



AUDIT

OF

UNDP LIBYA

RESILIENCE AND RECOVERY
(Directly Implemented Project No. 104158, Output No. 105858)

Report No. 2246

Issue Date: 3 September 2020

**Report on the Audit of UNDP Libya
Resilience and Recovery
(Project No. 104158, Output No. 105858)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through BDO LLP (the audit firm), from 15 June to 26 June 2020, conducted an audit of Resilience and Recovery, Project No. 104158, Output No. 105858 (the Project), which is directly implemented and managed by the UNDP Country Office in Libya (the Office). This was the first audit of the Project.

The audit firm conducted a financial audit, in accordance with the International Standards of Auditing (ISA), the 700 series, 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 expenses for the period from 1 January to 31 December 2019 and the accompanying Funds Utilization statement¹ as of 31 December 2019 as well as Statement of Assets as of 31 December 2019. 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). 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 submitted by the audit firm, the results are summarized in the table below:

Project Expenses*		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$'000)	Opinion
4,113	Unmodified	2	Unmodified

*Expenses recorded in the Combined Delivery Report were \$5,586,904. Excluded from the audit scope were transactions that relate to expenses processed and approved by other UNDP offices outside of the country (\$487,770). Also excluded were expenses incurred at the "responsible party" level (\$986,499), which were subject to a separate audit conducted by external auditors that resulted in an unmodified opinion.

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) undepreciated 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. Ostveiten
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