

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP LEBANON

PALESTINIAN GATHERINGS HOST COMMUNITIES 2
(Directly Implemented Project No. 93058, Output No. 97505)

Report No. 1797

Issue Date: 9 August 2017

**Report on the Audit of UNDP Lebanon
Palestinian Gatherings Host Communities 2
(Project No. 93058, Output No.97505)
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 Palestinian Gatherings Host Communities 2, Project No. 93058 Output No. 97505 (the Project), which is directly implemented and managed by the UNDP Country Office in Lebanon (the Office). This was the first audit of the Project.

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 statement¹ as of 31 December 2016, as well as Statement of Fixed Assets as of 31 December 2016. The audit did not include activities and expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters). 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*		Project Assets**	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
4,106	Unqualified	48	Unqualified

*Expenditures recorded in the Combined Delivery Report were \$4,110,189. Excluded from the audit scope were transactions that relate to expenditures processed and approved by other UNDP offices outside of the country (\$3,826). ** The total fixed asset values were recorded at \$76,408 (acquisition) and \$47,893 (net book value).

The audit did not result in any recommendations.

¹ 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.

A rectangular box containing a handwritten signature in blue ink. The signature is stylized and appears to read 'H. Ostveiten'. Below the signature, the name and title are printed in black text: 'Helge S. Ostveiten', 'Director', and 'Office of Audit and Investigations'. There are also some blue ink marks and lines within the box, including a vertical line on the left and a horizontal line on the right.