



INTERNAL AUDIT AND INVESTIGATIONS GROUP

UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

26 JUNE 2014

| | |
|---------------------------------|--|
| PROJECT NAME: | DESIGN AND IMPLEMENT DROUGHT MITIGATION ENGINEERING WORKS IN DARFUR |
| PROJECT NUMBER: | 00072000 |
| COUNTRY: | SUDAN |
| AUDITOR: | MOORE STEPHENS LLP |
| PERIOD SUBJECT TO AUDIT: | 1 SEPTEMBER 2009 TO 31 DECEMBER 2013 |

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Acronyms and abbreviations

| | |
|-------|--|
| IAIG | Internal Audit and Investigations Group |
| IPSAS | International Public Sector Accounting Standards |
| OC | Operations Centre |
| PC | Project Centre |
| RO | Regional Office |
| TOR | Terms of Reference |
| UNOPS | United Nations Office for Project Services |
| USD | United States Dollars |
| MoU | Memorandum of Understanding |

Financial audit report

Audit opinion on the project financial statement

Report of the Independent Auditors to UNOPS Sudan Operations Centre

We have audited the accompanying project financial statement for the project “Design and Implement Drought Mitigation Engineering Works in Darfur” (Atlas project ID 00072000) of UNOPS for the period from 1 September 2009 until 31 December 2013.

Management responsibility for the financial statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with International Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express an opinion on the financial statement based upon the results of our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of a financial statement that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor’s opinion

In our opinion the financial statement gives a true and fair view of, in all material respects, the income and expenditure of the project ‘Design and Implement Drought Mitigation Engineering Works in Darfur’ (Atlas project ID 00072000), for the period from 1 September 2009 until 31 December 2013 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

Emphasis of matter

Without qualifying our opinion we have raised four internal control audit findings, detailed in our accompanying internal audit report, which represent important control weaknesses, instances of non-compliance or other significant matters which we came across during the conduct of our audit work. These audit findings are not considered material in the context of our audit.

Project financial statement

This is attached as Annex I to this report.

Audit opinion on the statement of non-expendable property

There were no assets listed as belonging to the project as at 31 December 2013 and accordingly we have not issued an opinion on a statement of non-expendable property.



Mark Henderson
Partner

Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

26 June 2014

Responsibility statement by management

This is attached as Annex II to this report.

Annex I – Project financial statement

January 17, 2014
Ref: Project No: 00072000
Funding: DFID

To whom it may Concern,

Subject: Interim Financial Statement as at 31 December 2013

We enclose the Interim Financial Statement for project **00072000 Design and Implementation of Drought Mitigation Engineering Works in Darfur** , which commenced in year 2009 and indicates project expenses as at 31 December 2013.

We draw your attention to the following:

- › Project expenditure and management fee: **US\$ 4,875,302**
- › Project advances: **US\$ 962** and open purchase orders: **US\$ 1,533**
- › Total cash received: **US\$ 5,002,302** including interest earned: **US\$ 25,489**
- › Project fund balance: **US\$ 124,504**

If you have any question, please do not hesitate to contact UNOPS

Yours sincerely,



Kanit Pukchareon
Regional Finance Specialist
IPAS, UNOPS HQ

Project Atlas id: 00072000
Project Title : Design and Implementation of Drought Mitigation Engineering Works in Darfur

Funding DFID
 All Amounts in US\$
Date: 1/17/2014

INTERIM FINANCIAL STATEMENT AS AT 31 DECEMBER 2013

1) INCOME

DEPOSITS

| | | |
|------|--------------|---------------------|
| 2009 | 1,628,700.00 | |
| 2010 | 1,440,400.00 | |
| 2011 | 1,565,900.00 | |
| 2013 | 341,812.25 | <u>4,976,812.25</u> |

INTEREST

| | | |
|------|----------|------------------|
| 2009 | 2,742.38 | |
| 2010 | 6,904.51 | |
| 2011 | 8,460.52 | |
| 2012 | 5,765.48 | |
| 2013 | 1,616.44 | <u>25,489.33</u> |

TOTAL FUNDS (A) 5,002,301.58

2) PROJECT EXPENSES

PERIOD - PRIOR YEARS:

| | | | |
|------|-------------------|--------------|---------------------|
| 2009 | Project Expense | 51,832.28 | |
| | Net Exchange Loss | 0.11 | |
| | Management Fee | 4,146.58 | <u>55,978.97</u> |
| 2010 | Project Expense | 1,349,962.50 | |
| | Net Exchange Loss | 937.12 | |
| | Management Fee | 107,997.00 | <u>1,458,896.62</u> |
| 2011 | Project Expense | 809,445.37 | |
| | Net Exchange Gain | (181.81) | |
| | Management Fee | 64,539.36 | <u>873,802.92</u> |
| 2012 | Project Expense | 1,739,898.46 | |
| | Net Exchange Gain | (797.48) | |
| | Management Fee | 139,188.89 | <u>1,878,289.87</u> |

PERIOD - CURRENT YEAR

| | | | |
|------|-------------------|------------|-------------------|
| 2013 | Disbursements | 489,992.80 | |
| | Receipt Accruals | 73,086.50 | |
| | Net exchange loss | 220.37 | |
| | Management fee | 45,034.20 | <u>608,333.87</u> |

TOTAL PROJECT EXPENSES (B) 4,875,302.25

Project Advances (C) 962.42 962.42


PROJECT CASH BALANCE (D) = (A) - (B) - (C) 126,036.91


Open Purchase Orders (E) 1,533.32 1,533.32

3) PROJECT FUND BALANCE (F) = (D) - (E) 124,503.59

** This statement is interim and is provided for information purposes only. Figures are not final. Final figures will appear in the certified 2013 financial statement once the 2013 books are closed.*

The Statement is following IPSAS reporting requirements, Management Fee is calculated and recorded against Project Expenses (Disbursements + Receipt Accruals) Project Advances represents amounts yet to be either recovered or settled against Project Expenses. Open POs represents amounts committed against goods/services yet to be delivered/rendered. Fund balance represents cash available for implementation activities.

Prepared by 
 Jamil Mohammad
 Senior Finance Associate
 IPAS, UNOPS HQ

Certified By 
 Kanit Pukchareon
 Regional Finance Specialist
 IPAS, UNOPS HQ

Annex II – Statement of management responsibility

Annex C
UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID: 00072000 - Design and Implement Drought Mitigation Engineering Works in Darfur

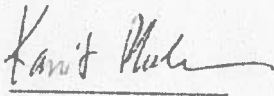
Responsibility Statement by Management

The United Nations Office for Project Services (UNOPS) management is responsible for the preparation, integrity and fair presentation of the Financial Statements as set out on Annex I of the financial audit report of UNOPS project ID 00072000, Design and Implement Drought Mitigation Engineering Works in Darfur. The Statement presented in Annex I has been prepared in accordance with the MoU signed between UNOPS and DFID for the Design and Implement Drought Mitigation Engineering Works in Darfur, dated 4 August 2009 and the requirements of the applicable UNOPS regulations and rules.

We do hereby state that, in our opinion:

Financial Statement

The Financial Statement as reported in Annex I presents fairly in all material aspects, the expenditure of US\$ 4,875,302 incurred by the UNOPS office for the period 1 September 2009 to 31 December 2013 in accordance with the accounting policies set out in the Notes to the Statement and in conformity with approved activities and budgets of UNOPS Project ID. 00072000, Design and Implement Drought Mitigation Engineering Works in Darfur.

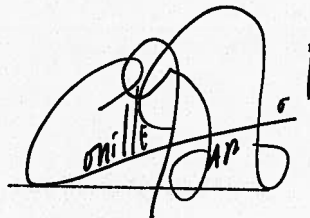


Kanit Pukchareon
Regional Financial Specialist

Region: IPAS/CSPG

Place: HQ/CPH

Date: 20/06/2014

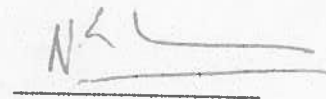


Garry Conille
Regional Director

Region: AFO

Place: HQ/CPH

Date:



Nihal Samarasinghe
Project Manager

Region: AFO

Place: Sudan Project Office / ETPC

Date: