



INTERNAL AUDIT AND INVESTIGATIONS GROUP

UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

19 JUNE 2015

PROJECT NAME:	GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA (GFATM) PRINCIPAL RECIPIENT – MYANMAR - PRINCIPAL RECIPIENT - UNOPS
PROJECT NUMBER:	00077260
COUNTRY:	MYANMAR
AUDITOR:	MOORE STEPHENS LLP
PERIOD SUBJECT TO AUDIT:	1 JANUARY TO 31 DECEMBER 2014

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Acronyms and abbreviations

FB	Fund Board
FMO	Fund Manager's Office
IAIG	Internal Audit and Investigations Group
IPSAS	International Public Sector Accounting Standards
MMOH	Myanmar Operations Hub
NAP	National AIDS Programme
NTP	National Tuberculosis Programme
OC	Operations Centre
PC	Project Centre
RO	Regional Office
SR	Sub-recipient
TOR	Terms of Reference
UNOPS	United Nations Office for Project Services
USD	United States Dollars
VBDC	Vector Borne Disease Control

Financial audit report

Audit opinion on the project financial statement

Report of the Independent Auditors to UNOPS Myanmar Operations Hub

We have audited the accompanying project financial statement for the project 'Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) Principal Recipient – Myanmar – Principal Recipient – UNOPS' (Atlas project ID 00077260) of UNOPS for the period from 1 January until 31 December 2014.

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 'Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) Principal Recipient – Myanmar – Principal Recipient – UNOPS' (Atlas project ID 00077260), for the period from 1 January until 31 December 2014 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

Project financial statement

This is attached as Annex I to this report.

Audit opinion on the statement of non-expendable property**Report of the Independent Auditors to UNOPS Myanmar Operations Hub**

We have audited the accompanying statement of non-expendable property of the project 'Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) Principal Recipient – Myanmar - Principal Recipient – UNOPS' (Atlas project ID 00077260) of UNOPS as at 31 December 2014.

Unqualified opinion

In our opinion, the statement of non-expendable property presents fairly, in all material respects, the status of non-expendable property of the project 'Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) Principal Recipient – Myanmar - Principal Recipient – UNOPS' (Atlas project ID 00077260) as at 31 December 2014 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

Statement of non-expendable property

This is attached as Annex II to this report.



Mark Henderson
Partner

Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB

19 June 2015

Responsibility statement by management

This is attached as Annex III to this report.



INTERNAL AUDIT AND INVESTIGATIONS GROUP

Annex I – Project financial statement

May 26, 2015
Ref: Project No: 00077260
Funding: GFATM

To whom it may Concern,

Subject: Certified Annual Financial Statement as at 31 December 2014

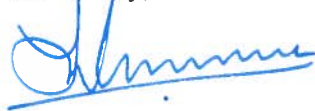
We enclose the Certified Financial Statement for project **00077260 GFATM PR-Myanmar-PR-UNOPS**, which commenced in year 2011 and indicates project expenses as at 31 December 2014.

We draw your attention to the following:

- › Project expenditure and management fee: **US\$ 16,792,363**
- › Project advances: **US\$ 5,318** and open purchase orders: **US\$ 475,894**
- › Total cash received: **US\$ 21,550,092** including interest earned: **US\$ 55,294**
- › Project fund balance: **US\$ 4,276,517**

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

Yours sincerely,



Ala'a Nemer
Regional Finance Practice Advisor
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Project Atlas id: 00077260

Funding

 GFATM
 All Amounts in US\$

Project Title :

GFATM PR-Myanmar-PR-UNOPS

Date:

26/05/2015

CERTIFIED ANNUAL FINANCIAL STATEMENT AS AT 31 DECEMBER 2014
Opening Balances 2003

0.00

1) INCOME
DEPOSITS

2014

67,952.11

67,952.11

INTEREST

2011

16,336.46

2012

22,596.96

2013

3,447.16

2014

12,913.16

55,293.74

REFUND / INTER-PROJECT TRANSFER

2011

4,942,185.10

2012

8,289,101.01

2013

4,022,156.01

2014

4,172,261.39

21,425,703.51

MISCELLANEOUS INCOME

2013

1,143.12

2014

0.00

1,143.12

TOTAL FUNDS (A)
21,550,092.48
2) PROJECT EXPENSES
PERIOD - PRIOR YEARS:

2011

Project Expense

4,170,571.23

Net Exchange Gain

-561.80

Management Fee

249,349.52

4,419,358.95

2012

Project Expense

3,341,579.03

Net Exchange Loss

1,824.13

Management Fee

216,750.10

3,560,153.26

2013

Project Expense

4,038,257.66

Net Exchange Loss

1,754.59

Management Fee

261,700.95

4,301,713.20

PERIOD - CURRENT YEAR

2014

Project Expense

4,237,071.32

Net exchange loss

152.67

Management fee

273,913.70

4,511,137.69

TOTAL PROJECT EXPENSES (B)
16,792,363.10

Project Advances (C)

5,317.82

5,317.82

PROJECT CASH BALANCE (D) = (A) - (B) - (C)
4,752,411.56

Open Purchase Orders (E)

475,894.44

475,894.44

3) PROJECT FUND BALANCE (F) = (D) - (E)
4,276,517.12


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


 M. Shafiq BATEA
 Senior Finance Associate
 CSPG IPAS, UNOPS HQ

Certified By


 Ala'a Nemer
 Regional Finance Practice Advisor
 CSPG IPAS, UNOPS HQ



INTERNAL AUDIT AND INVESTIGATIONS GROUP

Annex II – Statement of non-expendable property

05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0108	Motorola VHF Handheld radio GP388	004TNC0830	23-Apr-12	(112.39)	USD	397.30	397.30	B334
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0109	Motorola VHF Handheld radio GP388	004TNA2512	23-Apr-12	(112.39)	USD	397.30	397.30	B423
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0110	Motorola VHF Handheld radio GP388	004TNC4048	23-Apr-12	(112.39)	USD	397.30	397.30	B126
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0111	Motorola VHF Handheld radio GP388	004TNC4047	23-Apr-12	(112.39)	USD	397.30	397.30	UNDPA
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0112	Air Con, Sanyo, SAP-K18AM, Indonesia (2 HP)	10015695	7-Apr-11	(111.34)	USD	737.14	737.14	B5-1 (Inlay Room)
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0113	Motorola VHF Radio mobile Kit GM360	103TNC6592	23-Apr-12	(112.39)	USD	386.07	386.07	UN 15/27
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0114	Motorola VHF Radio mobile Kit GM360	103TNC6582	23-Apr-12	(112.39)	USD	386.07	386.07	B333
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0115	Kit 300 GB 15K RPM, 6Gbps SED SAS 2.5 Hot Plug Hard	(6XN0HYQY)	29-Aug-12	(112.74)	USD	448.58	448.58	B335
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0116	Kit 300 GB 15K RPM, 6Gbps SED SAS 2.5 Hot Plug Hard	(6XN0HX0)	29-Aug-12	(112.74)	USD	448.58	448.58	B335
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0117	Kit 300 GB 15K RPM, 6Gbps SED SAS 2.5 Hot Plug Hard	(6XN0K8X9)	29-Aug-12	(112.74)	USD	448.58	448.58	B335
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0118	Kit 300 GB 15K RPM, 6Gbps SED SAS 2.5 Hot Plug Hard	(6XN0HYVE)	29-Aug-12	(112.74)	USD	448.58	448.58	B335
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0119	Kit 300 GB 15K RPM, 6Gbps SED SAS 2.5 Hot Plug Hard	(6XN0HY3K)	29-Aug-12	(112.74)	USD	448.58	448.58	B335
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0120	Kit 300 GB 15K RPM, 6Gbps SED SAS 2.5 Hot Plug Hard	(6XN0HYV)	29-Aug-12	(112.74)	USD	448.58	448.58	B335
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0121	Cisco Catalyst + Cisco 100 BASE	-	26-Jul-12	(112.65)	USD	494.72	494.72	B4-3(Rack Room)
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0122	Motorola VHF handheld radios 388	004TNW 1747	6-Feb-13	(113.18)	USD	363.41	363.41	M41
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0123	Motorola VHF handheld radios 388	004TNW 3726	6-Feb-13	(113.18)	USD	363.41	363.41	UNDPA
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0124	Motorola VHF handheld radios 388	004TNW 3727	6-Feb-13	(113.18)	USD	363.41	363.41	B332
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0125	Desktop Computer Type A, Dell, OptiPlex 7010	1C91G25	26-Dec-12	(113.07)	USD	850.00	850.00	B101
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0126	Desktop Computer Type A, Dell, OptiPlex 7010	2C91G25	26-Dec-12	(113.07)	USD	850.00	850.00	M41
05506	Intangibles	3	000077260	GFATM-PR	77260MMR0127	Software (Adobe In Design Version 8)		1-Feb-13	(113.17)	USD	735.00	735.00	ICTstore
05506	Intangibles	3	000077260	GFATM-PR	77260MMR0128	Software (Adobe Illustrator CS6 Version 16)		1-Feb-13	(113.17)	USD	640.00	640.00	ICT store
05506	Intangibles	3	000077260	GFATM-PR	77260MMR0129	Software (Adobe Acrobat Professional latest Version)		1-Feb-13	(113.17)	USD	494.76	494.76	ICT store
05506	Intangibles	3	000077260	GFATM-PR	77260MMR0130	Software (Adobe Acrobat Professional latest Version)		1-Feb-13	(113.17)	USD	494.76	494.76	ICT store
05506	Intangibles	3	000077260	GFATM-PR	77260MMR0131	Software (Adobe Acrobat Professional latest Version)		1-Feb-13	(113.17)	USD	494.76	494.76	ICT store/Procurement Officer
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0149	Projector with Tripod screen and 1.2 KVA UPS (View sonic)	PJD5234L	29-Apr-14	(114.41)	USD	685.00	685.00	ICT store
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0150	Projector with Tripod screen and 1.2 KVA UPS (View sonic)	PJD5234L	29-Apr-14	(114.41)	USD	685.00	685.00	Ayerwaddy Room/ICT Store
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0151	STREAM Motorcycle (Model: Suzuki (Revo)	40-Ya/77723	7-Jul-14	(114.59)	USD	1,599.19	1,599.19	FFA (Taunggyi)
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0152	STREAM Motorcycle (Model: Suzuki (Revo)	40-Ya/77724	7-Jul-14	(114.59)	USD	1,599.19	1,599.19	FFA (Magway)
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0153	STREAM Motorcycle (Model: Suzuki (Revo)	40-Ya/78896	7-Jul-14	(114.59)	USD	1,599.19	1,599.19	Nyi Nyi Linn (Kauk Phyu)
05506	Communication & IT equipment	3	000077260	GFATM-PR	77260MMR0154	STREAM Motorcycle (Model: Suzuki (Revo)	40-Ya/78898	7-Jul-14	(114.59)	USD	1,599.19	1,599.19	Vei Suan Pau(Hakaha)

425,774.08



INTERNAL AUDIT AND INVESTIGATIONS GROUP

Annex III – Statement of management responsibility

UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID: 00077260 GFATM PR-MYANMAR-PR-UNOPS

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 Statement of the UNOPS Project ID. 77260 GFATM PR-MYANMAR-PR-UNOPS. The Statement, presented in Annex I, has been prepared in accordance with the applicable UNOPS regulations and rules.

We do hereby state that, in our opinion:

Financial Statement

The Financial Statement as reported, set in Annex I, presents fairly in all material respects, the expenditure of US\$ 4,511,138 incurred by the UNOPS office for the period 1 January to 31 December 2014 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. 77260 GFATM PR-MYANMAR-PR-UNOPS.

Statement of Inventory of Non-Expendable Equipment

The Statement of Non-Expendable Equipment presents fairly, in all material respects, the Non-Expendable Equipment balance as at 31 December 2014 amounting to US\$ 425,774 in accordance with the Non-Expendable Inventory listing certified by project management.



Name: Dr Attila Molnar
Programme Director, UNOPS - GFATM
Region: Asia, Europe and Middle East Office (AEMO)
Place: Yangon, Myanmar
Date: 17 June 2015