



**AUDIT**

**OF**

**UNDP DEMOCRATIC REPUBLIC OF THE CONGO**

**POOLED FUND/INTEGRATED UNIT SUPPORT**  
**(Directly Implemented Project No. 56176)**

**Report No. 997**  
**Issue Date: 4 June 2013**

**Report on the audit of UNDP Democratic Republic of the Congo  
Pooled Fund/Integrated Unit Support (Project No. 56176)  
Executive Summary**

From 21 January to 18 February 2013, the Office of Audit and Investigations (OAI) of the United Nations Development Programme (UNDP), through KPMG (the audit firm), conducted an audit of Pooled Fund/Integrated Unit Support, Project No. 56176 (the Project), which is directly implemented and managed by the UNDP Country Office in the Democratic Republic of the Congo (the Office). The audit was conducted under the general supervision of OAI in conformance with the International Standards for the Professional Practice of Internal Auditing.

The Project reported expenditure totaling \$1.7 million during the period from 1 January 2011 to 31 December 2011. Aside from UNDP, the Project received contributions from the Common Humanitarian Fund which is funded by Belgium, United Kingdom/Department for International Development, Ireland, Luxembourg, the Netherlands, Norway, Sweden and Spain.

**Audit scope and objectives**

The audit firm conducted a financial audit 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 Statement of Expenditure (Combined Delivery Report) for the period from 1 January to 31 December 2011 and Statement of Assets and Statement of Cash Position as of 31 December 2011.

**Audit results**

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

Project Expenditure			Project Assets			Cash		
Amount (in \$ '000)	Opinion	NFI (in \$ '000)	Amount (in \$'000)	Opinion	NFI (in \$ '000)	Amount (in \$'000)	Opinion	NFI (in \$ '000)
1,740	Unqualified	-	373	Unqualified	-	NA	NA	NA

*NFI = Net Financial Impact*

**Key issue and recommendation**

The audit raised one issue which was ranked medium (important) priority, meaning "Action is required to ensure that UNDP is not exposed to significant risks. Failure to take action could result in negative consequences for UNDP." The recommendation includes actions to address weaknesses in the management and the control of vehicles.

**Management's comments**

The Resident Representative accepted the recommendation and is in the process of implementing it.



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Director  
Office of Audit and Investigations