

**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**Office of Audit and Investigations**



*Empowered lives.  
Resilient nations.*

**AUDIT**

**OF**

**UN WOMEN REGIONAL OFFICE IN EGYPT**

**ENTITY FOR GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN**  
**(Directly Implemented Project No. 93314)**

**Report No. 1866**

**Issue Date: 30 August 2017**

**Report on the Audit of UN Women Regional Office in Egypt  
Entity for Gender Equality and the Empowerment of Women (Project No. 93314)  
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 Entity for Gender Equality and the Empowerment of Women, Project No. 93314 (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:

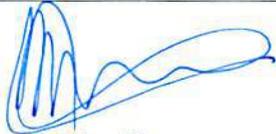
Project Expenditure*		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
1,959	Unqualified	5	Unqualified

\* Expenditures recorded in the Project Trial Balance were \$2,254,948. Excluded from the audit scope were transactions that relate to expenditures processed and approved by other UN Women offices outside of the country (\$296,408).

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 00093314 “Men and Women for gender equality”

- 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 00093314 “Men and Women for gender equality” (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:

<b>Project Trial Balance (PTB) Statement</b>	Unmodified
<b>Project Statement of Fixed Assets</b>	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 Pigeon  
*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:** "Men and Women for gender equality"

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

**Atlas Project Number to identify the PTB:** 00093314

**Location:** RO Arab States (EGY)

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We have audited the accompanying Project Trial Balance (PTB) of the UN Women project number 00093314 "Men and Women for gender equality" for the period 1 January to 31 December 2016.

The PTB expenditures totaling US\$ 2,254,948 is comprised of expenditure directly incurred by the UN Women Regional Office in Arab States (EGY) for an amount of US\$ 1,958,540 and expenditures incurred by entities other than the Regional Office for an amount of US\$ 296,408. Our audit only covered the expenditure directly incurred by the UN Women Regional Office in the Arab States (EGY) of US\$ 1,958,540.

### **Unmodified Opinion**

In our opinion, the attached Project Trial Balance (PTB) presents fairly, in all material respects, the expenses of US\$ 1,958,540 directly incurred by the UN Women Regional Office in Arab States (EGY) and charged to the project 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 of the project and for such internal control as management determines is necessary to enable the preparation of a Statement that is free from material misstatement, whether due to fraud or error.

### **Auditors' 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 Pigeon  
*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:** "Men and Women for gender equality"

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

**Atlas Project Number to identify the PTB:** 00093314

**Location:** RO Arab States (EGY)

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We have audited the accompanying Statement of Fixed Assets of the UN Women project number 00093314 "Men and Women for gender equality" 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 00093314 with a Net Book Value of US\$ 5,309.40 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 - Assets	Total per GL	Total Per Asset Schedule	Difference:
93314	18130	Communications & IT Equipments	Assets	6,237.57		
93314	18630	Accumulated Dep - ITC	Assets	(928.17)		
				<u>5,309.40</u>	<u>5,309.40</u>	<u>--</u>
93314	61205	Salaries - GS Staff	Expenses	5,488.60		
93314	61305	Salaries - IP Staff	Expenses	83,681.74		
93314	61310	Post Adjustment - IP Staff	Expenses	24,825.12		
93314	62210	Contrib to Jt Staff Pens Fd-GS	Expenses	1,097.65		
93314	62215	Contrib. to Medical, social In	Expenses	174.11		
93314	62220	Language Allowance - GS Staff	Expenses	127.62		
93314	62240	Annual Leave Expense - GS	Expenses	638.61		
93314	62310	Contrib to Jt Staff Pens Fd-IP	Expenses	26,270.14		
93314	62315	Contrib. to Medical, social In	Expenses	1,072.81		
93314	62320	Mobility, Hardship, Non-remova	Expenses	2,363.79		
93314	62340	Annual Leave Expense - IP	Expenses	4,753.54		
93314	63335	Home Leave Trvl & Allow-IP Stf	Expenses	1,541.70		
93314	63360	Medical Exams(Incl Pre-empl)	Expenses	686.80		
93314	63530	Contribution to EOS Benefits	Expenses	4,274.83		
93314	63535	Contribution to Security	Expenses	4,495.32		
93314	63540	Contribution to Training	Expenses	1,139.96		
93314	63545	Contribution to ICT	Expenses	4,495.32		
93314	63550	Contributions to MAIP	Expenses	228.01		
93314	63555	Contribution to UN JFA	Expenses	2,051.93		
93314	63560	Contributions to Appendix D	Expenses	342.00		
93314	64306	Appointment-Ticket Costs	Expenses	3,682.00		
93314	64307	Appointment-Subsistence Allow	Expenses	12,690.00		
93314	64308	Appointments-Lump Sum	Expenses	10,243.42		
93314	64309	Appointment-Shipments	Expenses	15,000.00		
93314	65115	Contributions to ASHI Reserve	Expenses	9,119.64		
93314	65135	Payroll Mgt Cost Recovery ATLA	Expenses	1,119.72		
93314	71205	Intl Consultants-Sht Term-Tech	Expenses	176,381.17		
93314	71305	Local Consult.-Sht Term-Tech	Expenses	58,902.90		
93314	71310	Local Consult.-Short Term-Supp	Expenses	6,927.87		
93314	71405	Service Contracts-Individuals	Expenses	235,248.16		
93314	71605	Travel Tickets-International	Expenses	123,400.89		
93314	71610	Travel Tickets-Local	Expenses	7,237.37		
93314	71615	Daily Subsistence Allow-Intl	Expenses	172,958.11		
93314	71620	Daily Subsistence Allow-Local	Expenses	87.38		
93314	71625	Daily Subsist Allow-Mig Partic	Expenses	14,484.35		
93314	71635	Travel - Other	Expenses	5,223.86		
93314	72105	Svc Co-Construction & Engineer	Expenses	24,874.49		
93314	72120	Svc Co-Trade and Business Serv	Expenses	21,057.08		
93314	72125	Svc Co-Studies & Research Serv	Expenses	733,952.05		
93314	72135	Svc Co-Communications Service	Expenses	15,134.17		
93314	72215	Transportation Equipment	Expenses	274.00		
93314	72405	Acquisition of Commun: Equip	Expenses	797.60		
93314	72445	Common Services-Communications	Expenses	262.42		
93314	72505	Stationery & other Office Supp	Expenses	485.66		
93314	72705	Hospitality-Special Events	Expenses	134.22		
93314	72715	Hospitality Catering	Expenses	1,661.77		
93314	73125	Common Services-Premises	Expenses	23,146.00		
93314	74105	Management and Reporting Srvs	Expenses	5,817.97		
93314	74110	Audit Fees	Expenses	14,900.00		
93314	74205	Audio Visual Productions	Expenses	3,962.16		
93314	74210	Printing and Publications	Expenses	24,315.19		
93314	74215	Promotional Materials and Dist	Expenses	10,357.27		
93314	74220	Translation Costs	Expenses	25,142.69		
93314	74510	Bank Charges	Expenses	708.25		
93314	75105	Facilities & Admin - Implement	Expenses	115,971.04		
93314	75115	Facilities & Admin - OH & Ind	Expenses	80,505.55		
93314	75705	Learning Costs	Expenses	73,742.86		
93314	75707	Learning ? subsistence allowan	Expenses	14,689.36		
93314	75708	Learning - subcontracts	Expenses	2,095.80		
93314	75710	Participation of counterparts	Expenses	36,655.28		
93314	76125	Realized Loss	Expenses	19.38		
93314	77630	Dep Exp Owned - ITC	Expenses	928.17		
				<u>2,254,947.87</u>		

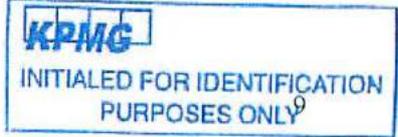
I hereby certify that the Trial Balance is extracted from UN-Women's books and records which have been audited by the United Nations Board of Audit for the year ended 31 December 2016

Donna Grimwade  
Chief of Accounts

16-May-17  
Date

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 2016

Business Unit	Operating Unit	Asset ID	Profile ID	Description	TAG Number	Serial Number	Model	Location	Acquisition Date	In Service Date	Cost/USD	Net Book Value	Quantity	Department	Impl Agency	Donor	Project	Fund code
RAS30	RAS	579 UNW ICT1	A	Notebook con ROAS/ICT0150	72VF562	H552282		RAS-FL-02	2/29/2016	2/29/2016	2,041.85	1,667.52	1	96120	2001	555	93314 W3000	
RAS30	RAS	580 UNW ICT1	A	Notebook con ROAS/ICT0151	8HLYK2			RAS30	2/29/2016	2/29/2016	2,041.85	1,667.52	1	96120	2001	555	93314 W3000	
RAS30	RAS	600 UNW ICT1	A	Notebook con ROAS/ICT0157				RAS30	8/15/2016	8/15/2016	2,153.85	1,974.36	1	96120	2001	555	93314 W3000	
											6,237.57	5,309.40						

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 2016

Donna Grimwade  
 Chief of Accounts

16-May-17  
 Date

Frankline Okumu  
 Asset Focal Point

16-May-17  
 Date

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

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

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