH OF UKRAINE
(Directly Implemented Project No. 90474)

Report No. 2267
Issue Date: 10 August 2020
Report on the Audit of UNDP Ukraine
Procurement Support Services to the Ministry of Health of Ukraine (Project No. 90474)
Executive Summary

The UNDP Office of Audit and Investigations (OAI), through BDO LLP (the audit firm), from 9 to 24 July 2020, conducted an audit of Procurement Support Services to the Ministry of Health of Ukraine (Project No. 90474) (the Project), which is directly implemented and managed by the UNDP Country Office in Ukraine (the Office). The Project included 74 outputs. The last audit of the Project was conducted by OAI, through BDO LLP, in 2019 and covered project expenses from 1 January to 31 December 2018.

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 statement\(^1\) as of 31 December 2019 as well as Statement of Assets as of 31 December 2019. The audit did not cover the Statement of Cash 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 and corresponding management letter submitted by the audit firm, the results are summarized in the table below:

<table>
<thead>
<tr>
<th>Project Expenses</th>
<th>Project Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount (in $’000)</td>
<td>Opinion</td>
</tr>
<tr>
<td>130,630</td>
<td>Unmodified</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount (in $’000)</td>
<td>Opinion</td>
</tr>
<tr>
<td>40</td>
<td>Unmodified</td>
</tr>
</tbody>
</table>

The audit did not result in any recommendations.

At the time this report was being issued, OAI was investigating complaints relating to parties involved with the Project.


Total recommendations: 2
Implemented: 2

\(^1\) 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.

Helge S. Osttveiten
Director
Office of Audit and Investigations