



**UNITED NATIONS ENTITY FOR
GENDER EQUALITY
AND THE EMPOWERMENT OF WOMEN
(UN WOMEN)**

AUDIT REPORT

**Report of the Independent Auditor on the
United Nations Entity for Gender Equality and the
Empowerment of Women (UN Women)
Country Office in Kenya**

**Directly Implemented (DIM) Project 98355
"The Kenya Devolution Support Programme"**

For the period 1 January 2017 to 31 December 2017

Issued 14 December 2018

Independent Auditor’s Report
UN Women Kenya Directly Implemented Project Number 98355
The Kenya Devolution Support Programme
For the period 1 January 2017 to 31 December 2017

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PART 1: EXECUTIVE SUMMARY

1.1 The audit engagement

Deloitte Haskins & Sells LLP (DHS) through Deloitte East Africa, Certified Public Accountants (Kenya) conducted a financial audit of Project number 98355: "The Kenya Devolution Support Programme" ('the Project'), directly implemented by UN Women Country Office in Kenya ('the Country Office') for the year ended 31 December 2017. The audit was undertaken on behalf of UN Women Independent Evaluation and Audit Services (IEAS).

1.2 Audit objectives

The objective of the financial audit was to express an opinion on the Directly Implemented (DIM) Project's financial statements, which includes:

- Expressing an opinion on whether the financial expenses incurred by the Project between 1 January 2017 and 31 December 2017 and the fund utilization as at 31 December 2017 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 certified by the UN Women Chief of Accounts at the Financial Management Section of the Management and Administration Division at headquarters is the mandatory and official statement upon which the audit opinion is expressed.
- Expressing an opinion on whether the Statement of Fixed Assets, at net book value, presents fairly the balance of depreciated assets of the UN Women Project as at 31 December 2017. This statement must include all assets available as at 31 December 2017 and not only those purchased in a given period. The Statement of Fixed Assets as at 31 December 2017, certified by the UN Women Chief of Accounts at the Financial Management Section of the Management and Administration Division at headquarters, is the mandatory and official statement upon which the audit opinion is expressed. Where a DIM project does not have any assets or equipment, an opinion is not expressed.
- As may be applicable, provide the progress made in implementing the recommendations raised in the previous year's audit report.

PART 1: EXECUTIVE SUMMARY (Continued)

1.3 Audit scope

The scope of the audit relates only to transactions concluded and recorded against the UN Women DIM Project between 1 January 2017 and 31 December 2017. The scope of the audit does not include:

- Activities and expenses incurred or undertaken at the level of responsible parties¹, unless the inclusion of these expenses is specifically required in the request for proposal.
- Expenses processed and approved in locations outside the country such as UN Women Regional Centres and UN Women headquarters and where the supporting documentation is not retained at the level of the UN Women Country Office².

Specifically the audit covered the following:

- a) The expenses incurred and recorded in the Project Trial Balance (PTB) of the projects, during the years 2017
- b) The net book value and existence of the fixed assets held by the project as at 31 December 2017

1.4 Audit results

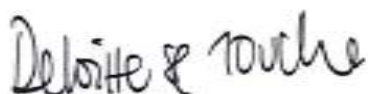
We have issued audit opinions as summarised in the table below and as detailed in the next section:

Project Trial Balance – Statement of Expenditure	Unqualified
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The Project did not have any fixed assets and it was not audited in the prior year.

Acknowledgement

We wish to express our appreciation for the courtesy and co-operation extended to the representatives during the course of audit.



Certified Public Accountants (Kenya)

Nairobi, Kenya

14 December 2018

¹ “Responsible Parties”, (RPs) in the context of UN Women implemented projects, refers to governmental, NGO or CSO entities who have received funding through the respective UN Women Country Office to undertake specific elements of the project’s activities. These activities are governed by a Project Cooperation Agreement, or similar, signed by the entity and UN Women, along with the associated budget. Expenditure incurred by these RPs is reported to the UN Women Country Office on a quarterly basis, where it is subject to review and approval prior to being recorded within the project’s financial records. UN Women headquarters provides for such expenditure to be audited separately, with the individual projects and RPs selected on the basis of a risk assessment applied on a global level. While it is not certain that any or all of the RPs who reported expenditure on a project selected for a DIM audit will necessarily have been audited for the period under review, the provision for such audits, within the remit of the internal audit function of UN Women, means that the expenditure does not need to be included as part of the DIM project audit scope.

² The project financial records may include items which are not directly posted by the Country Office, such as centrally managed payroll costs or year-end journals or allocations. Such transactions fall within the remit of UN Women internal and external auditors, and are therefore not re-audited within the scope of the DIM project.

REPORT OF THE INDEPENDENT AUDITOR TO THE INDEPENDENT EVALUATION AND AUDIT SERVICES OF UN WOMEN FOR THE UN WOMEN KENYA DIRECTLY IMPLEMENTED PROJECT:

“The Kenya Devolution Support Programme” (ID:98355)

PART 2: FINANCIAL AUDIT REPORTS WITH AUDIT OPINIONS

2.1 Report on the Project Trial Balance

We have audited the accompanying Project Trial Balance – Statement of Expenditure of the UN Women Kenya Directly Implemented Project number 98355, “The Kenya Devolution Support Programme”, for the period 1 January 2017 to 31 December 2017.

The Project Trial Balance expenditure totalling US\$ 591,472.59 is comprised of expenditure directly incurred by the UN Women Country Office in Kenya in the amount of US\$ 288,507.59 and expenditure incurred by entities other than the Country Office for an amount of US\$ 302,965³. Our audit only covered the expenditure directly incurred by the UN Women Country Office in Kenya of US\$ 288,507.59.

Opinion

In our opinion, the attached Project Trial Balance presents fairly, in all material respects, the expenses of US\$ 288,507.59 directly incurred by the UN Women Country Office in Kenya and charged to the Project for the period 1 January 2017 to 31 December 2017 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.

³ Expenditure incurred by other entities other than the Country Office of US\$ 302,965 relates to expenditure processed at UN Women headquarters of US\$ 68,073.60 relating to payroll costs, expenses incurred under direct cash disbursement of US\$ 90,696.44 and expenses under direct payment modality of US\$ 144,194.96.

2.1 Report on the Project Trial Balance (Continued)

Management responsibilities

Management is responsible for preparation of the Project Trial Balance 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.

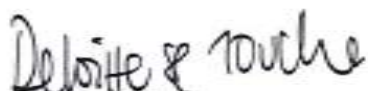
Auditor's responsibilities

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.



Certified Public Accountants (Kenya)

Nairobi, Kenya

14 December 2018

Independent Auditor's Report
UN Women Kenya Directly Implemented Project Number 98355
The Kenya Devolution Support Programme
For the period 1 January 2017 to 31 December 2017

APPENDIX 1 PROJECT TRIAL BALANCE
FOR THE YEAR ENDED 31 DECEMBER 2017


Independent Auditor's Report
UN Women Kenya Directly Implemented Project Number 98355
The Kenya Devolution Support Programme
For the period 1 January 2017 to 31 December 2017

Extract of UN Women Trial Balance as at 31 December 2017

Expenditure by Project

Project	Fund	Account	Description	Expense Category	Total per GL (USD)
98355	W3000	71205	Intl Consultants-Sht Term-Tech	Other Expenses	31,719.15
98355	W3000	71305	Local Consult.-Sht Term-Tech	Other Expenses	226,808.10
98355	W3000	71405	Service Contracts-Individuals	Other Expenses	54,705.53
98355	W3000	71410	MAIP Premium SC	Other Expenses	241.10
98355	W3000	71415	Contribution to Security SC	Other Expenses	2,651.82
98355	W3000	71440	Appendix D SC	Other Expenses	1,928.60
98355	W3000	71505	UN Volunteers-Stipend & Allow	Other Expenses	5,172.73
98355	W3000	71520	UNV-Language Allowance	Other Expenses	348.28
98355	W3000	71535	UNV-Medical Insurance	Other Expenses	550.36
98355	W3000	71540	UNV-Global Charges	Other Expenses	309.57
98355	W3000	71550	UNV-Resettlement Allowance	Other Expenses	431.11
98355	W3000	71590	UNV Development Effectiveness	Other Expenses	1,734.45
98355	W3000	71605	Travel Tickets-International	Other Expenses	13,486.90
98355	W3000	71610	Travel Tickets-Local	Other Expenses	1,623.17
98355	W3000	71615	Daily Subsistence Allow-Intl	Other Expenses	17,006.00
98355	W3000	71620	Daily Subsistence Allow-Local	Other Expenses	18,353.15
98355	W3000	71625	Daily Subsist Allow-Mtg Partic	Other Expenses	22,979.26
98355	W3000	71635	Travel – Other	Other Expenses	5,086.89
98355	W3000	72425	Mobile Telephone Charges	Other Expenses	72.57
98355	W3000	72510	Publications	Other Expenses	6,792.46
98355	W3000	74110	Audit Fees	Other Expenses	3,550.00
98355	W3000	74210	Printing and Publications	Other Expenses	4,712.60
98355	W3000	74510	Bank Charges	Other Expenses	330.62
98355	W3000	75105	Facilities & Admin - Implement	Other Expenses	7,407.00
98355	W3000	75115	Facilities & Admin - OH & Ind	Other Expenses	33,605.93
98355	W3000	75705	Learning costs	Other Expenses	18,852.22
98355	W3000	75710	Participation of counterparts	Other Expenses	111,204.10
98355	W3000	76125	Realized Loss	Other Expenses	50.53
98355	W3000	76135	Realized Gain	Other Expenses	(241.61)
Total Expenses					591,472.59
Project Total					591,472.59

I hereby certify that the above figures are based on UN Women unaudited Trial Balance for the period ended 31 December 2017 as at 5 April 2018.


 Donna Grimwade
 Chief of Accounts

ate 05-Apr-18

Independent Auditor's Report
UN Women Kenya Directly Implemented Project Number 98355
The Kenya Devolution Support Programme
For the period 1 January 2017 to 31 December 2017

APPENDIX II STATEMENT OF FIXED ASSETS
AS AT 31 DECEMBER 2017

Independent Auditor's Report
UN Women Kenya Directly Implemented Project Number 98355
The Kenya Devolution Support Programme
For the period 1 January 2017 to 31 December 2017

AM In Service Report: Project 98355

As of Date: 31/12/2017

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
											0,00	0,00

I hereby certify that this list details the assets per this project.


Donna Grimwade
 Chief of Accounts

Donna Grimwade
 Deputy Director of Financial
 Management,

Date: 5 April 2018