

AUDIT

OF

PROJECTS' NAME:

- 1. NILE BASIN PROJECT SUPPORT UNIT
(Atlas Project ID #00054943)**
- and**
- 2. WATER RESOURCES PLANNING AND MANAGEMENT
(Atlas Project ID# 00070732, 00070915, 00070995)**

At UNOPS KENYA OPERATIONS CENTRE

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**Report on the audit of ‘Nile Basin Project Support Unit ‘(Atlas Project ID # 00054943) and
‘Water Resources Planning and Management‘(Atlas Project ID # 00070732, 00070915, 00070995)**

Executive Summary

The Internal Audit and Investigations Group (IAIG) of the United Nations Office for Project Services (UNOPS) through RSM Ashvir (the audit firm), conducted an audit of project ‘Nile Basin Project Support Unit (PSU)’ (Atlas Project ID. 00054943) and the project ‘Water Resources Planning and Management’ (WRPM) (Atlas Project IDs. 00070732, 00070915 and 00070995) for the period from 1 January 2011 to 31 December 2011 (the Project). The audit firm was under the general supervision by IAIG in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

The Nile Basin Project Support Unit project reported expenditure totaling USD 574,553 during the above mentioned period. The Water Resources Planning and Management project reported expenditure totaling USD 3,314,335 during the same period. The project was funded by the World Bank.

Audit scope and objectives

The audit firm conducted a combined financial audit and audit of internal controls and systems to express an opinion on whether the financial statements present fairly, in all material aspects, the results of the Project’s operations, as well as assess compliance with UNOPS regulations, rules, policies and procedures and donor agreements. The audit covered the review of the Project’s Statement of Expenditure for the above mentioned period and Statement of Non-Expendable Property. It also reviewed the relevant systems, procedures and practices in place as they relate to the Project, in the areas of: project management, finance, human resources management, procurement and supply chain, and general administration (including asset management).

Audit rating







Based on the audit report and corresponding management letter submitted by the audit firm, IAIG assessed the management of the both the projects as **satisfactory**¹. The details of the audit results are presented in Tables 1 and 2.

Table 1: Summary results of the financial audit

Period	Project	Project Expenditure		Project non expendable property		Overall rating on internal controls
		Amount (USD)	Opinion	Amount (USD)	Opinion	
01 January-31 December 2011	Nile Basin PSU	574,553	Unqualified	22,766	Unqualified	Satisfactory
	Water Resources Planning and Management	3,314,335	Unqualified	464,044	Unqualified	Satisfactory

¹See definitions in Annex 1

Table 2: Internal controls ratings summary for projects PSU and WRPM

RATING SUMMARY BY FUNCTIONAL AREA		
Functional area	Rating	
Project management	Satisfactory	
Finance	Satisfactory	
Procurement and supply chain	Satisfactory	
Human resources	Satisfactory	
General administration	Satisfactory	
Overall rating of Internal control	Satisfactory	

Key recommendations

No audit recommendations were issued for the Nile Basin Support Project Unit project. One recommendation was issued for the Water Resource Planning and Management project which was ranked Medium priority. The medium audit recommendation relates to ensuring that the project expenditures are within the budget.

Follow up of the recommendation

The follow up of the action taken by management to implement the audit recommendations is monitored by IAIG on its web based issue tracking system.