UNIVERSAL AFFIANCE OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

28 September 2015

PROJECT NAME: DARFUR URBAN WATER SUPPLY PROJECT
PROJECT NUMBER: 00076613
COUNTRY: SUDAN
AUDITOR: MOORE STEPHENS LLP
PERIOD SUBJECT TO AUDIT: 1 JANUARY 2012 TO 24 JULY 2015
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Acronyms and abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>FB</td>
<td>Fund Board</td>
</tr>
<tr>
<td>FMO</td>
<td>Fund Manager's Office</td>
</tr>
<tr>
<td>IAIG</td>
<td>Internal Audit and Investigations Group</td>
</tr>
<tr>
<td>IP</td>
<td>Implementing Partner</td>
</tr>
<tr>
<td>IPSAS</td>
<td>International Public Sector Accounting Standards</td>
</tr>
<tr>
<td>OC</td>
<td>Operations Centre</td>
</tr>
<tr>
<td>PC</td>
<td>Project Centre</td>
</tr>
<tr>
<td>RO</td>
<td>Regional Office</td>
</tr>
<tr>
<td>TOR</td>
<td>Terms of Reference</td>
</tr>
<tr>
<td>UNOPS</td>
<td>United Nations Office for Project Services</td>
</tr>
<tr>
<td>USD</td>
<td>United States Dollars</td>
</tr>
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</table>
Financial audit report

Audit opinion on the project financial statement

Report of the Independent Auditors to UNOPS Sudan Office

We have audited the accompanying project financial statement for the project “Darfur Urban Water Supply Project” (Atlas project ID 00076613) of UNOPS for the period from 1 January 2012 until 24 July 2015.

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, gives a true and fair view of, in all material respects, the income and expenditure of the project “Darfur Urban Water Supply Project” (Atlas project ID 00076613), for the period from 1 January 2012 until 24 July 2015 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.
Mark Henderson
Partner
Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB
28 September 2015
Responsibility statement by management

This is attached as Annex II to this report.
Annex I – Project financial statement
September 7, 2015  
Ref: Project No: 00076613  
Funding: DFID

To whom it may Concern,

**Subject: Interim Financial Statement 01/Jan/2012 To 24/Jul/2015**

We enclose the Interim Financial Statement for project **00076613 Darfur Urban Water Supply Project**, which commenced in year 2010 and indicates project expenses from 01/01/2012 to 24/Jul/2015.

We draw your attention to the following:

- Project expenditure and management fee: **US$ 8,519,047**
- Project advances: **US$ 000** and open purchase order: **US$ 000**
- Total cash received for the reporting period: **US$ 8,519,047** including interest earned: **US$ 27,477**
- Project fund balance: **US$ 000**

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

Yours sincerely,

[Signature]

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

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PO Box 2695  
2100 Copenhagen  
Denmark  

Tel: +45 45 33 75 00  
Fax: +45 45 33 75 01  
E-mail: info@unops.org  
www.unops.org
## INTERIM FINANCIAL STATEMENT 01/JAN/2012 to 24/JUL/2015

### Opening Balances 2012

**All Amounts in US$**

```
<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>2012</td>
<td>1,572,300.00</td>
</tr>
<tr>
<td>2013</td>
<td>2,077,919.17</td>
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<tr>
<td>2014</td>
<td>540,593.25</td>
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<tr>
<td>2015</td>
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**INTEREST**

```
<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
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<tbody>
<tr>
<td>2010</td>
<td>0.00</td>
</tr>
<tr>
<td>2011</td>
<td>0.00</td>
</tr>
<tr>
<td>2012</td>
<td>17,777.02</td>
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<tr>
<td>2013</td>
<td>7,120.90</td>
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<tr>
<td>2014</td>
<td>2,579.37</td>
</tr>
<tr>
<td>2015</td>
<td>0.00</td>
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</tbody>
</table>
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**TOTAL FUNDS (A)**

4,300,757.29

### 2) Project Expenses

**PERIOD - PRIOR YEARS:**

```
<table>
<thead>
<tr>
<th>Year</th>
<th>Project Expense</th>
<th>Net Exchange Gain</th>
<th>Management Fee</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>4,053,031.51</td>
<td>-5,004.09</td>
<td>324,242.53</td>
<td>4,372,269.95</td>
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<tr>
<td>2013</td>
<td>2,412,243.95</td>
<td>-633.34</td>
<td>192,979.52</td>
<td>2,605,160.13</td>
</tr>
<tr>
<td>2014</td>
<td>1,427,155.75</td>
<td>-2,919.01</td>
<td>114,172.38</td>
<td>1,544,247.14</td>
</tr>
</tbody>
</table>
```

**PERIOD - CURRENT YEAR:**

```
<table>
<thead>
<tr>
<th>Year</th>
<th>Project Expense</th>
<th>Net Exchange Gain</th>
<th>Management Fee</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>-1,597.90</td>
<td>0.00</td>
<td>-32.32</td>
<td>(2,630.22)</td>
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</tbody>
</table>
```

**TOTAL PROJECT EXPENSES (B)**

8,519,047.00

**PROJECT CASH BALANCE (D) = (A) - (B) - (C)**

0.00

**Open Purchase Orders (E)**

-0.00

### 3) Project Fund Balance (F) = (D) - (E)

0.00

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This statement is interim and is provided for information purposes only. Figures are not final. Final figures will appear in the certified financial statement once books for the concerned period 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: M. Shafi HATECH
Senior Finance Associate
UNOS IPAS, HQ

Certified by: Alaa Nemer
Regional Finance Practice Advisor
UNOS HQ
Annex II – Statement of management responsibility
UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID: 00076613:

DARFUR URBAN WATER SUPPLY PROJECT

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/Income/Income-Expenditure Statement of the UNOPS Project ID. 76613 Darfur Urban Water Supply. 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 presents fairly in all material respects, the expenditure of US$8,519,047 incurred by the UNOPS office for the period 1 January 2012 to 24 July 2015 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. 76613 Darfur Urban Water Supply.

Statement of Inventory of Non-Expendable Equipment

N/A

Name: Ala’a A Nemer
Regional Finance Advisor
Region: HQ, UNOPS
Place: Copenhagen, Denmark
Date: 8 September 2015

Name: Garry Conille
Regional Director
Region: AFO, UNOPS
Place: Copenhagen, Denmark
Date: 9/09/2015

Name: Chakib Belhassan
Head of Office
Region: AFO- UNOPS ETOH, Sudan
Place: Khartoum, Sudan
Date: 8 - 9 - 2015