

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UN WOMEN REGIONAL OFFICE IN EGYPT

**Spring Forward for Women: Regional Programme for the Economic and Political
Empowerment of Women in the Southern Mediterranean Region
(Directly Implemented Project No. 84413)**

Report No. 1865

Issue Date: 30 August 2017

**Report on the Audit of UN Women Regional Office in Egypt
Spring Forward for Women: Regional Programme for the Economic and Political Empowerment of
Women in the Southern Mediterranean Region (Project No. 84608)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through KPMG SA (the audit firm), conducted from 12 June to 20 August 2017 an audit of Spring Forward for Women: Regional Programme for the Economic and Political Empowerment of Women in the Southern Mediterranean Region, Project No. 84413 (the Project), which is directly implemented and managed by the UN Women Regional Office in Egypt (the Office). This was the first audit of the Project.

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 Trial Balance Report, which included expenditure for the period from 1 January to 31 December 2016 and the Statement of Assets as of 31 December 2016. The audit did not include expenditures processed and approved outside of the country (such as by the UN Women Regional Centres and UN Women Headquarters).

The audit was conducted under the general supervision of OAI in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

Audit results

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


Project Expenditure*		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
1,511	Unqualified	1	Unqualified

* Expenditures recorded in the Project Trial Balance were \$1,690,845. Excluded from the audit scope were transactions that relate to expenditures processed and approved by other UN Women offices outside of the country (\$180,302).

The audit did not result in any recommendations.

Management comments

Management comments and/or additional information provided have been incorporated into the report, where appropriate.



Antoine Khoury
Officer-in-Charge
Office of Audit and Investigations



United Nations Development Programme (UNDP)

Report of the Independent Auditor on the United Nations
Entity for Gender Equality and the Empowerment of
Women (UN Women) Directly Implemented (DIM)
Project 00084413 “Spring Forward for Women: Regional
Programme for The Economic and Political Empowerment
of Women in The Southern Mediterranean Region”

- RO Arab States (EGY) -

For the year ended 31 December 2016



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Executive Summary

KPMG Geneva conducted the financial audit of UN Women project number 00084413, "Spring Forward for Women: Regional Programme for The Economic and Political Empowerment of Women in The Southern Mediterranean Region" (the project), for the period 1 January to 31 December 2016. The audit was undertaken on behalf of the Office of Audit and Investigations (OAI), United Nations Development Programme (UNDP).

We have issued audit opinions as summarized in the table below and as detailed in the next section:

Project Trial Balance (PTB) Statement	Unmodified
Project Statement of Fixed Assets	Unmodified

There were no reportable findings with a Medium or High priority rating consequently we do not provide a management letter. The project was not implemented in the prior period, consequently there were no audit findings for follow up.

KPMG SA

Pierre-Henri Pingeon
Partner

Henri Mwaniki

Geneva, 28 August 2017



Audit Objectives and Scope

The objective of the financial audit was to express an opinion on the Directly Implemented Modality (DIM) project's statements which include:

- Expressing an opinion on whether the financial expenses incurred by the project between 1 January and 31 December 2016 are fairly presented in accordance with UN Women 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 UN Women; and (iv) supported by properly approved vouchers and other supporting documents. The Project Trial Balance (PTB) certified by the UN Women Chief of Accounts is the mandatory and official Statement upon which the audit opinion is expressed.
- Expressing an opinion on whether the Project Statement of Fixed Assets presents fairly the balance of assets of the UN Women project as at 31 December 2016. This Statement includes all assets available as at 31 December 2016 and not only those purchased in the period. The Project Statement of Fixed Assets as at 31 December 2016, certified by the UN Women Chief of Accounts, is the mandatory and official Statement upon which the audit opinion is expressed. Where a DIM project does not have any assets or equipment, no opinion is expressed.

The scope of the audit relates only to transactions concluded and recorded against the UN Women DIM project, between 1 January and 31 December 2016. The scope of the audit did not include:

- Activities and expenses incurred or undertaken at the level of "responsible parties", unless the inclusion of these expenses is specifically required in the request for proposal; and
- Expenses processed and approved in locations outside the Regional Office responsible for the project, such as expenditures initiated at UN Women Regional Offices and UN Women Headquarters for which the supporting documentation is not retained at the level of the UN Women Regional office.



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Independent Auditors' Report

Project Trial Balance (PTB) Statement

To: Director, Office of Audit and Investigations (OAI),
United Nations Development Programme (UNDP)

Audited Project: "Spring Forward for Women: Regional Programme for The Economic and Political Empowerment of Women in The Southern Mediterranean Region"

Period covered by the audited PTB Statement: From 1 January 2016 to 31 December 2016

Atlas Project Number to identify the PTB: 00084413

Location: RO Arab States (EGY)

We have audited the accompanying Project Trial Balance of the UN Women project 00084413, "Spring Forward for Women: Regional Programme for The Economic and Political Empowerment of Women in The Southern Mediterranean Region" for the period 1 January to 31 December 2016.

The PTB expenditure totaling US\$ 1,690,845, is comprised of expenditure directly incurred by the UN Women Regional Office Arab States (EGY) for an amount of US\$ 1,510,543 and expenditure incurred by entities other than the Regional Office for an amount of US\$ 180,302. Our audit only covered the expenditure directly incurred by the UN Women Regional Office Arab States (EGY) of US\$ 1,510,543.

Unmodified Opinion

In our opinion, the attached Project Trial Balance (PTB) Statement presents fairly, in all material respects, the expenses of US\$ 1,510,543 directly incurred by the UN Women Regional Office in Arab States (EGY), and charged to project number 00084413 "Spring Forward for Women: Regional Programme for The Economic and Political Empowerment of Women in The Southern Mediterranean Region" for the period 1 January to 31 December 2016 in accordance with UN Women accounting policies, and 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 UN Women; and (iv) supported by properly approved vouchers and other supporting documents.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the auditor's responsibilities for the audit of the Project Trial Balance section of our report. We are independent of UN Women in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with this code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities

Management is responsible for the preparation of the Project Trial Balance the project, and for such internal control as management determines is necessary to enable the preparation of a Project Trial Balance that is free from material misstatement, whether due to fraud or error.



Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the Project Trial Balance is 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 these documents.

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 Project Trial Balance, 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 the organization's internal control.

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.

KPMG SA

Pierre-Henri Pingeon
Partner

Henri Mwaniki

Geneva, 28 August 2017



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Independent Auditors' Report

Statement of Fixed Assets

To: Director, Office of Audit and Investigations,
United Nations Development Programme (UNDP)

Audited Project: "Spring Forward for Women: Regional Programme for The Economic and Political Empowerment of Women in The Southern Mediterranean Region"

Period covered by the Statement of Fixed Assets: 1 January 2016 to 31 December 2016

Atlas Project Number to identify the PTB: 00084413

Location: RO Arab States (EGY)

We have audited the accompanying Statement of Fixed Assets of the UN Women project number 00084413 "Spring Forward for Women: Regional Programme for The Economic and Political Empowerment of Women in The Southern Mediterranean Region" as at 31 December 2016.

Unmodified Opinion

In our opinion, the accompanying Statement of Fixed Assets presents fairly, in all material respects, the assets status of the UN Women project number 00084413 with a Net Book Value of US\$1,260.70 as at 31 December 2016 in accordance with UN Women accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the auditor's responsibilities for the audit of the statement of fixed assets section of our report. We are independent of UN Women in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with this code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities

Management is responsible for the preparation of the statement of fixed assets, and for such internal control as management determines is necessary to enable the preparation of the statement of fixed assets that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities

Our objectives are to obtain reasonable assurance about whether the statement of fixed assets is 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 these documents.



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 statement of fixed assets, 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 the organization's internal control.

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.

KPMG SA

Pierre-Henri Pigeon
Partner

Henri Mwaniki

Geneva, 28 August 2017

Annex 1: Project Trial Balance (PTB) Statement



United Nations Entity for Gender Equality
and the Empowerment of Women

Extract of UN Women Trial balance as at the 31 December 2016

Expenditure by Project

Project	Account	Acc Desc	Donor report classification	Total per GL	Total Per Asset Schedule	Difference:
84413	18130	Communications & IT Equipments	Assets	1,609.40		
84413	18630	Accumulated Dep - ITC	Assets	(348.70)		
				<u>1,260.70</u>	<u>1,260.70</u>	<u>-</u>
84413	61205	Salaries - GS Staff	Expenses	19,492.10		
84413	62205	Dependency Allow - GS Staff	Expenses	331.18		
84413	62210	Contrib to Jt Staff Pens Fd-GS	Expenses	3,830.35		
84413	62215	Contrib. to Medical, social In	Expenses	1,413.17		
84413	62240	Annual Leave Expense - GS	Expenses	1,604.34		
84413	63530	Contribution to EOS Benefits	Expenses	730.95		
84413	63535	Contribution to Security	Expenses	779.67		
84413	63540	Contribution to Training	Expenses	194.93		
84413	63545	Contribution to ICT	Expenses	779.67		
84413	63550	Contributions to MAIP	Expenses	38.99		
84413	63555	Contribution to UN JFA	Expenses	350.85		
84413	63560	Contributions to Appendix D	Expenses	58.47		
84413	65115	Contributions to ASHI Reserve	Expenses	1,559.37		
84413	65135	Payroll Mgt Cost Recovery ATLA	Expenses	380.97		
84413	71205	Intl Consultants-Sht Term-Tech	Expenses	48,437.00		
84413	71305	Local Consult.-Sht Term-Tech	Expenses	78,734.70		
84413	71405	Service Contracts-Individuals	Expenses	43,668.39		
84413	71410	MAIP Premium SC	Expenses	203.87		
84413	71415	Contribution to Security SC	Expenses	2,242.56		
84413	71440	Appendix D SC	Expenses	1,630.95		
84413	71605	Travel Tickets-International	Expenses	185,893.00		
84413	71615	Daily Subsistence Allow-Intl	Expenses	177,426.32		
84413	71620	Daily Subsistence Allow-Local	Expenses	541.32		
84413	71635	Travel - Other	Expenses	20,429.41		
84413	72105	Svc Co-Construction & Engineer	Expenses	270,463.10		
84413	72120	Svc Co-Trade and Business Serv	Expenses	132,918.64		
84413	72415	Courier Charges	Expenses	1,544.96		
84413	72425	Mobile Telephone Charges	Expenses	524.64		
84413	72440	Connectivity Charges	Expenses	33.75		
84413	72445	Common Services-Communications	Expenses	1,302.09		
84413	72505	Stationery & other Office Supp	Expenses	9.01		
84413	72705	Hospitality-Special Events	Expenses	46.09		
84413	72715	Hospitality Catering	Expenses	378.34		
84413	72815	Inform Technology Supplies	Expenses	194.79		
84413	73107	Rent - Meeting Rooms	Expenses	1,889.27		
84413	73125	Common Services-Premises	Expenses	28,932.00		
84413	73410	Maint, Oper of Transport Equip	Expenses	84.88		
84413	74105	Management and Reporting Svcs	Expenses	14,470.51		
84413	74205	Audio Visual Productions	Expenses	6,249.43		
84413	74210	Printing and Publications	Expenses	71,788.77		
84413	74220	Translation Costs	Expenses	55,991.22		
84413	74225	Other Media Costs	Expenses	57,865.00		
84413	74510	Bank Charges	Expenses	12.00		
84413	75115	Facilities & Admin - OH & Ind	Expenses	62,468.89		
84413	75705	Learning Costs	Expenses	392,517.47		
84413	76125	Realized Loss	Expenses	58.61		
84413	77630	Dep Exp Owned - ITC	Expenses	348.70		
84413 Total				1,690,844.69		

I hereby certify that the Trial Balance is extracted from UN-Women's books and records which have been audited by the United Nations Board of Audit for the year ended 31 December 2016

Donna Grimwade
Chief of Accounts

Date 16-May-17

Pierre-Henri Pingeon, Partner
KPMG SA, Geneva
28 August 2017

Henri Mwaniki, Senior Manager
KPMG SA, Geneva
28 August 2017



Annex 2: Project Statement of Fixed Assets



United Nations Entity for Gender Equality and the Empowerment of Women

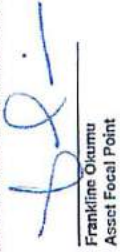
Asset Schedule by Project as at the 31 December 2015
 Business unit: RAS
 Operating Unit: RAS
 Profile ID: 560 UNW ICT1
 Asset ID: A Note-book can ROAS/ICTD137

Serial Number	Model	Location	Acquisition Date	In Service Date	Cost USD	Net Book Value	Quantity	Department	Impl Agency	Donor	Project	Fund code
60MGT3Z		RAS-GFL-01	12/24/2015	12/24/2015	1,609.40	1,260.70	1	96120	2001	10159	84413	W3040
					1,609.40	1,260.70						

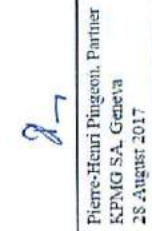
I hereby certify that the Assets Schedule is extracted from UN-Women's books and records, which have been audited by the United Nations Board of Audit for the year ended 31 December 2015


 Donna Grimwade
 Chief of Accounts

16-May-17
 Date


 Franklin Okumu
 Asset Focal Point

16-May-17
 Date


 Pierre-Henri Pugeon, Partner
 KPMG SA, Geneva
 28 August 2017


 Henri Mwamiki, Senior Manager
 KPMG SA, Geneva
 28 August 2017

