



AUDIT

OF

UNDP PROGRAMME OF ASSISTANCE TO THE PALESTINIAN PEOPLE

**IMPROVING THE CAPACITY OF CMWU FOR MONITORING THE QUALITY OF WATER
SUPPLY IN GAZA**

(Directly Implemented Project No. 75788)

Report No. 1276

Issue Date: 21 February 2014

**Report on the audit of UNDP Programme of Assistance to the Palestinian People
Improving the Capacity of CMWU for Monitoring the Quality of Water Supply in Gaza (Project No. 75788)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), from 1 October to 17 November 2013, through Talal Abu-Ghazaleh & Co. (the audit firm), conducted an audit of Improving the Capacity of CMWU for Monitoring the Quality of Water Supply in Gaza, Project No. 75788 (the Project), which is directly implemented and managed by the UNDP Country Office in Programme of Assistance to the Palestinian People (the Office). The last audit of the Office was conducted by OAI in 2010.

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 Statement of Expenditure (Combined Delivery Report) for the period from 1 January to 31 December 2012.

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
138	Unqualified	N/A	N/A

Key recommendations: Total = 2, high priority = 0

The audit did not result in any high (critical) priority recommendations. There are two medium (important) priority recommendations, which means, "Action is required to ensure that UNDP is not exposed to risks that are considered moderate. Failure to take action could contribute to negative consequences for UNDP." These recommendations include actions to address non-compliance with the project duration period, and that salaries stated in the contracts do not comply with the actual salaries as per the Payroll General Ledger Account Detail Report.

Management comments and action plan

The Special Representative accepted both recommendations and is in the process of implementing them. Comments and/or additional information provided have been incorporated into the report, where appropriate.



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Director
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