

የኢትዮጵያ ግንባታ
አገልግሎት ኮርፖሬሽን



**AUDIT SERVICES
CORPORATION**

MINISTRY OF FINANCE AND ECONOMIC COOPERATION
URBAN LOCAL GOVERNMENT DEVELOPMENT
PROJECT PHASE II
IDA CREDIT NUMBER 54350-ET
MANAGEMENT LETTER
FOR THE YEAR ENDED 7 JULY 2017



በኢትዮጵያ ፌዴራላዊ ዲሞክራሲያዊ ሪፐብሊክ
የሂሳብ ምርመራ አገልግሎት ኮርፖሬሽን

**The Federal Democratic Republic of Ethiopia
Audit Services Corporation**

2 January 2018

The Minister
Ministry of Finance and Economic Cooperation
Addis Ababa

Dear Sir,

**MINISTRY OF FINANCE AND ECONOMIC COOPERATION
URBAN LOCAL GOVERNMENT DEVELOPMENT PROJECT II
IDA CREDIT NUMBER 54350
MANAGEMENT LETTER
FOR THE YEAR ENDED 7 JULY 2017**

INTRODUCTION

We have pleasure in submitting our findings and recommendations on weaknesses in internal control and other matters which came to our attention during the audit of the financial statements of the Urban Local Government Development Project Phase II (ULGDP II), financed under IDA Credit No. 54350 ET (hereinafter referred to as the Project) for the year 7 July 2017.

We attach the following for reference:-

Independent auditor's report on the financial statements
Balance sheet
Statement of sources and uses of funds
Designated account statements
Notes to the financial statements
Withdrawal application schedule

As part of our audit of the financial statements, we have visited the following implementing partners:-

- Ministry of Urban Development and Housing
- Amhara National Regional State
- Benishangul Gumuz National Regional State
- Southern Nations, Nationalities and Peoples Regional State
- Tigray National Regional State
- Oromia National Regional State

It must be appreciated that the matters dealt with in this report came to our attention during the conduct of our normal audit procedures which are designed primarily with a view to the expression of our opinion on the financial statements of the Project, and therefore, our examination cannot be expected to disclose all possible weaknesses in internal control and to uncover all other findings which a more extensive special examination might reveal.

