



**AUDIT**

**OF**

**UNDP ISLAMIC REPUBLIC OF IRAN**

**Tuberculosis Prevention in High Burden Areas - Phase II Round 7**

**(Directly Implemented Project, Output No. 77633)**

**Report No. 1364**

**Issue Date: 22 August 2014**

**Report on the audit of UNDP Islamic Republic of Iran  
Tuberculosis Prevention in High Burden Areas - Phase II Round 7  
Output No. 77633  
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), from 1 to 10 July 2014, through Moore Stephens LLP (the audit firm), conducted an audit of Tuberculosis Prevention in High Burden Areas - Phase II Round 7, Output No. 77633 (the Project), which is directly implemented and managed by the UNDP Country Office in the Islamic Republic of Iran (the Office). The last audit of the Office's Global Fund-related activities was conducted by OAI in 2013 and covered project expenditure from 1 January to 31 December 2012.

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 Combined Delivery Report, which includes expenditure for the period from 1 January to 31 December 2013 and the accompanying Funds Utilization statement<sup>1</sup> as of 31 December 2013 as well as Statement of Assets as of 31 December 2013. The audit did not include activities and expenses incurred or undertaken at the "responsible party" level, or expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters), or where supporting documentation was not retained at the UNDP Country Office level. In addition, the audit did not cover the Statement of Cash Position as of 31 December 2013 as no separate bank account was established and maintained for the Project.

The audit was conducted under the general supervision of OAI in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

## 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	
Amount (in \$'000)	Opinion	Amount (in \$'000)	Opinion
747*	Unqualified	3	Unqualified

\*Expenditure recorded in the Combined Delivery Report was \$2,560,250. Excluded from the audit scope were transactions that relate to expenditure of other UN Agency (\$109,508), expenditures not processed or approved at the Office level (\$984,713) and expenditures incurred by implementing partners (\$719,407).

The audit firm issued an unqualified opinion on the Funds Utilization statement.

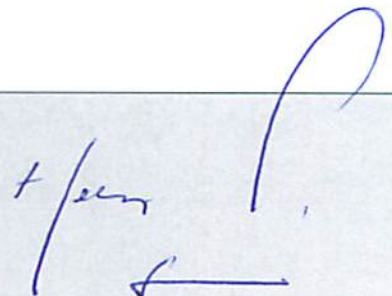
The audit did not result in any recommendations.

<sup>1</sup> The Funds Utilization statement includes the balance, as at a given date, of five items: (a) outstanding advances received by the project; (b) depreciated fixed assets used at the project level; (c) inventory held at the project level; (d) prepayments made by the project; and (e) outstanding commitments held at the project level.

**Implementation status of previous OAI audit recommendations:** Report No. 1195, 19 December 2013.

Total recommendations: 4

Implementation status: 0% (in progress)



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