

**PROMOTING CIVIC AND POLITICAL PARTICIPATION OF WOMEN AND YOUTH IN
THE INFORMAL SECTOR - PLATFORM FOR LABOUR ACTION**

PROJECT NUMBER: 00059425 - 00074299

GRANT PERIOD AUDITED: FROM 1ST JANUARY 2011 TO 31ST DECEMBER 2011

Team & Co.

"We serve beyond your expectations"

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1.0 INTRODUCTION

In terms of the scope of work identified in the agreement for the provision of audit services to the United Nations Development Programme and also in the provisions contained in project documents regarding the financing of Promoting Civic and Political Participation of Women and Youth in the Informal Sector Project by the United Nations Development Programme (UNDP), we carried out an audit of the transactions pertaining to this project for the period ending 31st December 2011.

2.0 BACKGROUND

The project document was signed in 2010 with the following contributions:

Source of funds	Amount in USD
UNDP	250,000
Government of Uganda	-
Others	-
TOTAL	250,000

The project is implemented by Platform for Labour Action in Uganda and is expected to end on 31st March 2012.

3.0 PROJECT OBJECTIVES

Project background

The overall objective is to increase civic and political rights awareness amongst women and youth in the informal sector under multi party dispensation in five districts of Uganda. 23.7% of the Ugandan female workforce is engaged in the urban informal sector. Informal sector workers are recognised by the social sector development investment plan as vulnerable group due to poverty and demographic factors. Their work presents peculiar gender challenges to women where the difficulties of informal sector work are manifested more among women (64%) who are viewed as weak (36%). They have not been reached by conventional programmes promoting civic and political participation. Overall, although women and youth have special quotas, their participation is still limited under multiparty dispensation. They are often mobilised to cheer candidates without encouraging them to register and make informed decisions. The project will promote the human rights of women and youth through awareness of rights and therefore enhancing their participation under multi party dispensation.

Project objectives

The objective is to increase civic and political rights awareness amongst women and youth in the informal sector under multi party dispensation in five districts of Uganda.

4.0 SCOPE OF AUDIT

The audit was conducted in conformity with the provisions of the project document, generally accepted common auditing standards, and the principles and procedures prescribed for the United Nations with respect to funds obtained from or through UNDP. The audit accordingly included such tests of accounting records, internal control and other procedures as were considered essential for due performance of this audit. Discussions on management and accountability were held with the executing agents and the management of Platform for Labour Action in Uganda, the implementing partner of the Project.

Scope Limitation

The audit opinion is limited to funds received and expenditures incurred by Platform for Labour Action in Uganda from UNDP, and the opinion does not cover expenditures made by UNDP amounting to US\$ 43,667.17 as part of direct support services.

5.0 AUDITOR'S REPORT TO:

THE AUDITOR GENERAL, THE NATIONAL PROJECT DIRECTOR AND THE RESIDENT REPRESENTATIVE

Report of the independent auditors to UNDP on the financial statements of Promoting Civic and Political Participation of Women and Youth in the Informal Sector Project for the year ended 31st December 2011

a) Certification for Statement of Expenditure

We have audited the accompanying Statement of expenditure ("the statement") of the UNDP Project number 00059425-00074299 Promoting Civic and Political Participation of Women and Youth in the Informal Sector Project for the period 1st January 2011 to 31st December 2011.

Management is responsible for the preparation of the statement for Promoting Civic and Political Participation of Women and Youth in the Informal Sector 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.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards of Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project's preparation of the statement in order to design audit procedures that are appropriate in circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

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

In our opinion, the attached statement of expenditure presents fairly, in all material respects the expenditure of **US\$ 105,007.58** incurred by Promoting Civic and Political Participation of Women and Youth in the Informal Sector project for the period 1st January 2011 to 31st December 2011 in accordance with agreed upon 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 UNDP regulations and rules, policies and procedures; and (iv) supported by properly approved vouchers and other supporting documents.

b) Certification of Statement of Assets

We have audited the accompanying Statement of Assets (“the statement”) of the UNDP project number 00059425-00074299 Promoting Civic and Political Participation of Women and Youth in the Informal Sector Project as at 31st December 2011.

Management is responsible for the preparation of the statement for Promoting Civic and Political Participation of Women and Youth in the Informal Sector 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.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards of Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the statement. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project’s preparation of the statement in order to design audit procedures that are appropriate in circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

In our opinion, the attached statement of assets presents fairly, in all material respects the balance of inventory of Promoting Civic and Political Participation of Women and Youth in the Informal Sector project amounting to US\$ 3,869 as at 31st December 2011 in accordance with UNDP requirements.

c) Certification of Statement of Cash Position

We have audited the accompanying Statement of Cash Position (“the statement”) of the UNDP Project Number 00059425-00074299 Promoting Civic and Political Participation of Women and Youth in the Informal Sector Project as at 31st December 2011.

Management is responsible for the preparation of the statement for Promoting Civic and Political Participation of Women and Youth in the Informal Sector 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.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards of Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the statement. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project’s preparation of the statement in order to design audit procedures that are appropriate in circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

In our opinion, the attached statement of cash position presents fairly, in all material respects the cash balance of the project amounting to US\$ 11 as at 31st December 2011 in accordance with UNDP requirements.

This report is intended solely for the information and use of UNDP, the Government of Uganda and Platform for Labour Action in Uganda.

Date of issuance: 20-04-2012

AUDITOR'S NAME: TEAM & CO CERTIFIED PUBLIC ACCOUNTANTS

AUDITOR'S SIGNATURE: Team & CO

AUDITOR'S/FIRM ADDRESS: P.O.BOX 8128 KAMPALA

AUDIT FIRM TEL No: 0414-258408



6.0 MANAGEMENT LETTER

Audit observation	Impact on Audit opinion	Possible cause	Risk severity	Recommendation	Management and UNDP comments
<p>1. <u>Project progress</u> We reviewed progress of implementation of planned activities. Generally activity implementation is on schedule but a few instances were noted where activity implementation was not done on schedule because funds were not issued to the project on time</p>	None	Inadequate guidance	Low	It is important to ensure that funds are given to the projects before commencement of the implementation period to enable timely implementation of the quarterly activities	<p>Management Comments: Management will follow up UNDP to ensure timely transfer of funds.</p> <p>UNDP Comments: UNDP will work with the IP to ensure timely release of funds</p>
<p>2 <u>Activity Advances</u> We noted that advances are not recorded in any advance ledger. Advances are expensed on issue. Unutilised funds are however subsequently</p>	None	Inadequate guidance	Medium	Advances should not be expensed on issue but after full accountability is obtained. Advances ledgers should be maintained for this purpose	<p>Management Comments: All cash payments are made by a member of the Finance team. There is already a policy guideline in regard to management of advances. Management will ensure that advances are entered in the advances ledgers and that it is updated in a timely manner.</p> <p>UNDP Comments:</p>

<p>deducted from the expense. Absence of advances ledgers makes it difficult to monitor advances and to ensure their timely retirement. It also makes it difficult to ascertain outstanding advances.</p>					<p>UNDP will follow up the IP to ensure that in future, advance ledgers are used.</p>
<p>3 <u>Expenditure</u> We observed that generally unutilised balances of funds are re-banked more than a week after accountability is submitted. Project funds were used to settle MTN bills amounting to Ushs 1,137,500 for Governance, Law and Development (F.L.A) which is not involved in project</p>	<p>None</p>	<p>Inadequate policies at the project</p>	<p>Low</p>	<p>We recommend prompt banking of unutilised funds on the project bank account and the deposit slip included in the accountability.</p>	<p>Management Comments: Management has taken note and will ensure that all funds are banked the same day or the next working day latest as per the policy requirement. This has been clarified in a meeting with the auditors. A request to change names was made in 2004 and follow up has been made to MTN who have acknowledged the error and requested PLA to resubmit the request of change of names. In future management will ensure that all services we procure are</p>

implementation.				<p>In absence of appropriate support documents, we recommend a refund of these funds to UNDP.</p> <p>Project funds used on other entities should be refunded to UNDP.</p>	<p>clearly stipulated in Platform for Labour Action names. We are seeking a formal letter from MTN authenticating that the phone number is for Platform for Labour Action.</p> <p>UNDP Comments: UNDP will follow up with the IP and ensure that in future all bills relating to the project are issued in the names of PLA. UNDP will regularly follow up with the IP to ensure that the IP is complying with the policy (IP's policy) on re-banking unutilised funds on the same day or the following working day.</p>
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APPENDICES

Statement of Management's Responsibilities

Combined Delivery Report

Statement of Cash Position

Statement of Assets

Notes to the Financial Statements

Annex 9

Combined Delivery Report

UN Development Programme
Report ID: UNGL143

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Run Time: 28-03-2012 08:03:23

Selection Criteria :

Business Unit : UGA10
Period : Jan-Dec (2011)
Selected Award Id : 00059425
Selected Fund Code : 30000

Award Id : 00059425 Promoting Civic & Political Par	Period : Jan-Dec (2011)
Project # : 00074299 Promoting Civic & Political Par	Impl. Partner : 03141 National Execution Location : Uganda

	Govt Disb	UNDP Disb	UN Agencies	Total Disb
Fund : 30000 (Programme Cost Sharing)				
61305 - Salaries - IP Staff	8,751.63	2,877.28	0.00	11,628.91
71205 - Intl Consultants-Sht Term-Tech	8,677.60	2,859.41	0.00	11,537.01
71310 - Local Consult.-Short Term-Supp	2,667.61	0.00	0.00	2,667.61
71625 - Daily Subsist Allow-Mtg Partic	63,500.76	16,488.78	0.00	79,989.54
71635 - Travel - Other	2,726.78	1,584.19	0.00	4,310.97
72445 - Common Services-Communications	832.04	274.28	0.00	1,106.32
72505 - Stationery & other Office Supp	1,653.43	588.08	0.00	2,241.51
73120 - Utilities	531.27	0.00	0.00	531.27
73210 - Reinforcement of premises	0.00	238.48	0.00	238.48
74210 - Printing and Publications	15,428.24	548.05	0.00	15,976.29
74215 - Promotional Materials and Dist	0.00	1,826.85	0.00	1,826.85
74510 - Bank Charges	238.22	47.26	0.00	285.48
74525 - Sundry	0.00	11,531.38	0.00	11,531.38
74599 - UNDP cost recovery chrgs-Bills	0.00	2,575.92	0.00	2,575.92
76120 - Unrealized Loss	0.00	7,359.21	0.00	7,359.21
76130 - Unrealized Gain	0.00	-5,132.00	0.00	-5,132.00
Total for Fund 30000	105,007.58	43,667.17	0.00	148,674.75
Total for Project : 00074299	105,007.58	43,667.17	0.00	148,674.75

Award Total :	105,007.58	43,667.17	0.00	148,674.75
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Signed [Signature]
LEBODGANG MOTLANA - Uganda DIRECTOR

date 03/04/2012



Signed By: [Signature] LUAN KEENE-MUGERWA Date: 02/04/2012

UDF-UGA-08-237 PROMOTING CIVIC AND POLITICAL PARTICIPATION OF WOMEN AND YOUTH IN THE INFORMAL SECTOR

STATEMENT OF CASH POSITION AS AT 31 DECEMBER 2011

BANK	A/C No	CURRENCY	UGX	USD
Barclays - Kampala		UGX	27,500	
Petty Cash		UGX	0	
SUB-TOTAL				
Barclays - Kampala		USD		
GRAND TOTAL			27,500	

Signed by: *Wegem*

Project Director

24/02/2012

Date

Signed by: *Alanya*

Finance Manager

24/02/2012

Date



Statement of Assets and Equipment


as at 31 December 2011

UNDP Country Office: UGANDA	
Project title: UDF-UGA-08-237 Promoting Civic and Political Participation of Women and Youth in the Informal Sector	
Award ID:	00074299
Project ID:	UDF-UGA-08-237
Period covered from inception of project: (01st January 2011) to 31 December 2011	

"attractive items"

TAG NO.	ACQUISITION DATE	ITEM DESCRIPTION (make and model)	PROJECT No.	FUND	CONDITION	RESPONS. PERSON/ENTITY	ITEM LOCATION	MANUFACTURER	US\$ VALUE	SERIAL NO.	REMARKS
UNDEF/PLA/FUR/10/17 to 19	26/06/2010	3 seater Bench OA 703	UDF-UGA-08-237	UNDEF	Good	PLA	Kampala		194		
UNDEF/PLA/FUR/10/23 to 27	26/06/2010	4 Seater Dining Set(CAMEL BLACK)	UDF-UGA-08-237	UNDEF	Good	PLA	kampala		223		
UNDEF/PLA/FUR/10/16	26/06/2010	2-Seater workstation with a diving Panel	UDF-UGA-08-237	UNDEF	Good	PLA	kampala		417		
UNDEF/PLA/FUR/10/20	26/06/2010	Secretarial Chair OAA05G BLACK	UDF-UGA-08-237	UNDEF	Good	PLA	Kampala		157		
UNDEF/PLA/FUR/10/21	26/06/2010	Secretarial Chair OAA05G BLACK	UDF-UGA-08-237	UNDEF	Good	PLA	Kampala		157		
UNDEF/PLA/FUR/10/22	26/06/2010	Secretarial Chair OAA05G BLACK	UDF-UGA-08-237	UNDEF	Good	PLA	Kampala		157		
UNDEF/PLA/FUR/10/03 to 15	26/06/2010	13 Banquet chairs	UDF-UGA-08-237	UNDEF	Good	PLA	Kampala		591		
UNDEF/PLA/FUR/10/02	26/06/2010	Oval conference Table SB-8024	UDF-UGA-08-238	UNDEF	Good	PLA	Kampala		546		
UNDEF/PLA/COMP/10/02	30/06/2010	Computer set	UDF-UGA-08-237	UNDEF	Good	PLA	Kampala	DELL	962	4NDXQ4J	
UNDEF/PLA/COMP/10/02	01/07/2010	APC smart UPS	UDF-UGA-08-238	UNDEF	Good	PLA	Kampala	APC	465	3S0929X47172	
									3,869		

Signed: 
 Name: Lilian Keene-Mugenwa
 Title: National Project Manager
 Date: February 23rd 2012

Signed: 
 Name:
 Title: UNDP RR or DRR
 Date:



NOTES TO THE FINANCIAL STATEMENTS

Significant accounting policies

(a) Basis of preparation

The financial statements are prepared under the cash basis of accounting. Under the cash basis of accounting, expenses are recognized when paid and revenue is recognized when received.

(b) Translation of foreign currencies

The financial statements are presented in United States Dollars. Expenses incurred in the local currency are converted into United States Dollars by use of average monthly conversion rates determined by UNDP. Local currency balances are translated into United States Dollars at the UNDP rates of exchange ruling at the year end.

ANNEX 9: AUDIT DATA AND OBSERVATIONS

Table 1 - Auditors report on the audit of the UNDP CDR

UNDP Combined Delivery Report (CDR) as at 31 December 2011							
	Award No.	Project No.	Amount audited and certified (US\$)	Audit opinion (unqualified, qualified, adverse, disclaimer)	Total amount of audit qualification of audit opinion (if qualified, adverse or disclaimer opinion)	Reason(s) for qualification of audit opinion and breakdown of NFI amount (US)	Observation(s) that had impact on qualification of audit opinion (list observation number(s) and page of audit report/ management letter)
1	00059425	00074299	105,007.58	Unqualified	-	-	-

Table 2 - Auditors report on the audit of the statement of cash position

Statement of Cash Position						
Award No.	Project No.	Value of Cash Position Statement as at 31 December 2011 (US\$)	Audit Opinion - Statement of Cash Position	Total amount of qualification - Statement of Cash Position (US\$)	Total amount of Net financial impact (NFI) of qualification of audit opinion - Statement of Cash Position (US\$)	
00059425	00074299	11	Unqualified	-	-	

Table 3 - Auditors report on the audit of the statement of assets and equipment

Statement of assets and equipment		Value of Assets and equipment as at 31 December 2011 (cumulative from project start date) (US\$)	Audit Opinion - Statement of Assets and Equipment	Total amount of qualification on the Statement of assets and equipment (US\$)	Total amount of Net financial impact (NFI) of qualification of audit opinion on Statement of assets and equipment (US\$)
Award No.	Project No.				
00059425	00074299	3,869	Unqualified	-	-

Name and position of Auditor: BAMUKUNDA BIRUKUNDA Partner

Signature of Auditor: [Signature] Date: 20-04-2012

Name and stamp of Audit Firm: Team 8 Co

