



**AUDIT**

**OF**

**DEVELOPMENT INITIATIVE FOR NORTHERN UGANDA, AND  
SKILLING YOUTH FOR EARLY CHILDHOOD DEVELOPMENT**  
**(Directly Implemented Project No. 105035 and 123014, and their outputs)**

**IMPLEMENTED BY THE**

**UNITED NATIONS CAPITAL DEVELOPMENT FUND**

**Report No. 2394**

**Issue Date: 27 August 2021**

**Report on the audit of ‘Development Initiative for Northern Uganda’ and ‘Skilling Youth for Early Childhood Development’ (Project Nos. 105035 and 123014, and their outputs) implemented by the United Nations Capital Development Fund  
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through PKF Littlejohn LLP (the audit firm), from 14 to 25 June 2021, conducted an audit of projects ‘Development Initiative for Northern Uganda’ and ‘Skilling Youth for Early Childhood Development’ (Project Nos. 105035 and 123014, and their outputs) (the Projects), which are directly implemented and managed by the United Nations Capital Development Fund. These were the first audits of the Projects.

The audit firm conducted financial audits in accordance with the International Standards of Auditing (ISA), the 700 series, to express opinions on whether the financial statements present fairly, in all material aspects, the Projects’ operations. The audits covered the Projects’ Combined Delivery Reports, which include expenses for the period from 1 January to 31 December 2020 and the accompanying Funds Utilization statement<sup>1</sup> as of 31 December 2020. The audits did not include activities and expenses incurred, or expenses processed and approved in locations outside the country (such as UNCDF Regional Centres and UNCDF Headquarters). The audits did not cover the Statement of Cash Positions as no separate bank account was established and maintained for the Projects.

The audits were conducted under the general supervision of OAI in conformance with the *International Standards for the Professional Practice of Internal Auditing*. Due to the COVID-19 pandemic, the audit was conducted remotely. This did not have an impact on the audit opinion.

**Audit results**

Based on the audit report submitted by the audit firm, the results are summarized in the table below:

Project No.	Project Expenses		Project Assets	
	Amount (in \$’000)	Opinion	Amount (in \$’000)	Opinion
105035	4,553*	Unmodified	88	Unmodified
123014	29**	Unmodified	-	Not applicable
<b>Total</b>	<b>4,582</b>		<b>88</b>	

\*Expenses included in the Combined Delivery Reports totaled \$5,781,196. Excluded from the audit scope were transactions that relate to expenses processed and approved by other UNCDF offices outside the country amounting to \$1,228,241.

\*\*Expenses included in the Combined Delivery Reports totalled \$30,769. Excluded from the audit scope were transactions that relate to expenses processed and approved by other UNCDF offices outside the country amounting to \$1,962.

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 projects; 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. Ostveiten  
Director  
Office of Audit and Investigations