



AUDIT

OF

**PROCUREMENT SUPPORT SERVICES TO THE MINISTRY OF HEALTH OF UKRAINE,
PHASE II**
(Directly Implemented Project No. 129716)

IN

UNDP UKRAINE

Report No. 2814
Issue Date: 23 September 2024

**Report on the Audit of Procurement Support Services to the Ministry of Health of Ukraine, Phase II
(Project No. 129716)
Implemented by UNDP Ukraine
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through BDO LLP (the audit firm), from 1 to 4 July 2024, conducted an audit of Procurement Support Services to the Ministry of Health of Ukraine, Phase II (Project No. 129716) (the Project), which is directly implemented and managed by the UNDP Country Office in Ukraine (the Office). The last audit of the Project was conducted by OAI, through BDO LLP in 2023 and covered project expenses from 1 January to 31 December 2022.

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 2023 and the accompanying Funds Utilization statement¹ as of 31 December 2023. The audit did not include activities and 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 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).

Given the current security situation in Ukraine, the audit was conducted remotely. As advised by the audit firm, there were no scope limitations as a result of the remote audit.

Audit results

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

Project Expenses*	
Amount (in \$ '000)	Opinion
3,882	Unmodified

*Expenses recorded in the Combined Delivery Report were \$6,320,686. Excluded from the audit scope were transactions that relate to expenses processed and approved by other UNDP offices outside of the country (\$2,438,668).

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.



Implementation status of previous OAI audit recommendations:

The previous audit (Report No. 2683, issued on 23 August 2023) 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.

Sean DeBlieck
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