



**UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)
SOMALIA COUNTRY OFFICE**

**HARMONIZED APPROACH TO CASH TRANSFER (HACT)
AUDIT**

**IMPLEMENTING PARTNER: OFFICE OF THE PRIME
MINISTER - AID COORDINATION UNIT (ACU)**

**PROJECT NUMBER: 00116132/ OUTPUT 00113390
PROJECT NUMBER: 00117249/ OUTPUT 00114120**

**PROJECT TITLE: SUPPORT TO AID MANAGEMENT AND
COORDINATION IN SOMALIA
AND
USAID SUPPORT TO AID MANAGEMENT AND
COORDINATION IN SOMALIA**

**FINANCIAL STATEMENTS AND MANAGEMENT LETTER
FOR THE PERIOD**

1 JANUARY 2019 TO 31 DECEMBER 2019

ISSUED MAY 2020

REPORT ON THE HACT FINANCIAL AUDIT OF OFFICE OF THE PRIME MINISTER - AID COORDINATION UNIT (ACU) PROJECT NUMBER: 00116132/ OUTPUT 00113390 AND PROJECT NUMBER: 00117249/ OUTPUT 00114120 FOR THE PERIOD 1 JANUARY 2019 TO 31 DECEMBER 2019

LIST OF ABBREVIATIONS

CDR	Combined Delivery Report
FGS	Federal Government of Somalia
HACT	Harmonised Approach to Cash Transfer
IESBA	International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants
ACU	Aid Coordination Unit
IP	Implementing Partner
ISA	International Standards on Auditing
UN	United Nations
UNDP	United Nations Development Programme
USD	United States Dollar

REPORT ON THE HACT FINANCIAL AUDIT OF OFFICE OF THE PRIME MINISTER - AID COORDINATION UNIT (ACU) PROJECT NUMBER: 00116132/ OUTPUT 00113390 AND PROJECT NUMBER: 00117249/ OUTPUT 00114120 FOR THE PERIOD 1 JANUARY 2019 TO 31 DECEMBER 2019

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1. EXECUTIVE SUMMARY

Resident Representative
United Nations Development Programme
Somalia Country Office
UN Common Compound
Airport Road, Mogadishu Somalia.

Dear Sir,

Subject: Independent auditors report to United Nations Development Programme (UNDP) Somalia on the HACT financial audit of Office of the Prime Minister - Aid Coordination Unit (ACU) Project No 00116132 and 00117249, Output 00113390 and 00114120 for the period 1 January 2019 to 31 December 2019

In accordance with the HACT Framework and our contract dated 9 March 2020 that you agreed with us, we have carried out a financial audit of Office of the Prime Minister - Aid Coordination Unit (ACU) Project No 00116132/ Output 00113390 and Project No 00117249/ Output 00114120 for the period 1 January 2019 to 31 December 2019.

We are pleased to present our report, which is structured with the following headings;

Section 2: Introduction – Presents a background of the project and implementing partner, a general description of the project and the activities implemented including a summary of program details and objectives;

Section 3: Audit Objectives and scope– Outlines the overall objectives and scope of the audit as per the professional services contract between Deloitte and UNDP Somalia Country Office.

Section 4: Statement of management responsibilities– Outlines the responsibilities of the project management;

Section 5: Independent auditors report on the financial statements – presents our independent auditors report to UNDP Somalia Country Office on the financial statements of the project;

Section 6: Notes to the financial statements;

Section 7: Assessment of the internal controls exercised by the implementing partner (IP) in respect of the project funds.

Section 8: Management letter - Significant control and accounting findings identified in the course of the audit including relevant recommendations to address these findings, and/or questioned costs, if any.

Annexes

Annex 1: Audit data and observations

We would like to appreciate the cooperation and courtesy accorded to us by the management of Office of the Prime Minister - Aid Coordination Unit (ACU) and UNDP Somalia Country Office during the course of the audit.

We would be glad to respond to any clarification or additional information that you may require with regard to our report.

Yours faithfully,



Certified Public Accountants (Kenya)
Nairobi, Kenya

11 May 2020

2. BACKGROUND

2.1 Project background

This project builds upon the support to the aid coordination architecture that was provided through the Capacity Development Programme (CDP) of the UNDP since 2013, when initial support was provided to New Deal conferences and the establishment of the Aid Coordination Unit (ACU).

During 2014 and the first half of 2015, the support was continued through an interim project until the main Capacity Development Project, the “Strengthening of Institutional Performance Project (SIP)” started operations in mid-2015. SIP then provided dedicated support to MOPIC and ACU in aid coordination functions.

The SIP also provided similar support to the Government of Puntland State and, inter alia, was instrumental in supporting the establishment of the Puntland Development Forum. Through a second project within the UNDP Capacity Development Programme, the ‘Support to Emerging Federal States – StEFS project dedicated support was provided to the new Federal Member States, including awareness raising about the New Deal and aid coordination and the participation of the states in the centralised coordination structures.

This project will serve to support the establishment and operations of the revised aid architecture; strengthen government capacity to lead aid coordination processes; and consolidate efforts provided by UN agencies and the World Bank to provide more effective, coherent, efficient support with reduced transaction costs. The project will bring together, in a coherent and mutually reinforcing way, the support that UNDP, the Integrated Office (RCO, the RMU, the UNSOM New Deal Unit) and the World Bank have been providing on aid coordination and effectiveness issues, benefitting both government and the international community.

As a result, the programme will achieve the following outcomes:

- (i) a more inclusive, effective and efficient aid architecture;
- (ii) strengthened national ownership and capacity for aid coordination processes;
- (iii) better coherence in the international community’s support for aid coordination and effectiveness.

This will then contribute towards a better managed, more capable, and more accountable Somali aid coordination and management function that supports state-building priorities, consolidates linkages between the FGS (Federal Government of Somalia) and FMS (Federal Member States), and contributes to stability and responds to citizen needs.

Source: <https://www.so.undp.org/content/somalia/en/home/projects/support-to-aid-management-and-coordination.html>.

2.2 Background of the implementing partner

The Aid Coordination Unit provides strategic advice, information and technical support to the Offices of the President and of the Prime Minister, different line ministries and government entities. It also provides support and strategic advice to the Parliament, Federal Member States (FMSs) and the Somali Cabinet to promote the effective utilization of aid resources towards peace building, state building and development results.

UNDP works closely with the Aid Coordination Unit (ACU) by providing both technical and financial support to equip it to facilitate Pillar Working Group (PWG) meetings between Federal Government States, Federal Member States and Somalia Development and Reconstruction Forum (SDRF) stakeholders.

Source: LOA support-to-aid-management-and-coordination.

3. AUDIT OBJECTIVES AND SCOPE

3.1 Audit objectives

The objective of the financial audit was to express an opinion on the statement of expenses (CDR) in compliance with International Standards on Auditing (ISA). The specific objectives of the audit were to:

- Express an opinion on whether the statement of expenses (CDR) presents fairly the expense incurred by the project over a specified period, 1 January 2019 to 31 December 2019 in accordance with agreed upon accounting policies and that the expenses incurred were:
 - (i) in conformity with the approved project budgets;
 - (ii) for the approved purposes of the project;
 - (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and
 - (iv) supported by properly approved vouchers and other supporting documents.
- Express an opinion on whether the results of the prior year's audits resulting in modified audit opinions on the CDR had conclusive actions to properly address an audit qualification in the previous year audit. If there is a lack of conclusive actions, the auditors must take into account the possible effect of a prior year modified opinion that has not been properly corrected or resolved.
- Express an opinion on the existence of the project's statement of assets and equipment as at a given date. This statement must include all assets and equipment available as at 31 December 2019, and not only those purchased in a given period. Where a project does not have any assets or equipment, it will not be necessary to express such an opinion; however, this should be disclosed in the audit report.
- Express an opinion on the value and existence of the cash held by the project as at 31 December 2019. The Audit Firm is required to express an opinion on the statement of cash position where a dedicated bank account for the project has been established and/or the project holds petty cash. Where the project does not hold any cash, this should be disclosed in the audit report.
- To assess the project's internal controls and systems that are in place for the management of the project so that the related transactions are processed in accordance with UNDP/IP policies and procedures (as applicable) and for the achievement of the project objective.

The deliverable will be an audit report similar to a long form management letter that covers the internal controls weaknesses identified and the audit recommendations to address them.

3.2 Audit scope

The Terms of Reference (TOR) required us to review the overall management of the project's implementation, monitoring and supervision.

It also includes the review of work plans, progress reports, project resources, project budgets, project expenditure, project delivery, recruitment, operational and financial closing of projects (if applicable) and disposal or transfer of assets.

The scope of the audit also covered the review of the following areas:

- a) **Human resources:** Review of the competitiveness, transparency and effectiveness of the recruitment and hiring of personnel, including performance appraisal, attendance control, calculation of salaries and entitlements, payroll preparation and payment, and management of personnel records;

3 AUDIT OBJECTIVES AND SCOPE (Continued)

3.2 Audit scope (Continued)

- b) **Finance:** Review of the adequacy of the accounting and financial operations and operating and reporting systems. These include budget control, cash management, certification and approving authority, receipt of funds and disbursement of funds, recording of all financial transactions in expenditure reports, records maintenance and control;
- c) **Procurement:** Review of the competitiveness, transparency and effectiveness of the procurement activities of the project to ensure that the equipment and services purchased meet the requirement of either the IP or UNDP Somalia Country Office and include the following;
 - (i) As applicable, delegations of authorities, procurement thresholds, call for bids and proposals, evaluation of bids and proposals and approval/signature of contracts and purchase orders;
 - (ii) Receiving and inspection procedures to determine the conformity of equipment with the agreed specifications and, when applicable, the use of independent experts to inspect the delivery of highly technical and expensive equipment;
 - (iii) Evaluation of the procedures established to mitigate the risk of purchasing equipment that do not meet specifications or is later proven to be defective; and
 - (iv) Management and control over the variation orders.

The audit work in the area of procurement shall also cover the use of consulting firms and the adequacy of procedures to obtain fully qualified and experienced personnel and assessment of their work before final payment is made.

- d) **Asset management:** Review of equipment purchased for use of the project. Review the procedures for receipt, storage, and disposal.
- e) **Cash management:** Review all cash funds held by the project and the procedures for safeguarding cash; and
- f) **General Administration:** Review of travel activities, vehicle management, shipping services, office premises and lease management, office communications and IT systems, and records maintenance.

3.3 Audit results

We have issued audit opinions as summarised in the table below and as detailed in the next sections:

Statement of Expenses (CDR)	Unmodified
Statement of Assets and Equipment	Not applicable
Statement of Cash position	Unmodified

3 AUDIT OBJECTIVES AND SCOPE (Continued)

3.3 Audit results (Continued)

Combined Delivery Report (CDR) Reconciliation;

Project No 00116132

Description	Amount (USD)
Total combined delivery report for output	760,894
Less expenses paid by UNDP directly not to subject to audit	(268,402)
Total CDR expenses subject to audit – Direct Payment modality	492,492

Project No 00117249

Description	Amount (USD)
Total combined delivery report for output	991,496
Less expenses paid by UNDP directly not to subject to audit	(612,821)
Total CDR expenses subject to audit	378,675

Refer to Section 7 of this report for the findings resulting from our review.

There was no prior year audit done on this project.

REPORT ON THE HACT FINANCIAL AUDIT OF OFFICE OF THE PRIME MINISTER - AID COORDINATION UNIT (ACU) PROJECT NUMBER: 00116132/ OUTPUT 00113390 AND PROJECT NUMBER: 00117249/ OUTPUT 00114120 FOR THE PERIOD 1 JANUARY 2019 TO 31 DECEMBER 2019

4. STATEMENT OF MANAGEMENT RESPONSIBILITIES

It is the responsibility of the management of UNDP Somalia Country Office and Office of the Prime Minister - Aid Coordination Unit (ACU) to prepare financial statements for the period which give a true and fair view of the state of affairs of the project for the period 1 January 2019 to 31 December 2019 and of the operating results of the organisation for that year. It also requires management to ensure that the project keeps proper accounting records that are sufficient to show and explain the transactions of the project and which disclose, with reasonable accuracy at any time the financial position of the project. They are also responsible for safeguarding the assets of the project and for taking reasonable steps for the prevention and detection of fraud and error.

The management is responsible for the preparation and presentation of these financial statements in accordance with the basis of accounting set out in Section 6.3 of this report and in conformity with the project document signed by UNDP Somalia Country Office and Office of the Prime Minister - Aid Coordination Unit (ACU), and for such internal controls as management determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The management accept responsibility for the preparation and presentation of these financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with the basis of accounting set out in Section 6.3 of this report and in conformity with the project document signed by UNDP Somalia Country Office and Office of the Prime Minister - Aid Coordination Unit (ACU). The management are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the project.

They also accept responsibility for:

- i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii) selecting suitable accounting policies and applying them consistently; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

The management acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by UNDP Somalia Country Office and Office of the Prime Minister - Aid Coordination Unit (ACU) on .. *08/05/2020* .. and signed on their behalf by:

Name: *Jocelyn Mason*

Position:
UNDP Somalia Country Office

Name: Mohamed Ali Mohamed

Position: Admin & Finance Officer
Office of the Prime Minister - Aid Coordination Unit (ACU)



5. REPORT OF THE INDEPENDENT AUDITORS TO UNDP SOMALIA COUNTRY OFFICE ON THE FINANCIAL STATEMENTS

Independent auditor's opinion

We have audited the accompanying financial statements of Office of the Prime Minister - Aid Coordination Unit (ACU), Project No 00116132/ Output 00113390 and Project No 00117249/ Output 00114120 "Support to Aid Management and Coordination in Somalia" and "USAID Support to Aid Management and Coordination in Somalia" for the period 1 January 2019 to 31 December 2019 including a summary of significant accounting policies. The financial statements comprise of;

- The statement of expenses (Combined Delivery Report (CDR));
- The statement of cash position; and
- The notes to the financial statements, which include a summary of significant accounting policies.

The statement of expenses (Combined Delivery Report (CDR))

The CDR expenditure Project Number 00116132, Output Number 00113390 totalling US\$ 760,984 is comprised of expenditure directly incurred by Office of the Prime Minister - Aid Coordination Unit (ACU) for an amount of US\$ 492,492 and expenditure paid directly by UNDP Somalia on this programme for an amount of US\$ 268,402. Our audit only covered the expenditure directly incurred by Office of the Prime Minister - Aid Coordination Unit (ACU) of US\$ 492,492.

The CDR expenditure Project Number 00117249, Output Number 00114120 totalling US\$ 991,496 is comprised of expenditure directly incurred by Office of the Prime Minister - Aid Coordination Unit (ACU) for an amount of US\$ 378,675 and expenditure paid directly by UNDP Somalia on this programme for an amount of US\$ 612,821. Our audit only covered the expenditure directly incurred by Office of the Prime Minister - Aid Coordination Unit (ACU) of US\$ 378,675.

The statement of cash position

Project No 00116132/ Output 00113390 and Project No 00117249/ Output 00114120 had NIL cash balance as at 31 December 2019.

Opinion

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the accounting policies set out in Section 6.3 and in conformity with the requirements of project document between Office of the Prime Minister - Aid Coordination Unit (ACU) and UNDP Somalia Country Office.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with these requirements.

5 REPORT OF THE INDEPENDENT AUDITORS TO UNDP SOMALIA ON THE FINANCIAL STATEMENTS (Continued)

Independent auditor's opinion (Continued)

Basis for Opinion (Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Section 6.3 of this report which describes the basis of accounting. The financial statements are prepared to assist Office of the Prime Minister - Aid Coordination Unit (ACU) in complying with the financial reporting provisions of the Project Document referred to above. As a result, this report may not be suitable for another purpose. Our report is intended solely for the UNDP Somalia Country Office and Office of the Prime Minister - Aid Coordination Unit (ACU) and should not be distributed to or used by parties other than the aforementioned parties. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance of the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the basis of accounting described in Section 6.3 and in compliance with the requirements of the Project Document signed between UNDP Somalia Country Office and Office of the Prime Minister - Aid Coordination Unit (ACU), and for such internal controls as management determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the management is responsible for assessing the project's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the projects assets or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing Office of the Prime Minister - Aid Coordination Unit (ACU) financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Office of the Prime Minister - Aid Coordination Unit (ACU) internal control.

5 REPORT OF THE INDEPENDENT AUDITORS TO UNDP SOMALIA ON THE FINANCIAL STATEMENTS (Continued)

Independent auditor's opinion (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the managements' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such notes are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte & Touche

Certified Public Accountants (Kenya)
Nairobi

11 May 2020

CPA Patricia Seroney, Practicing certificate No. 2434
Signing partner responsible for the independent audit



Combined Delivery Report By Project

Project Id : 00116132 SUPPORT TO AID MANAGEMENT AND	Period :	Jan-Dec (2019)
Output # : 00113390 SUPPORT TO AID MANAGEMENT AND	Impl. Partner :	99999 UNDP
	Location :	Somalia

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
71205 - Intl Consultants-Sht Term-Tech	0.00	33,600.00	0.00	33,600.00
71211 - Intl Consult Security Charge	0.00	590.40	0.00	590.40
71605 - Travel Tickets-International	0.00	9,060.00	0.00	9,060.00
71610 - Travel Tickets-Local	17,310.00	10,565.00	0.00	27,875.00
71615 - Daily Subsistence Allow-Intl	0.00	956.24	0.00	956.24
71635 - Travel - Other	0.00	328.96	0.00	328.96
71810 - Contractual Svcs-indiv ImpPtr	0.00	181,090.00	0.00	181,090.00
72105 - Svc Co-Construction & Engineer	0.00	148.94	0.00	148.94
72135 - Svc Co-Communications Service	0.00	735.00	0.00	735.00
72220 - Furniture	0.00	980.00	0.00	980.00
72311 - Fuel, petroleum and other oils	0.00	400.00	0.00	400.00
72402 - Building Maintenance	0.00	770.00	0.00	770.00
72425 - Mobile Telephone Charges	0.00	190.00	0.00	190.00
72440 - Connectivity Charges	3,600.00	0.00	0.00	3,600.00
72505 - Stationery & other Office Supp	0.00	600.00	0.00	600.00
74110 - Audit Fees	0.00	4,835.00	0.00	4,835.00
74510 - Bank Charges	2,550.00	3,860.97	0.00	6,410.97
74525 - Sundry	2,970.00	0.00	0.00	2,970.00
75105 - Facilities & Admin - Implement	0.00	48,127.71	0.00	48,127.71
75705 - Learning costs	90,769.50	202,813.75	0.00	293,583.25
75711 - TrnWrkshp&Conf - Stipends	0.00	3,000.00	0.00	3,000.00
Total for Fund 30000	117,199.50	569,753.09	0.00	686,952.59
Total for Dept : 46825	117,199.50	569,753.09	0.00	686,952.59
Total for Output : 00113390	117,199.50	643,694.20	0.00	760,893.70
Project Total :	117,199.50	643,694.20	0.00	760,893.70

Delone & Touche

Digitally signed by Albert Soer
DN: cn=Albert Soer, o=UNDP
Somalia, ou=DCD - P / Effective
Institutions Portfolio Manager,
email=albert.soer@unpd.org,
c=SO
Date: 2020.03.31 14:54:45 +03'00'



Digitally signed by
Jocelyn Mason
DN: cn=Jocelyn Mason,
o=UNDP, ou=Resident
Representative,
email=jocelyn.mason@
undp.org, c=SO
Date: 2020.04.01
13:39:23 +03'00'

Signed By :

Signed By :

MOHAMED ALI MOHAMED
ADMIN & FINANCE OFFICER
ACU - OPM - FGS

08/05/2020

Combined Delivery Report By Project



Selection Criteria :

Business Unit : SOM10
Period : Jan-Dec (2019)
Selected Project Id : 00116132
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : ALL

Project Id : ALL	Period : Jan-Dec (2019)
Output # : ALL	Impl. Partner : Location :

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
46801 - Somalia - Central	0.00	73,941.11	0.00	73,941.11
46825 - South Central Somalia	117,199.50	569,753.09	0.00	686,952.59



Funds Utilization

Selection Criteria :

Business Unit : SOM10
Period : Jan-Dec (2019)
Selected Project Id : 00116132
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : ALL

Project/Award: 00116132 SUPPORT TO AID MANAGEMENT AND

Period : As at Dec 31, 2019

Output #	00113390	Impl. Partner :99999 UNDP	UNDP AMOUNT
Outstanding NEX advances			0.00
Undepreciated Fixed Assets			0.00
Unamortized Intangible Assets			0.00
Inventory			0.00
Prepayments			0.00
Commitments			26,191.90

Combined Delivery Report By Project



Project Id : 00117249 USAID SUPPORT TO AID MANAGEMEN		Period :		Jan-Dec (2019)	
Output # : 00114120 USAID SUPPORT TO AID MANAGEMEN		Impl. Partner :		99999 UNDP	
		Location :		Somalia	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp	
63535 - Contribution to Security	0.00	4,870.34	0.00	4,870.34	
63540 - Contribution to Training	0.00	277.19	0.00	277.19	
63545 - Contribution to ICT	0.00	1,187.88	0.00	1,187.88	
63550 - Contributions to MAIP	0.00	39.61	0.00	39.61	
63555 - Contribution to UN JFA	0.00	2,375.79	0.00	2,375.79	
63560 - Contributions to Appendix D	0.00	197.99	0.00	197.99	
64310 - Separations - IP Staff	0.00	1,108.66	0.00	1,108.66	
65115 - Contributions to ASHI Reserve	0.00	7,879.64	0.00	7,879.64	
65135 - Payroll Mgt Cost Recovery ATLA	0.00	637.35	0.00	637.35	
71205 - Intl Consultants-Sht Term-Tech	0.00	60,052.69	0.00	60,052.69	
71211 - Intl Consult Security Charge	0.00	3,788.40	0.00	3,788.40	
71310 - Local Consult.-Short Term-Supp	0.00	8,000.00	0.00	8,000.00	
71530 - UNV-Rest and Recuperation	0.00	3,326.00	0.00	3,326.00	
71605 - Travel Tickets-International	0.00	10,200.00	0.00	10,200.00	
71610 - Travel Tickets-Local	4,080.00	4,410.00	0.00	8,490.00	
71620 - Daily Subsistence Allow-Local	19,710.00	5,403.28	0.00	25,113.28	
71630 - Shipment	0.00	228.00	0.00	228.00	
71810 - Contractual Svcs-indiv ImpPtr	0.00	280,230.77	0.00	280,230.77	
72120 - Svc Co-Trade and Business Serv	0.00	2,110.03	0.00	2,110.03	
72130 - Svc Co-Transportation Services	1,600.00	0.00	0.00	1,600.00	
72405 - Acquisition of Communic Equip	0.00	6,003.81	0.00	6,003.81	
72415 - Courier Charges	0.00	32.34	0.00	32.34	
72430 - Postage and Pouch	0.00	30.00	0.00	30.00	
72440 - Connectivity Charges	0.00	117.00	0.00	117.00	
73310 - Maint & Licencing of Software	0.00	3,697.00	0.00	3,697.00	
74510 - Bank Charges	2,652.00	9,552.68	0.00	12,204.68	
74525 - Sundry	3,110.00	0.00	0.00	3,110.00	
75105 - Facilities & Admin - Implement	0.00	55,291.89	0.00	55,291.89	
75705 - Learning costs	59,292.00	3,930.90	0.00	63,222.90	
75711 - TrnWrkshp&Conf - Stipends	0.00	1,200.00	0.00	1,200.00	
77305 - Salaries - IP Staff-TA	0.00	3,218.54	0.00	3,218.54	
77310 - Post Adjustment - IP Staff-TA	0.00	1,226.27	0.00	1,226.27	
77315 - Contrib-Med,Soclns-IP Staff-TA	0.00	227.49	0.00	227.49	
77320 - Assg hardship & mob allow-TA	0.00	1,017.33	0.00	1,017.33	
77345 - Dep Allowances-IP Staff-TA	0.00	779.26	0.00	779.26	
77353 - Reimb of Income Tax - IP-TA	0.00	92.01	0.00	92.01	
77357 - Repat. Grt/Comm Ann Lv-IP-TA	0.00	306.54	0.00	306.54	
77365 - Spec Oper Living Allow-IP-TA	0.00	1,155.00	0.00	1,155.00	
77375 - Contrib-Jt Staff Pens Fd-IP-TA	0.00	1,096.02	0.00	1,096.02	
77385 - Contribution to Security	0.00	273.35	0.00	273.35	
77386 - Contribution to ICT_TA	0.00	66.68	0.00	66.68	
77395 - MAIP Premium TA/IP	0.00	2.22	0.00	2.22	
77396 - PAYROLL MGT COST RECOVERY	0.00	45.07	0.00	45.07	
77397 - Appendix D TA/IP	0.00	11.11	0.00	11.11	
Total for Fund 30000	90,444.00	655,996.51	0.00	746,440.51	
Total for Dept : 46825	90,444.00	655,996.51	0.00	746,440.51	
Total for Output : 00114120	90,444.00	901,052.20	0.00	991,496.20	



Combined Delivery Report By Project

Project Id : 00117249 USAID SUPPORT TO AID MANAGEMEN	Period :	Jan-Dec (2019)		
Output # : 00114120 USAID SUPPORT TO AID MANAGEMEN	Impl. Partner :	99999 UNDP		
	Location :	Somalia		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

Project Total :	90,444.00	901,052.20	0.00	991,496.20
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Deloitte & Touche

Digitally signed by Albert Soer
DN: cn=Albert Soer, o=UNDP
Somalia, ou=DCD - P / Effective
Institutions Portfolio Manager,
email=albert.soer@unpd.org,
c=SO
Date: 2020.03.31 14:53:23
+03'00'



Digitally signed by
Jocelyn Mason
DN: cn=Jocelyn Mason,
o=UNDP, ou=Resident
Representative,
email=jocelyn.mason@un
dp.org, c=SO
Date: 2020.04.01 13:40:49
+03'00'

Signed By :

Signed By :

*MOHAMED ALI MOHAMED
ADMIN & FINANCE OFFICER
ACU - ORM - FGS*

Date : *08/05/2020*



Combined Delivery Report By Project

UNDP UN Development Programme
Report ID: unglcdrp

Selection Criteria :

Business Unit : SOM10
Period : Jan-Dec (2019)
Selected Project Id : 00117249
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : ALL

Project Id : ALL	Period : Jan-Dec (2019)
Output # : ALL	Impl. Partner : Location :

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
46801 - Somalia - Central	0.00	245,055.69	0.00	245,055.69
46825 - South Central Somalia	90,444.00	655,996.51	0.00	746,440.51



Funds Utilization

Selection Criteria :

Business Unit : SOM10
Period : Jan-Dec (2019)
Selected Project Id : 00117249
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : ALL

Project/Award: 00117249 USAID SUPPORT TO AID MANAGEMEN Period : As at Dec 31, 2019

Output #	00114120	Impl. Partner :99999 UNDP	UNDP AMOUNT
Outstanding NEX advances			0.00
Undepreciated Fixed Assets			0.00
Unamortized Intangible Assets			0.00
Inventory			0.00
Prepayments			0.00
Commitments			74,158.67

REPORT ON THE HACT FINANCIAL AUDIT OF OFFICE OF THE PRIME MINISTER - AID COORDINATION UNIT (ACU) PROJECT NUMBER: 00116132/ OUTPUT 00113390 AND PROJECT NUMBER: 00117249/ OUTPUT 00114120 FOR THE PERIOD 1 JANUARY 2019 TO 31 DECEMBER 2019

6 FINANCIAL STATEMENTS (Continued)
6.2 Statement of cash position

Statement of Cash Position			
Country Office: UNDP Somalia			
Organisation: Office of The Prime Minister - Aid Coordination Unit (ACU)			
Project Title: Support to Aid Management and Coordination in Somalia			
Project No 00116132 and 00117249; Output No. 00113390 and 00114120.			
Period covered: from (1, January, 2019) to (31, December, 2019)			
			Amount
			Local Currency USD
			If any/or NA
A: Opening Fund Balance			
	Cash in hand		\$0
	Balance in Bank Account as at beginning year)		\$0
	Sub-total		\$0
B: Advance Received from UNDP in 2019/Project Period			\$344,800
C: Interest Received from the Bank			\$0
D: Total Funds Available (A+B+C)			\$344,800
E: Cumulative payments up to the end of the project/e.g. 31 December 2019			\$344,800
F: Exchange Gain/Loss			\$0
G: Closing Fund Balance (D- E)			\$0
H: Closing balance represented by:			
	Cash in Hand	\$0	
	Bank	\$0	
	Balance held at field offices if any	\$0	
Total		\$0	
Signed by:			Signed by: <i>Jocelyn Mason</i>
Name: Mohamed Ali Mohamed			Name:
Title...Admin & Finance Officer			Title.....
Date.....			Date.....
			
Signed by:			
Name:			
Title.....			
Date.....			
	<i>Deloigne & Touche</i>		

6 FINANCIAL STATEMENTS (Continued)

6.3 Notes to the Financial Statements

a) Basis of preparation

The financial statements are prepared on a cash basis and reflects revenues when received by the IP and costs when payment is made.

b) Income

Income resources are recognised by inclusion in the financial statements only when received by the IP.

c) Expenses

This represents actual expenditure incurred during the period under review. Expenses are recognised and recorded when payment is made.

d) Fixed assets

Fixed assets are expensed in the statement of expenses at the date of acquisition. There are no fixed assets purchased by ACU under the project in period under review.

7. ASSESSMENT OF THE INTERNAL CONTROLS SYSTEM

As part of our audit procedures and in reference to the ToRs, we reviewed and evaluated the internal controls related to the project to obtain a sufficient understanding of the design of relevant control policies and procedures to assess whether those policies and procedures were in operation.

Our review generated the following findings:

Area Subject to assessment	Rating (Satisfactory/unsatisfactory/not applicable)	Weakness noted
<p>Human Resources</p> <p>Audit tests on;</p> <ul style="list-style-type: none"> • Competitiveness, transparency and effectiveness of the recruitment and hiring of personnel, performance appraisal • Attendance control • Calculation of salaries and entitlements • Payroll preparation and payments • Management of personnel records 	Satisfactory	There were no weaknesses identified under this section.
<p>Finance</p> <p>Audit tests on adequacy of accounting, financial operations and reporting systems which includes</p> <ul style="list-style-type: none"> • Budget control • Cash management • Certification and approving authority • Receipt of funds • Disbursement of funds • Recording of all financial transactions in expense reports, records maintenance and control 	Satisfactory	There were no weaknesses identified under this section.
<p>Procurement</p> <p>Audit Tests on;</p> <ul style="list-style-type: none"> • Procurement is conducted in compliance with IP procurement policies or UNDP's (where applicable) 	Satisfactory	There were no weaknesses identified under this section

REPORT ON THE HACT FINANCIAL AUDIT OF OFFICE OF THE PRIME MINISTER - AID COORDINATION UNIT (ACU) PROJECT NUMBER: 00116132/ OUTPUT 00113390 AND PROJECT NUMBER: 00117249/ OUTPUT 00114120 FOR THE PERIOD 1 JANUARY 2019 TO 31 DECEMBER 2019

Area Subject to assessment	Rating (Satisfactory/unsatisfactory/not applicable)	Weakness noted
<ul style="list-style-type: none"> • Delegation of authority, procurement thresholds, call for bids and proposals evaluation of bids and proposals and approval/signature of contracts and purchase order • Conformity of equipment with agreed specifications • Procedures to mitigate the risk of purchasing equipment that do not meet specifications or is later proven to be defective • Management and control over variation orders. • Consulting firms and adequacy of procedures to obtain fully qualified and experienced personnel and assessment of their work before final payment is made 		
<p>Asset management</p> <p>Audit tests on;</p> <p>Procedures for receipt, storage and disposal of equipment</p>	Not applicable.	Not applicable since there were no assets purchased by UNDP funds or donated by UNDP during the period.
<p>Cash management</p> <p>Audit tests on;</p> <p>Procedures for safeguarding of cash held for the project</p>	Not applicable.	There were no weaknesses identified under this section
<p>General administration</p> <p>Audit tests on;</p> <ul style="list-style-type: none"> • Travel activities • Vehicle management • Shipping services • Office premises • Lease management • Office communications and IT systems • Record maintenance 	Satisfactory	There were no weaknesses identified under this section.

ANNEX 1: Audit data and observations

The tables below outline the audit data and observations as outlines in the ToRs:

Table 1: Report on the Combined Delivery Report

UNDP Combined Delivery Report (CDR) as at 31 December 2019							
Ref	Project No.	Output No.	Amount audited and certified (US\$)	Audit opinion	Total amount of qualification of audit opinion	Reason for qualification of audit opinion and breakdown of NFM amount	Observations that had an impact on audit opinion.
1	00116132	00113390	492,492	Unqualified	N/A	N/A	N/A
2	00117249	00114120	378,675	Unqualified	N/A	N/A	N/A

Table 2: Report on the statement of cash position

Statement of Cash Position				
Project No.	Output No.	Value of Cash Position Statement as at 31 December 2019 (US\$)	Audit opinion- Statement of Cash Position	Total amount of qualification- Statement of cash position
00116132	00113390	\$0	Unqualified	N/A
00117249	00114120	\$0	Unqualified	N/A

REPORT ON THE HACT FINANCIAL AUDIT OF OFFICE OF THE PRIME MINISTER - AID COORDINATION UNIT (ACU) PROJECT NUMBER: 00116132/
 OUTPUT 00113390 AND PROJECT NUMBER: 00117249/ OUTPUT 00114120 FOR THE PERIOD 1 JANUARY 2019 TO 31 DECEMBER 2019

ANNEX 1: Audit And Observations (Continued)

Table 3: Report on the statement of assets and equipment

Statement of Assets and Equipment				
Project No.	Output No.	Value of assets and equioment as at 31 December 2019 (cumulative from project start date) (US\$)	Audit opinion- Statement of assets and equipment	Total amount of qualification- Statement of assets and equipment
00116132	00113390	NA	NA	N/A
00117249	00114120	NA	NA	N/A

Table 4: Audit Observation and Recommendation

No financial finding noted at the Office of The Prime Minister - Aid Coordination Unit (ACU).

Signature of Auditor:

Delorme & Touche

Date: 11 May 2020