



AUDIT

OF

IRAQ CRISIS RESPONSE AND RESILIENCE PROGRAMME (ICRRP)
(Directly Implemented Project No. 85156, Output Nos. 92888 and 119836)

IN

UNDP IRAQ

Report No. 2511
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**Report on the Audit of Iraq Crisis Response and Resilience Programme (ICRRP)
implemented by UNDP Iraq
(Project No. 85156, Output Nos. 92888 and 119836)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Talal Abu-Ghazaleh & Co. (the audit firm), from 6 to 22 June 2022, conducted an audit of 'Iraq Crisis Response and Resilience Programme' (ICRRP) (Project No. 85156, Output Nos. 92888 and 119836 (the Project)), which is directly implemented and managed by the UNDP Country Office in Iraq (the Office). This was the first audit of these two outputs in 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 2021 and the accompanying Funds Utilization statement¹ as of 31 December 2021 as well as Statement of Assets (for Output No. 119836) as of 31 December 2021. 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. 92888) as no assets were held by the Project. In addition, 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* of The Institute of Internal Auditors (The IIA).

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
92888	3,107*	Unmodified	N/A	N/A
119836	1,231**	Unmodified	29.9	Unmodified

*Expenses recorded in the Combined Delivery Report were \$3,128,808. Excluded from the audit scope were expenses processed and approved by other UNDP offices outside of the country (\$21,632).

** Expenses recorded in the Combined Delivery Report were \$23,525,376. Excluded from the audit scope were expenses processed and approved by other UNDP offices outside of the country (\$959,794). Also excluded were expenses incurred at the "responsible party" level (\$21,334,387), 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.

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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