



AUDIT

OF

UNDP DEMOCRATIC REPUBLIC OF THE CONGO

PROJET D'APPUI AU CYCLE ÉLECTORAL

**(Directly Implemented Project Nos. 60339, 60812, 61857, 62816, 63489,
63782, 72515, 79714, 80231)**

Report No. 998

Issue Date: 25 June 2013

Report on the audit of UNDP Democratic Republic of the Congo
Projet d'Appui au Cycle Électoral
(Project Nos. 60339, 60812, 61857, 62816, 63489, 63782, 72515, 79714, 80231)
Executive Summary

From 21 January to 5 March 2013, the Office of Audit and Investigations (OAI) of the United Nations Development Programme (UNDP), through KPMG (the audit firm), conducted an audit of Projet d'Appui au Cycle Électoral, Project Nos. 60339, 60812, 61857, 62816, 63489, 63782, 72515, 79714 and 80231 (the Projects), which are 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 last audit of the Office was conducted by OAI in 2012.

The Project reported expenditure totalling \$80 million during the period from 1 January to 31 December 2011. The following donors contributed to the Project: European Union, United Kingdom, Belgium, Canada, Sweden, Japan, France, the Global Programme for Electoral Cycle Support and Italy.

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 as of 31 December 2011.

Follow-up on previous audit: The audit firm conducted a follow-up on the status of implementation of audit recommendations from a previous audit report on this Project. Five out of eight recommendations were noted to be fully implemented.

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	Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
80,314	Unqualified	111	Unqualified	-	N/A*

*No separate bank account was held by the project

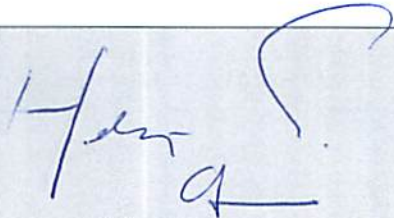
Key issues and recommendations

The audit raised six issues and resulted in six recommendations, all of which were 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." These recommendations include actions to: use a more

suitable software for managing assets and equipment; improve the storage conditions of equipment and materials; and ensure timely maintenance and update of the assets register.

Management's comments

The Resident Representative acknowledged the recommendations.

A handwritten signature in blue ink, appearing to read 'Helge S. Ostveiten', is written over a light blue rectangular background.

Helge S. Ostveiten
Director
Office of Audit and Investigations