COMMON MARKET FOR EASTERN AND

**SOUTHERN AFRICA**



 **DRAFT DUMMY REPORT**

 **2017 Audited Financial Statements**

**Project Name: Regional Integration Support Mechanism (RISM)**

**Project objectives:**

The overall objective of RISM is to support the economic integration process of the Eastern and Southern Africa and Indian Ocean (ESA-IO) region through the consolidation of the COMESA Free Trade Area (FTA) and implementation of COMESA and East Africa Commission (EAC) Customs Unions (CU) and Common Markets. Support from the Programme is channeled through the COMESA Fund as highlighted in the CA and in accordance with Aid Effectiveness principles.

**Source of Funding:**

|  |  |
| --- | --- |
| **Grant Utilization Summary** | **Currency** |
|  | **EURO** |
| Grant Amount | 33,440,000 |
| Grant utilized before current year | 4,550,411 |
| Grant utilized in 2017 | 3,413,462 |
| **Balance -2017**  | **25,476,127** |

**Source of Funding: 9th EDF EU**

|  |  |
| --- | --- |
| **Grant Utilization Summary** | **Currency** |
|  | **EURO** |
| Grant Amount | 78,000,000 |
| Grant utilized before current year | 71,809,535 |
| Grant utilized in 2017 | 5,075137 |
| **Balance -2017**  | **1,115,328** |

**––––––––––––––––––––––––––––––––––––––––––––––––––––––––––––––––––––––**

1. The Sub Committee is invited to consider the 2017 Audited Financial Statements and accompanying Management Letter issued by the external auditors PricewaterhouseCoopers (PWC). The period covered is from 01.01.2017 to 31.12.2017
2. The Sub Committee is also invited to consider the following:
	1. Audit Opinion

In our opinion, Regional Integration Support Mechanism (RISM) Programme’s (the “Programme”) financial statements for the year ended 31 December 2017 are prepared, in all material respects, in accordance with the basis of accounting described in Note 2 to the financial statements.

What we have audited

The Regional Integration Support Mechanism (RISM) Programme’s financial statements are set out on pages 9 to 17 and comprise:

* the statements of income and expenditure for the year then ended;
* the statements of financial position as at 31 December 2017;
* the statements of cash flows for the year then ended; and
* the notes to the financial statements, which include a summary of significant accounting policies.

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

* 1. Management Letter

 No issue raised.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Finding | Recommendations | Action taken | Status31 August 2019 | Completion Time frame |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

1. Discussion

[To be completed at the meeting]

1. Decision

The Sub Committee is invited to:

1. recommend that the unqualified 2017 Audited Financial Statements of ( Regional Integration Support Mechanism(RISM) be considered by the Committee on Admin and Budgetary Matters.
2. urge the Secretariat to expedite implementation of audit findings. A progress report will be availed to the Sub Committee at its next meeting.