



AUDIT

OF

UNDP PROGRAMME OF ASSISTANCE TO THE PALESTINIAN PEOPLE

**STRENGTHENING THE RULE OF LAW IN THE OCCUPIED PALESTINIAN TERRITORY:
JUSTICE AND SECURITY FOR THE PALESTINIAN PEOPLE (2nd PHASE)**
(Directly Implemented Project No. 77565, Output No. 88270)

Report No. 1651

Issue Date: 21 October 2016

**Report on the Audit of UNDP Programme of Assistance to the Palestinian People
Strengthening the Rule of Law in the occupied Palestinian territory: Justice and Security for the
Palestinian People (2nd phase) (Project No. 77565, Output No. 88270)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Moore Stephens LLP (the audit firm), from 17 to 25 July 2016, conducted an audit of Strengthening the Rule of Law in the occupied Palestinian territory: Justice and Security for the Palestinian People (2nd phase) (Project No. 77565, Output No. 88270) (the Project), which is directly implemented and managed by the UNDP Programme of Assistance to the Palestinian People (the Office). The last audit of the Project was conducted by OAI in 2015 and covered project expenditure from 1 January to 31 December 2014.

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 2015 and the accompanying Funds Utilization statement¹ as of 31 December 2015. The audit did not cover the Statement of Assets as no assets were purchased by the Project. 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
6,719	Unqualified

OAI decided to include in the audit scope the expenditures incurred by the responsible parties totalling \$1.3 million because they were processed and approved at the level of the Office. The audit firm reported that all supporting documents were available in the Office and were reviewed by them.

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.

The audit did not result in any recommendations.



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