

**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**Office of Audit and Investigations**



*Empowered lives.  
Resilient nations.*

**AUDIT**

**OF**

**UNDP LEBANON**

**THE REHABILITATION OF SAIDA DUMPSITE**  
**(Project No. 68385, Output No. 83622)**

**Report No. 1796**

**Issue Date: 10 August 2017**

**Report on the Audit of UNDP Lebanon  
The Rehabilitation of Saida Dumpsite  
(Project No. 68385, Output No. 83622)  
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Moore Stephens LLP (the audit firm), from 3 to 18 May 2017, conducted an audit of The Rehabilitation of Saida Dumpsite, Project No. 68385, Output No. 83622 (the Project), which is nationally implemented<sup>1</sup> with direct support services by the UNDP Country Office in Lebanon (the Office). The last audit of the Project was conducted by OAI in 2016 and covered project expenditure from 1 January to 31 December 2015.

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 2016 and the accompanying Funds Utilization statement<sup>2</sup> as of 31 December 2016. The audit did not include activities and expenses incurred or undertaken by the Government, or expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters). The audit did not cover the Statement of Assets as no assets were held by the Project as of 31 December 2016. In addition, the audit did not cover the Statement of Cash Position 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*	
Amount (in \$ '000)	Opinion
5,405	Unqualified

\*Expenditures recorded in the Combined Delivery Report were \$5,410,210. Excluded from the audit scope were transactions that relate to expenditures processed and approved by other UNDP offices outside of the country (\$5,650).

The audit did not result in any recommendations.

The previous audit (Report No. 1645, issued on 3 August 2016) did not result in any recommendations.

<sup>1</sup> Nationally implemented projects, or NIM projects are audited by the responsible unit in UNDP. However, this NIM project was audited by OAI due to the significant involvement of the Country Office in its implementation, and the subsequent materiality of the amount expended by UNDP. The audit firm is, in its audit report, referring to the Project as a DIM project.

<sup>2</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.

**Management comments and action plan**

Comments and/or additional information provided have been incorporated into the report, where appropriate.



Helge S. Osttveiten  
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