



AUDIT

OF

SAWASYA II: PROMOTING THE RULE OF LAW IN PALESTINE
(Directly Implemented Project No. 99474, Output No. 102754)

BY

UNDP PROGRAMME OF ASSISTANCE TO THE PALESTINIAN PEOPLE (PAPP)

Report No. 2358

Issue Date: 15 July 2021

**Report on the Audit of
Sawasya II: Promoting the Rule of Law in Palestine implemented by UNDP Programme of Assistance to
the Palestinian People (PAPP)
(Project No. 99474, Output No. 102754)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Talal Abu-Ghazaleh & Co. (the audit firm), from 3 May to 2 June 2021, conducted an audit of ‘Sawasya II: Promoting the Rule of Law in Palestine’ (Project No. 99474, Output No. 102754) (the Project), which is directly implemented and managed by the UNDP Programme of Assistance to the Palestinian People (PAPP) (the Office). The last audit of the Project was conducted by OAI, through Talal Abu- Ghazaleh & Co. in 2020 and covered project expenses from 1 January to 31 December 2019.

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 2020 and the accompanying Funds Utilization statement¹ as of 31 December 2020 as well as Statement of Assets as of 31 December 2020. 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). 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 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
2,563	Unmodified	19	Unmodified

*Expenses recorded in the Combined Delivery Report were \$4,236,210. Excluded from the audit scope were transactions that relate to expenses processed and approved by other UNDP offices outside of the country (\$416,002). Also excluded were expenses incurred at the “responsible party” level (\$1,257,201).

The audit did not result in any recommendations.

Implementation status of previous OAI audit recommendations: Report No. 2252, 17 August 2020.

Total recommendations: 2

Implemented: 2

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.

Brett Simpson
Officer-in-Charge
Office of Audit and Investigations