



AUDIT

OF

UNDP PROGRAMME OF ASSISTANCE TO THE PALESTINIAN PEOPLE

CONSTRUCTION OF KHAN YOUNIS WASTE WATER TREATMENT PLANT
(Directly Implemented Project No. 41529, Output No. 47395)

Report No. 2067
Issue Date: 14 August 2019

**Report on the Audit of UNDP Programme of Assistance to the Palestinian People
Construction of Khan Younis Waste Water Treatment Plant
(Project No. 41529, Output No. 47395)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Talal Abu-Ghazaleh & Co. (the audit firm), from 17 April to 14 June 2019, conducted an audit of Construction of Khan Younis Waste Water Treatment Plant (Project No. 41529, Output No. 47395) (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, through Talal Abu-Ghazaleh & Co. in 2018 and covered project expenses from 1 January to 31 December 2017.

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 expenses for the period from 1 January to 31 December 2018 and the accompanying Funds Utilization statement¹ as of 31 December 2018 as well as the Statement of Fixed Assets as of 31 December 2018. 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 Expenses		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
10,604	Unmodified	30	Unmodified

The audit did not result in any recommendations.

Implementation status of previous OAI audit recommendations:

The previous audit (Report No. 1941, issued on 22 June 2018) 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.



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