



INTERNAL AUDIT AND INVESTIGATIONS GROUP

UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

4 September 2015

PROJECT NAME:	SMALL GRANTS PROGRAMME (SGP) – OPERATIONAL PHASE 5
PROJECT NUMBER:	00078723
COUNTRY:	NEPAL
AUDITOR:	MOORE STEPHENS LLP
PERIOD SUBJECT TO AUDIT:	1 JANUARY 2011 TO 30 JUNE 2014

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Acronyms and abbreviations

BU	Business Unit
CBA	Community-based Adaptation
CBO	Community-based Organization
CO	Country Office
COA	Chart of Account (Atlas)
COB	Country Operating Budget
CPMT	Central Programme Management Team
CPS	Country Programme Strategy
DOA	Delegation of Authority
ERP	Enterprise Resource Planning (Atlas)
FTA	Fixed-Term Appointments
GEF	Global Environment Facility
GLJE	General Ledger Journal Entry
ICF	Internal Control Framework
LOA	Letter of Agreement
MOA	Memorandum of Agreement
MOSS	Minimum Operating Security Standards
MOU	Memorandum of Understanding
NAO	(UNOPS) North America Office
NC	National Coordinator
NFP	National Focal Person
NGO	Non-governmental Organization
NHI	National Host Institution
NSC	National Steering Committee
OP	Operational Phase
PA	Programme Assistant
PO	Purchase Order (Atlas)
PRINCE2	Projects In Controlled Environments 2
REQ	Requisition (Atlas)
RR (Res. Rep.)	Resident Representative
SC	Service Contracts
SOP	Standard Operating Procedures
SGC	Small Grants Cluster (The UNOPS NAO SGP team)
SGP	GEF Small Grants Programme
SSA	Special Service Agreement
TOR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme
UNDSS	United Nations Department of Safety and Security
UNOPS	United Nations Office for Project Services

Financial audit report

Audit opinion on the project financial statement

Report of the Independent Auditors to UNOPS Small Grants Programme Cluster and Central Programme Management Team

We have audited the accompanying project financial statement for the Small Grants Programme – Operational Phase 5 in Nepal (Atlas project ID 00078723) for the period from 1 January 2011 until 30 June 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. These 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 expenditure recorded for the project "Small Grants Programme – Operational Phase 5 in Nepal" (Atlas project ID 00078723), for the period from 1 January 2011 until 30 June 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

We have audited the accompanying statement of non-expendable property of the project “Small Grants Programme – Operational Phase 5 in Nepal” (Atlas project ID 00078723), of UNOPS as at 30 June 2014.

In our opinion, the statement of non-expendable property presents fairly, in all material respects, the status of non-expendable property of the project “Small Grants Programme – Operational Phase 5 in Nepal” (Atlas project ID 00078723), as at 30 June 2014 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards/ United Nations System Accounting Standards.



Mark Henderson
Partner

Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

4 September 2015

Responsibility statement by management

This is attached as Annex III to this report.

Annex I – Project financial statement

Reporting period 1 Jan 2011 to 30 Jun 2014

Atlas Project Number: 00078723 - NEP/SGP/OP5 - SGP Nepal

Activity Description	Activity ID	Fiscal Year (Jan-Dec)				Grand Total
		2011	2012	2013	2014	
GEF Grants (CORE)	ACTIVITY01	94,705	557,705	335,722	356	988,488
PERSONNEL	ACTIVITY02	50,882	74,194	79,765	33,212	238,053
PREMISES	ACTIVITY04	11,073	11,696	14,179	12,614	49,562
EQUIPMENT, OPERATIONS & MAINT	ACTIVITY05	10,278	10,895	8,561	1,514	31,248
TRAVEL	ACTIVITY07	1,376	5,151	4,830	70	11,427
OUTREACH	ACTIVITY09	3,964	1,130	1,756	0	6,850
SUNDRY	ACTIVITY10	3,314	2,128	1,645	195	7,282
GEF Grants (STAR)	ACTIVITY11	0	0	158,122	351,894	510,016
Grand Total		175,592	662,899	604,580	399,855	1,842,926

Note: The expenditure figures include 6% UNOPS fee



Kanit Pukchareon

Date: 24 Aug 15

Regional Finance Specialist
CSPG/IPAS, UNOPS HQ



INTERNAL AUDIT AND INVESTIGATIONS GROUP

Annex II – Statement of non-expendable property

UNOPS Internal Audit and Investigations Group
Financial audit report
SGP – Operational Phase 5
Nepal – 00078723
1 January 2011 to 30 June 2014

List of Equipment as of June 2014

No	Category	Sub category	Description	Inventory No	Unit	QTY	Price in NCR		Amount USD		Location	Acquis	Status
							Unit price	Total	Unit price	Total			
1	Audio vidual	Camera	Digital Camera	SGP-OE-CAMERA-04/2008	Pc	1	34,578	34,578		368	Office	2008	In use
2	Audio vidual	Camera	Digital Camera Canon EOS 600D	SGP-OE-CAMERA-05/2011	Pc	1	77,405	77,405		827	Office	2011	In use
3	Audio vidual	Projector	Multimedia LCD projector	SGP-OE-LCD PROJE-01/2005	Pc	1			1,860	1,860	Office	2005	In use
6	Furniture	Chair	Revolving chair	SGP-OE-CHAIR-06/2003	Pc	1	8,415	8,415		90	Office	2003	In use
11	Furniture	Table	Wooden computer table 18"x30"	SGP-OE-TABLE-01/2002	Pc	1	1,850	1,850		20	Office	2002	In use
12	Furniture	Table	Wooden computer table 18"x36"	SGP-OE-TABLE-02/2002	Pc	1	3,850	3,850		41	Office	2002	In use
13	Furniture	Table	Wooden office table 2'x4'	SGP-OE-TABLE-03-04/2002	Pc	2	5,650	11,300		121	Office	2002	In use
14	Furniture	Table	Wooden centre table 2'x4'	SGP-OE-TABLE-05/2002	Pc	1	2,450	2,450		26	Office	2002	In use
15	Furniture	Table	Computer table 18"x36"	SGP-OE-TABLE-06/2003	Pc	1	5,445	5,445		58	Office	2003	In use
16	Furniture	Table	Center table 21"x48"	SGP-OE-TABLE-07/2003	Pc	1	2,822	2,822		30	Office	2003	In use
17	Furniture	Table	Side table 18"x18"	SGP-OE-TABLE-08-09/2003	Pc	2	1,832	3,663		39	Office	2003	In use
18	Furniture	Table	L-shape office table	SGP-OE-TABLE-10-11/2005	Pc	2	22,600	45,200		483	Office	2005	In use
19	Furniture	Table	Coffee table	SGP-OE-TABLE-12-13/2005	Pc	2	5,650	11,300		121	Office	2005	In use
21	Furniture	Table	Table with side table	SGP-OE-TABLE-15/2006	Pc	1	14,690	14,690		157	Office	2006	In use
22	Furniture	Sofa	Sofa set 3+1+1	SGP-OE-SOFA-1/2002	Pc	1	11,500	11,500		123	Office	2002	In use
23	Furniture	Sofa	Sofa set 3+1+1	SGP-OE-SOFA-02/2003	Pc	1	11,880	11,880		127	Office	2003	In use
24	Furniture	Sofa	Rexin sofa set	SGP-OE-SOFA-03-04/2005	Pc	2	45,200	90,400		966	Office	2005	In use
25	Furniture	Rack/ Shelve	Wooden open rack 30"x36"x12"	SGP-OE-RACK-01-02/2002	Pc	2	1,950	3,900		42	Office	2002	In use
26	Furniture	Rack/ Shelve	Wooden book shelves 36"x72"x12"	SGP-OE-RACK-03-04/2002	Pc	2	6,500	13,000		139	Office	2002	In use
27	Furniture	Rack/ Shelve	Glass sliding door cabinet 40"x48"x1	SGP-OE-RACK-05/2003	Pc	1	5,400	6,102		65	Office	2003	In use
28	Furniture	Rack/ Shelve	Glass sliding door cabinet 52"x48"x1	SGP-OE-RACK-06/2003	Pc	1	6,435	6,435		69	Office	2003	In use
29	Furniture	Rack/ Shelve	Filing cabinet Wooden	SGP-OE-RACK-07-10/2005	Pc	4	13,560	54,240		579	Office	2005	In use
30	Furniture	Rack/ Shelve	Steel file cabinet Himel 4 drawer	SGP-OE-RACK-11-12/2006	Pc	2	11,628	23,255		248	Office	2006	In use
31	Furniture	Rack/ Shelve	Steel glassdoor cabinet Himel 72"x3	SGP-OE-RACK-13-14/2006	Pc	2	11,876	23,753		254	Office	2006	In use
32	Furniture	Rack/ Shelve	Steel file cabinet Podrej 2 drawer	SGP-OE-RACK-15-16/2006	Pc	2	7,628	15,255		163	Office	2006	In use
33	Furniture	Rack/ Shelve	Open book rack wooden 6.5'x4'1"	SGP-OE-RACK-17/2006	Pc	1	7,684	7,684		82	Office	2006	In use
34	Furniture	Board	Stand board double side 3'x4	SGP-OE-BOARD-01/2003	Pc	1	6,435	6,435		69	Office	2003	In use
35	Furniture	Board	White board aluminum 2'x3'	SGP-OE-BOARD-02-03/2005	Pc	2	2,500	5,000		53	Office	2005	In use
36	Furniture	Board	Pin up cup-board 3'X5'	SGP-OE-BOARD-04-05/2005	Pc	2	5,900	11,800		126	Office	2005	In use
38	IT equipment	Computer	Laptop Acer extensa 4620	SGP-OE-COMP-05/2008	Pc	1	66,000				Office	2008	In use
39	IT equipment	Computer	Desktop CPU Acer veritone M460	SGP-OE-COMP-06-07/2008	Pc	2	68,000				Office	2008	In use
40	IT equipment	Scanner	Scanner	SGP-OE-SCAN-01/1999	Pc	1			190	190	Office	1999	In use
41	IT equipment	Monitor	LCD Monitor Acer 17"	SGP-OE-LCD-01-02/2007	Pc	2	19,775	39,550		423	Office	2007	In use
42	IT equipment	Monitor	LCD Monitor Acer 19"	SGP-OE-LCD-03/2008	Pc	1	19,662	19,662		210	Office	2008	In use
43	IT equipment	Printer	Printer HP Laserjet 1100	SGP-OE-PRINTER-01/1999	Pc	1			490	490	Office	1999	In use
44	IT equipment	Printer	Printer HP Laserjet 1100	SGP-OE-PRINTER-02/2000	Pc	1			400	400	Office	2001	In use
45	IT equipment	Printer	Color printer	SGP-OE-PRINTER-03/2007	Pc	1	3,600	3,600		38	Office	2007	In use
46	IT equipment	Inverter	Inverter Sukam 1400 VA(24V) smiel	SGP-OE-INVERTER-01/2008	Pc	1	20,658	20,658		221	Office	2008	In use
47	IT equipment	Battery for in	Battery Exide 180AH	SGP-OE-BATTERY-01-02/2008	Pc	2	17,910	35,820		383	Office	2008	In use
48	IT equipment	Telephone ex	EPABAX 308 system	SGP-OE-EPABX-01/2006	Pc	1	27,120	27,120		290	Office	2006	In use
51	Life saving equip	Fire extinguis	Fire extinguisher	SGP-OE-FIRE EXTING-01/2006	Pc	1	5,604	5,604		60	Office	2006	In use
52	Life saving equip	Security jack	Security jacket	SGP-OE-JACKET-01/2005	Pc	3	1,286	3,857		41	Office	2005	In use
53	Office equipmen	Copier	Photo copy machine Kyocera KM 16	SGP-OE-COPIER-01/2006	Pc	1			715	715	Office	2006	In use
54	Office equipmen	Vacuum	Vacuum cleaner Panasonic1600	SGP-OE-VACUUM-02/2009	Pc	1	10,735	10,735		115	Office	2009	In use
55	Office equipmen	Heater	Heater electric	SGP-OE-HEATER-02/2003	Pc	2	1,700	3,400		36	Office	2003	In use
56	Office equipmen	Fax	Fax machine Canon Laser L220	SGP-OE-FAX-01/2006	Pc	1	27,399	27,399		293	Office	2006	In use
58	Office equipmen	Mobile	Phone set Nokia with GPS	SGP-OE-MOBILE-04-05/2011	Pc	2	17,402	34,804		372	NC/PA	2011	In use
59	Office equipmen	VHF Radio	VHF Radio set	SGP-OE-VHF RADIO-01/2004	Pc	1			4,364	4,364	Office vehic	2004	In use
60	Office equipmen	VHF Radio	VHF Radio set GP388	SGP-OE-VHF RADIO-02-03/2011	Pc	3			582	1,746	NC/PA/Driv	2011	In use
61	Office equipmen	Satphone	Satellite phone Thuraya	SGP-OE-SATPHONE-01/2004	Pc	1			790	790	Office	2004	In use
62	Vehicle	Vehicle	Office vehicle Prado Toyota land cr	66-1-1058 (Model 1997)	Pc	1	-	-	-	-	Office	2003	In use

18,523



Gopal Sherchan
National Coordinator



INTERNAL AUDIT AND INVESTIGATIONS GROUP

Annex III – Statement of management responsibility

UNOPS Internal Audit and Investigations Group
Financial audit report
SGP – Operational Phase 5
Nepal – 00078723
1 January 2011 to 30 June 2014

Annex C
UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID: 00078723– NEP/SGP/OP5

Responsibility Statement by Management

The United Nations Office for Project Services (UNOPS) management is responsible for the preparation, integrity and fair presentation of the Expenditure Statement of the UNOPS Project ID 00078723– NEP/SGP/OP5. The Statement presented in reference, has been prepared in accordance with the SGP Global Programme agreement with UNDP-GEF and the requirements of the applicable UNOPS regulations and rules.

We do hereby state that, in our opinion:

Financial Statement

The Expenditure Statement as reported, presents fairly in all material aspects, the expenditure of US\$ 1,842,926 incurred by the UNOPS office for the period 01 January 2011 to 30 June 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 00078723– NEP/SGP/OP5.

Statement of Inventory of Non-Expendable Equipment

The Statement of Non-Expendable Equipment presents fairly, in all material respects, the Non-Expendable Equipment balance procured during the period from 01 January 2011 to 30 June 2014 of the project amounting to US\$ 18,523 in accordance with the Non-Expendable Inventory listing certified by project management.

(Signature)



Name: Kanit Pukchareon

Regional Financial
Specialist

Region: IPAS / CSPG

Place: Copenhagen

Date: 26 Aug 15

(Signature)



Name: Robert Godin

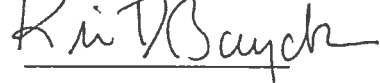
OIC, GPSO

Region: GPSO

Place: Copenhagen

Date: 28/8/15

(Signature)



Name: Kirk Bayabos

Cluster Manager

Region: GPSO-SGC

Place: New York

Date: 25 Aug 2015