



**AUDIT**

**OF**

**UNDP HAITI**

**GESTION DEBRIS PORT AU PRINCE I**  
**(Directly Implemented Project No. 76983)**

**Report No. 1098**  
**Issue Date: 20 May 2013**

**Report on the audit of UNDP Haiti  
Gestion Débris Port au Prince I (Project No. 76983)  
Executive Summary**

From 11 February to 15 March 2013, the Office of Audit and Investigations (OAI) of the United Nations Development Programme (UNDP), through Experts Conseils et Associés (the audit firm), conducted an audit of Gestion Débris Port au Prince I, Project No. 76983 (the Project), which is directly implemented and managed by the UNDP Country Office in Haiti (the Office). The audit was conducted under the general supervision of OAI in conformance with the *International Standards for the Professional Practice of Internal Auditing*. The last audit of the Office was conducted by OAI in 2011.

The Project reported expenditure totalling \$10.6 million during the period from 1 January to 31 December 2011. The Project was funded by the Fund for Haitian Reconstruction.

**Audit scope and objectives**

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 Statement of Expenditure (Combined Delivery Report) for the period from 1 January to 31 December 2011 and Statement of Assets as of 31 December 2011.

**Audit results**


Based on the audit report and corresponding management letter submitted by the audit firm, the results are summarized in the table below:

Project Expenditure		Project Assets		Cash	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
10,614	Unqualified	142	Unqualified	-	Not Applicable*

\*No separate bank account and/or petty cash was held by the project

**Key issues and recommendations**

The audit did not raise any reportable issues.



Antoine Khoury  
Officer-in-Charge  
Office of Audit and Investigations

**UNITED NATIONS DEVELOPMENT PROGRAM  
(UNDP)**

**AUDIT OF THE FINANCIAL STATEMENTS**

**PROJECT “DÉBRIS I” NO. PID76983**

**For the period of 1 January to 31 December 2011**

**UNITED NATIONS DEVELOPMENT PROGRAM  
(UNDP)**

**AUDIT OF THE FINANCIAL STATEMENTS**

**PROJECT "DÉBRIS I" NO. PID75720**

**For the period of 1 January to 31 December 2011**

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## REPORT OF INDEPENDENT AUDITORS

Office of Audit and Investigations  
(OAI)  
United Nations Development Program  
(UNPD)

The Project “Débris I” No. PID76983 is implemented by UNDP under the Directly Implemented (DIM) modality. The audits of DIM projects are intended to provide assurance to UNDP senior management and donors, that resources are being used effectively and efficiently for the purposes intended and in accordance with UNDP policies and procedures.

The audit of DIM projects is under the mandate of UNDP’s Office of Audit and Investigation (OAI) that either directly conducts or contracts out the audit of DIM projects.

In fulfillment of the institutional contract No. PROC 2013-005 signed on 19 February 2013 between UNDP and Experts Conseils et Associés, in order to issue an opinion of the financial statements of the Project “Débris I” No. PID76983, we have prepared this report that contains the results of the audit, which included the comprehensive assessment of the implementation and the control of resources provided by Fund for Haitian Reconstruction Funds (FHR).

The audit allows us to: express our opinion on the reasonableness of figures expressed in the Combined Delivery Report (CDR), Statement of Assets and Equipments and Statement of Cash Position, as well as provide an assessment of the processes of procurement and of the effectiveness of the Internal Control System of the project for the period of 1 January to 31 December 2011.

An audit report on the statement of cash flow is not required as part of the audit, because a separate bank account was not used for the management of the funds related to the «Débris I» Project No. PID76983. All disbursements were made directly by UNDP.

## GENERAL INFORMATION

The management of debris is an entry point towards the development and improvement of living conditions in the neighborhoods. This project intends to provide sustainable solutions in: i) removing rubbles and creating a management debris strategy that the government could use in order to prevent and be better prepared for future disasters; ii) contributing to develop relationships between communities, municipalities and the government; iii) creating short term jobs opportunities, iv) clearing access ways and making it possible for people to return to neighborhoods and (v) promoting revival of local economy through production of products made of recycle debris.

The specific objectives of the project are following:

- . A national debris management strategy is adopted and most of the debris is removed in the pilot neighborhoods.
- . The local capacities are reinforced for debris management in the pilot neighborhoods and income-generating activities around the removal and recycling debris are created.

The project seeks to achieve the following results:

- . Six neighborhoods plans have been developed and accepted by the community and the key project partners;
- . A national debris management strategy for Port-au-Prince and the country is developed and adopted by the national authorities;
- . The socio economic status of affected population is improved through the removal and recycling of debris.
- . Information management and implementation of a communication strategy;
- . Preliminary studies for the re-use of debris, area planning and economic revitalization of affected areas during the reconstruction.

The project is funded solely by the Fund for Haitian Reconstruction (FHR).

The total budget for the project (started in December 2010 and scheduled to end in 30 June 2014) was \$ 11,758,720.

The expenditures incurred during the period of 1 January to 31 December 2011 under the Project were \$ 10,614,121 as indicated in the CDR.

Fixed assets acquisitions related to the "Débris I" No. PID76983 totaled an amount of \$141,721 as of 31 December 2011.

## EXECUTIVE SUMMARY

The executive summary as indicated below is to briefly discuss the objectives of the audit, its scope and restrictions, our opinion on the financial statements and a brief synopsis of the findings and internal control deficiencies, if any, identified, during the engagement.

**a) Objectives of the audit**

The objective of this audit is to express an opinion on whether:

- a) The Combined Delivery Report (CDR) presents fairly the expenditure incurred by Project "Débris I" No. PID76983, for the period of 1 January to 31 December 2011, in accordance with UNDP accounting policies and that expenditures incurred were:
  - . in conformity with the approved project budgets;
  - . for the approved purposes of the project;
  - . in compliance with the relevant regulations and rules, policies and procedures of UNDP; and
  - . supported by properly approved vouchers and other supporting documents.
- b) The Statement of Assets and Equipments presents fairly the balance of inventory of the Project "Débris I" No. PID76983, as at 31 December 2011, and.

**b) Scope of the Audit**

The audit was conducted in accordance with the International Standards of Auditing (ISAs) and in compliance with regulations, rules, policies and procedures of UNDP. The scope of the audit aimed to obtain an objective assessment of the use of funds of the project to provide an audit opinion.

The audit included a review of the following aspects:

- . All the activities of the Project "Débris I" No. PID76983 performed during the period of 1 January to 31 December 2011;
- . All the reports and registers of the Project "Débris I" No. PID76983;
- . Expenses incurred and recorded in the Combined Delivery Report (CDR) of the Project "Débris I" No. PID76983 during the period of 1 January to 31 December 2011;
- . The existence and value of the assets and equipment of the Project "Débris I" No. PID76983 as at 31 December 2011;

**c) Audit Result**

The following are the result of the comprehensive audit which allows us to express an opinion on the reasonableness of the amounts expressed in Combined Delivery Report (CDR), the Statement of Assets and Equipments and the Statement of Cash Position, as well as to provide an assessment of the processes of procurement and of the

effectiveness of the Internal Control System of the Project “Débris I” No. PID76983 for the period of 1 January to 31 December 2011.

Our audit was carried out in accordance with the International Standards of Auditing (ISAs) and in compliance with regulations, rules, policies and procedures of UNDP. An audit includes the examination, based on tests, of the evidence of the amounts and disclosures made in the financial statements. It also includes the evaluation of the accounting principles used as well as the most relevant estimates made by management. We believe that our audit provides a reasonable basis for expressing our opinion.

As a result of the audit of Project “Débris I” No. PID76983 we certify that:

### **Combined Delivery Report (CDR)**

In our opinion, the Combined Delivery Report (CDR) presents fairly an unqualified opinion, in all material respects the expenditures of \$ 10,614,121 incurred by the project and audited by us for the period of 1 January to 31 December 2011, in accordance with UNDP accounting requirements.

### **Statement of Assets and Equipments**

In our opinion, the Statement of Assets and Equipments presents fairly an unqualified opinion, in all material respects the inventory balance of the project amounting to \$141,729 as at 31 December 2011, in accordance with UNDP accounting requirements.

### **Assessment of Internal Control**

In planning and performing our audit of the statement of expenditures presented in the Combined Delivery Report for the period of 1 January to 31 December 2011 and the statement of assets as of 31 December 2011 we considered UNDP's internal control over the management of the Project « Débris I » No. PID76983 in conformity with the standards established by the International Auditing Standards. Our examination and evaluation was performed in order to assess risks and to determine the auditing procedures for the purpose of expressing an opinion on the statement of expenditures presented in the Combined Delivery Report for the period of January 1 to December 31, 2011 and the statement of assets as of 31 December 2011 and not to express an opinion on the internal control.

We did not identify any deficiencies in UNDP's internal control that, in our judgment, could adversely affect UNDP's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.



**UNITED NATIONS DEVELOPMENT PROGRAM  
(UNDP)**

**AUDIT OF THE FINANCIAL STATEMENTS**

**PROJECT "DÉBRIS I" NO. PID76983**

**For the period of 1 January to 31 December 2011**

**INDEPENDENT AUDITOR'S REPORT ON COMBINED DELIVERY REPORT (CDR)**

Office of Audit and Investigations  
(OAI)  
United Nations Development Program  
(UNDP)

We have audited the Combined Delivery Report (CDR) for the period of 1 January to 31 December 2011 of the Project "Débris I" No. PID76983 implemented and managed by United Nations Development Program (UNDP).

**Management's Responsibility for the Combined Delivery Report (CDR)**

The Management of United Nations Development Program (UNDP) is responsible for the preparation and fair presentation of the Combined Delivery Report (CDR), in accordance with UNDP rules and all internal controls deemed necessary by the direction for the preparation of the Combined Delivery Report (CDR), which do not contain any material misstatement, whether due to fraud or error.

## Auditors' Responsibilities

Our responsibility is to express an opinion on the Combined Delivery Report (CDR) attached to this report based on our audit. We conducted our audit in accordance with International Standards on Auditing and in accordance with regulations, rules, policies and procedures of the United Nations Development Program (UNDP). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Combined Delivery Report (CDR) is free from material misstatement.

An audit involves performing procedures to obtain audit evidence supporting the amounts and other information presented in the Combined Delivery Report (CDR). The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the Combined Delivery Report (CDR), whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Combined Delivery Report (CDR) 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 UNDP'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 overall presentation of the Combined Delivery Report (CDR).

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

## Opinion

In our opinion, the Combined Delivery Report (CDR) of an amount of \$ 10,614,121 presents fairly, in all material respects, the expenditures incurred, for the period of 1 January 2011 to 31 December 2011 in accordance with UNDP accounting requirements.

*Experts Conseils et Associés*  
Experts Conseils et Associés  
May 7, 2013



**Selection Criteria :**

Business Unit : HTI10  
Period : Jan-Dec (2011)  
Selected Award Id : 00060216  
Selected Fund Code : ALL  
Selected Dept. IDs : ALL  
Selected Projects : 00076983

Award Id : 00060216 Earthquake Debris Management i	Period :	Jan-Dec (2011)			
Project # : 00076983 Gestion Débris PortauPrince I	Impl. Partner :	99999 UNDP			
	Location :				
	Govt Disb	UNDP Disb	UN Agencies	Encumbrance	Total Exp

Dept: 50803 (Haiti - Crisis Prev & Rcvry)

Fund : 30000 (Programme Cost Sharing)

61305 - Salaries - IP Staff	0.00	123,272.24	0.00	0.00	123,272.24
61310 - Post Adjustment - IP Staff	0.00	47,932.46	0.00	0.00	47,932.46
62305 - Dependency Allowances-IP Staff	0.00	4,909.28	0.00	0.00	4,909.28
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	37,731.72	0.00	0.00	37,731.72
62315 - Contrib. to medical, social in	0.00	1,500.88	0.00	0.00	1,500.88
62320 - Mobility, Hardship, Non-remova	0.00	2,979.86	0.00	0.00	2,979.86
62335 - Hazard Duty Station Allow-IP	0.00	1,170.00	0.00	0.00	1,170.00
63360 - Medical Exams(incl Pre-empl)	0.00	320.00	0.00	0.00	320.00
63365 - Special Oper Living Allow-IP	0.00	100,650.00	0.00	0.00	100,650.00
63530 - Contribution to EOS Benefits	0.00	4,280.13	0.00	0.00	4,280.13
63535 - Contribution to Security	0.00	6,848.19	0.00	0.00	6,848.19
63540 - Contribution to Training	0.00	4,280.13	0.00	0.00	4,280.13
64305 - Appointments - IP Staff	0.00	6,780.00	0.00	0.00	6,780.00
64307 - Appointment-Subsistence Allow	0.00	6,780.00	0.00	0.00	6,780.00
64308 - Appointments-Lump Sum	0.00	16,626.07	0.00	0.00	16,626.07
64309 - Appointment-Shipments	0.00	11,000.00	0.00	0.00	11,000.00
65115 - Contributions to ASHI Reserve	0.00	8,560.23	0.00	0.00	8,560.23
65135 - Payroll Mgt Cost Recovery ATLA	0.00	1,051.27	0.00	0.00	1,051.27
71205 - Intl Consultants-Sht Term-Tech	0.00	57,851.60	0.00	0.00	57,851.60
71210 - Intl Consultants-Sht Term-Supp	0.00	114,346.34	0.00	2,470.00	116,816.34
71305 - Local Consult.-Sht Term-Tech	0.00	1,083.48	0.00	535.67	1,619.15
71310 - Local Consult.-Short Term-Supp	0.00	32,811.06	0.00	5,497.93	38,308.99
71405 - Service Contracts-Individuals	0.00	71,552.59	0.00	0.00	71,552.59
71515 - UNV-Security Allowance	0.00	19,334.00	0.00	0.00	19,334.00
71605 - Travel Tickets-International	0.00	14,430.09	0.00	0.00	14,430.09
71615 - Daily Subsistence Allow-Intl	0.00	16,625.50	0.00	0.00	16,625.50
71620 - Daily Subsistence Allow-Local	0.00	83.41	0.00	0.00	83.41
71635 - Travel - Other	0.00	269.50	0.00	0.00	269.50
72105 - Svc Co-Construction & Engineer	0.00	8,321,483.50	0.00	0.00	8,321,483.50
72110 - Svc Co-Agricultural Management	0.00	327.59	0.00	0.00	327.59
72125 - Svc Co-Studies & Research Serv	0.00	182.62	0.00	0.00	182.62
72130 - Svc Co-Transportation Services	0.00	377,908.67	0.00	0.00	377,908.67
72135 - Svc Co-Communications Service	0.00	29,760.91	0.00	0.00	29,760.91
72140 - Svc Co-Information Technology	0.00	9,050.00	0.00	0.00	9,050.00
72150 - Svc Co-Manufacturing Services	0.00	457.13	0.00	0.00	457.13
72155 - Svc Co-Public Admin, Politics	0.00	6,521.74	0.00	0.00	6,521.74
72165 - Svc Co-Social Svcs, Social Sci	0.00	485,787.50	0.00	0.00	485,787.50
72205 - Office Machinery	0.00	9,318.94	0.00	110.00	9,428.94
72210 - Machinery and Equipment	0.00	17,366.67	0.00	32,250.00	49,616.67
72215 - Transporation Equipment	0.00	115,500.00	0.00	0.00	115,500.00
72220 - Furniture	0.00	4,256.73	0.00	0.00	4,256.73
72225 - Sale of Equip & Furniture	0.00	6,903.18	0.00	0.00	6,903.18
72350 - Medical Kits	0.00	995.41	0.00	0.00	995.41
72410 - Acquisition of Audio Visual Eq	0.00	14,210.53	0.00	0.00	14,210.53
72425 - Mobile Telephone Charges	0.00	6,542.56	0.00	0.00	6,542.56
72445 - Common Services-Communications	0.00	4,561.12	0.00	0.00	4,561.12
72515 - Print Media	0.00	5,831.92	0.00	0.00	5,831.92
72810 - Acquis of Computer Software	0.00	500.00	0.00	2,200.00	2,700.00
73104 - Leased Building	0.00	96,000.00	0.00	0.00	96,000.00
73105 - Rent	0.00	50,801.51	0.00	0.00	50,801.51
73110 - Custodial & Cleaning Services	0.00	1,222.20	0.00	0.00	1,222.20
73405 - Rental & Maint-Other Office Eq	0.00	4,961.72	0.00	1,450.00	6,411.72



UN  
DP

UN Development Programme  
Report ID: ungl143p

Combined Delivery Report By Project

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Run Time: 25-04-2013 16:04:36

Award Id : 00060216 Earthquake Debris Management i		Period : Jan-Dec (2011)			
Project # : 00076983 Gestion Débris PortauPrince I		Impl. Partner : 99999 UNDP			
		Location :			
	Govt Disb	UNDP Disb	UN Agencies	Encumbrance	Total Exp
73410 - Maint, Oper of Transport Equip	0.00	6,914.37	0.00	0.00	6,914.37
74510 - Bank Charges	0.00	4,527.35	0.00	0.00	4,527.35
74525 - Sundry	0.00	2,597.50	0.00	0.00	2,597.50
74599 - UNDP cost recovery chrgs-Bills	0.00	6,977.34	0.00	0.00	6,977.34
75105 - Facilities & Admin - Implement	0.00	249,557.71	0.00	0.00	249,557.71
75110 - Facilities & Admin - Services	0.00	5,959.92	0.00	0.00	5,959.92
75705 - Learning costs	0.00	3,718.03	0.00	0.00	3,718.03
75708 - Learning - subcontracts	0.00	2,335.91	0.00	0.00	2,335.91
76125 - Realized Loss	0.00	1,676.74	0.00	0.00	1,676.74
76135 - Realized Gain	0.00	- 169.79	0.00	0.00	- 169.79
Total for Fund 30000	0.00	10,569,607.26	0.00	44,513.60	10,614,120.86
Total for Dept : 50803	0.00	10,569,607.26	0.00	44,513.60	10,614,120.86
Total for Project : 00076983	0.00	10,569,607.26	0.00	0.00	10,614,120.86
Award Total :	0.00	10,569,607.26	0.00	0.00	10,614,120.86



Signed By :

Date :

07 May 2013  
25/04

Signature





UN  
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UN Development Programme

Report ID: ungl143p

Combined Delivery Report By Project

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Run Time: 25-04-2013 16:04:42

Selection Criteria :

Business Unit : HT110  
Period : Jan-Dec (2011)  
Selected Award Id : 00060216  
Selected Fund Code : ALL  
Selected Dept. IDs : ALL  
Selected Projects : 00076983

Award Id : 00060216	Earthquake Debris Management i	Period :	Jan-Dec (2011)		
Project # :	Gestion Débris PortauPrince I	Impl. Partner :	None		
		Location :			
	Govt Disb	UNDP Disb	UN Agencies	Encumbrance	Total Exp

50803 - Haiti - Crisis Prev & Rcvry	0.00	10,569,607.26	0.00	44,513.60	10,614,120.86
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**UNITED NATIONS DEVELOPMENT PROGRAM  
(UNDP)**

**AUDIT OF THE FINANCIAL STATEMENTS**

**PROJECT “DÉBRIS I” NO. PID76983**

**For the period of 1 January to 31 December 2011**

**INDEPENDENT AUDITOR'S REPORT ON STATEMENT OF ASSETS AND EQUIPMENTS**

Office of Audit and Investigations  
(OAI)  
United Nations Development Program  
(UNDP)

We have audited the Statement of Assets and Equipments as of 31 December 2011 for the period of 1 January to 31 December 2011 of the Project “Débris I” No. PID76983 implemented and managed by United Nations Development Program (UNDP).

**Management's Responsibility for the Statement of Assets and Equipments**

The Management of United Nations Development Program (UNDP) is responsible for the preparation and fair presentation of the Statement of Assets of Equipments, in accordance with UNDP rules and all internal controls deemed necessary by the direction for the preparation of Statement of Assets and Equipments, which do not contain any material misstatement, whether due to fraud or error.

**Auditors' Responsibilities**

Our responsibility is to express an opinion on the Statement of Assets and Equipments attached to this report based on our audit. We conducted our audit in accordance with International Standards on Auditing and the specific requirements of the United Nations Development Program (UNDP). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement of Assets and Equipments is free from material misstatement.

An audit involves performing procedures to obtain audit evidence supporting the amounts and other information presented in the Statement of Assets and Equipments. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement of Assets and Equipments, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Statement of Assets and Equipments 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 UNDP'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 overall presentation of the Statement of Assets and Equipments.

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

### **Opinion**

In our opinion, the Statement of Assets and Equipments presents fairly, in all material respects the inventory balance of the project amounting to \$ 141,729 as at 31 December 2011, in accordance with UNDP accounting requirements.

  
Experts Conseils et Associés  
May 7, 2013

BUSINESS UNIT	OPERATING UNIT	PROFILE ID (electricals, vehicles etc)	TAG NUMBER	SERIAL ID	DESCRIPTION	LOCATION (physical)	CUSTOMER NAME/DATE	ACQUISITION QUANTITY (should always be 1)	Acquisition Cost	Currency (Should Always be USD)	FUND CODE	Implementing Agent	Donor	PROJECT ID	DEPTID	Activity
HT10	UNDP1	Vehicles	N/A	INT TCS78 102579260	NESAN	BUREAU PACOT	PROJET DEBRIS 1 2011-08-24	1	38 500 00		50000	1081	1150276693	50603	AC101175	
HT10	UNDP1	Vehicles	N/A	INT TCS78 102579160	NESAN	BUREAU PACOT	PROJET DEBRIS 1 2011-08-24	1	38 500 00		50000	1081	1150276693	50603	AC101175	
HT10	UNDP1	Vehicles	N/A	INT TCS78 102579204	NESAN	BUREAU PACOT	PROJET DEBRIS 1 2011-08-24	1	38 500 00		50000	1081	1150276693	50603	AC101175	
HT10	UNDP1	Heavy Machinery	N/A	CD0606072644	GENERATRICE SOMO	BUREAU PACOT	PROJET DEBRIS 1 0014411	1	13 850 65		50000	1081	1150276693	50603	AC101174	
HT10	UNDP1	Information and communication ICT	N/A	W00260886	WORKCENTRE 4250 PHN /CD0975CA	BUREAU PACOT	PROJET DEBRIS 1 2011-08-25	1	5 220 00		50000	1081	1150276693	50603	AC101174	
HT10	UNDP1	Information and communication ICT	N/A	W00260886	WORKCENTRE 4250 PHN /CD0975CA	BUREAU PACOT	PROJET DEBRIS 1 2011-08-25	1	5 220 00		50000	1081	1150276693	50603	AC101174	
HT10	UNDP1	Information and communication ICT	N/A	7182891	DELL VOSTRO 292 MT CORE 2 DUO	BUREAU PACOT	PROJET DEBRIS 1 2011-08-16	1	2 360 00		50000	1081	1150276693	50603	AC101175	
HT10	UNDP1	Information and communication ICT	N/A	CH450267427387224M	DELL VOSTRO 1915 1930 2.1 GHZ 4	BUREAU PACOT	PROJET DEBRIS 1 2011-08-16	1	2 297 00		50000	1081	1150276693	50603	AC101175	

*André Breton* and *André Breton*

**Jean Marie Duval**

It has commenced 6/4 - 19/10/02

**Maïc-André Franche**  
Deputy Country Director (P)

UNDP-Haiti

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# UNITED NATIONS DEVELOPMENT PROGRAM (UNDP)

## NOTES TO THE AUDIT OF THE COMBINED DELIVERY REPORT (CDR) AND STATEMENT OF ASSETS AND EQUIPMENTS

### PROJECT "DÉBRIS I" NO. PID76983

For the period of 1 January to 31 December 2011

#### 1. Background

The management of debris is an entry point towards the development and improvement of living conditions in the neighborhoods. This project intends to provide sustainable solutions in: i) removing rubbles and creating a management debris strategy that the government could use in order to prevent and be better prepared for future disasters; ii) contributing to develop relationships between communities, municipalities and the government; iii) creating short term jobs opportunities, iv) clearing access ways and making it possible for people to return to neighborhoods and (v) promoting revival of local economy through production of products made of recycle debris.

The specific objectives of the project are following:

- . A national debris management strategy is adopted and most of the debris is removed in the pilot neighborhoods.
- . The local capacities are reinforced for debris management in the pilot neighborhoods and income-generating activities around the removal and recycling debris are created.

The project seeks to achieve the following results:

- . Six neighborhoods plans have been developed and accepted by the community and the key project partners;
- . A national debris management strategy for Port-au-Prince and the country is developed and adopted by the national authorities;
- . The socio economic status of affected population is improved through the removal and recycling of debris.
- . Information management and implementation of a communication strategy;
- . Preliminary studies for the re-use of debris, area planning and economic revitalization of affected areas during the reconstruction.

The project is funded solely by the Fund for Haitian Reconstruction (FHR).

The total budget for the project (started in December 2010 and scheduled to end in 30 June 2014) was \$ 11,758.720.

The expenditures incurred during the period of 1 January to 31 December 2011 under the Project were \$ 10,614,121 as indicated in the CDR.

Fixed assets acquisitions related to the "Débris I" No. PID76983 totaled an amount of \$141,721 as of 31 December 2011.

## **2. Summary of Accounting Policies**

The Statement of Combined Delivery Report (CDR) is prepared on the modified cash basis of accounting as required by UNDP which is different from IFRS (International Standards Presentation of Financial Information). Consequently, expenditures are recognized when paid rather than when incurred.

The Combined Delivery Report (CDR) is maintained in US Dollars of the United States of America.

## **3. Cash**

The Project "Débris I" has no bank account or petty cash. All disbursements were made directly by UNDP.

## **4. Finance**

The Project "Débris I" is funded by UNDP and Fund for Haitian Reconstruction (FHR). Funds received from them are subject to restrictions and may be used only for project activities.

## **5. Fixed Assets**

All assets and equipments were purchased during the period from 1 January to 31 December 2011. The value of Fixed Assets and Equipments as of 31 December 2011 amounted to \$ 141.729.

## **6. Contractual Commitments**

As of 31 December 2011, the encumbrances balance of the Project "Débris I" is \$ 44,513 of which \$ 32,250 represents a signed contract with a provider for debris removal services, which has not been executed.

## **UNITED NATIONS DEVELOPMENT PROGRAM (UNDP)**

### **AUDIT OF THE FINANCIAL STATEMENTS**

#### **PROJECT "DÉBRIS I" NO. PID76983**

**For the period of 1 January to 31 December 2011**

### **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL**

Office of Audit and Investigations  
(OAI)  
United Nations Development Program  
(UNDP)

We have audited the Statement of Combined Delivery Report (CDR) and the Statement of Assets and Equipments for the period from 1 January to 31 December 2011, of the Project "Débris I" No. PID76983 implemented and managed by the United Nations Development Program (UNDP).

We have issued our report on those financial statements 15 March 2013. This report complements our opinion on the financial statements to which we refer.

The management of UNDP is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition; transactions are executed in accordance with management's authorization and in accordance with the terms of the agreement; and that transactions are recorded properly to permit the preparation of the Statement of Combined Delivery Report (CDR) and the Statement of Assets and Equipments in accordance with the comprehensive modified cash basis of accounting. Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the Combined Delivery Report (CDR) for the period of 1 January to 31 December 2011 and the Statement of Assets and Equipments as of 31 December 2011, we considered UNDP's internal control over the management of the Project « Débris I » No. PID76983, in conformity with the standards established by the International Auditing Standards. Our examination and evaluation was performed in order to assess risks and to determine the auditing procedures for the purpose of expressing an opinion on the Combined Delivery Report (CDR) for the period of 1 January to 31 December 2011 and Statement of Assets and Equipments as of 31 December 2011 and not to express an opinion on the internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that is a reasonable possibility that a material misstatement of the UNDP's Combined Delivery Report (CDR) and the Statement of Assets and Equipments will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies, or material weaknesses.

We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

*Experts Conseils et Audit*  
Chartered Accountants  
May 7, 2013