PROJECT NAME: SERBIA REHABILITATION AFTER FLOODS PROJECT
PROJECT NUMBER: 00091219
COUNTRY: SERBIA
AUDITOR: MOORE STEPHENS LLP
PERIOD SUBJECT TO AUDIT: 23 JULY 2014 TO 31 MARCH 2016
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Acronyms and abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<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>
</tbody>
</table>
Financial audit report

Audit opinion on the project financial statement

Report of the Independent Auditors to UNOPS office in Serbia

We have audited the accompanying project financial statement for the project ‘Serbia Rehabilitation after Floods project’ ("the project") (Atlas project ID 00091219), which is implemented and managed by the UNOPS Office in Serbia, for the period from 23 July 2014 to 31 March 2016.

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 ‘Serbia Rehabilitation after Floods project’ ("the project") (Atlas project ID 00091219), for the period from 23 July 2014 to 31 March 2016, 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
14 June 2016
Responsibility statement by management

This is attached as Annex II to this report.
Annex I – Project financial statement
May 19, 2016  
Ref: Project No: 00091219  
Funding: Norway

To whom it may Concern,

**Subject: Interim Financial Statement as at 31 Mar 2016**

We enclose the Interim Financial Statement for project **00091219 Rehabilitation support after floods with funding from Norway**, which commenced in year 2014 and indicates project expenses as at 31 Mar 2016.

We draw your attention to the following:

› Project expenditure and management fee: US$ 3,452,651  
› Project advances: US$ 722 and open purchase order: US$ 393,561  
› Total cash received: US$ 5,307,575 including interest earned: US$ 37,483  
› Project Capitalised Asset: US$ 0  
› Project fund balance: US$ 1,460,640

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

Yours sincerely,

\[Signature\]

Kanit Pukchareon  
Regional Finance Specialist  
CSG IPAS, UNOPS HQ

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2100 Copenhagen  
Fax: +45 45 33 75 01

Denmark  
E-mail:info@unops.org

www.unops.org
**INTERIM FINANCIAL STATEMENT AS AT 31 MAR 2016**

### Total Funds (A)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Funds</td>
<td>5,270,092.23</td>
<td>0.00</td>
<td>5,270,092.23</td>
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</tbody>
</table>

### Total Interest

<table>
<thead>
<tr>
<th>Year</th>
<th>Interest</th>
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</thead>
<tbody>
<tr>
<td>2014</td>
<td>12,985.30</td>
</tr>
<tr>
<td>2015</td>
<td>24,497.27</td>
</tr>
<tr>
<td>TOTAL</td>
<td>37,482.57</td>
</tr>
</tbody>
</table>

### 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>2014</td>
<td>567,790.33</td>
<td>6,309.37</td>
<td>39,745.32</td>
<td>601,226.28</td>
</tr>
<tr>
<td>2015</td>
<td>2,007,439.24</td>
<td>12,860.56</td>
<td>140,520.55</td>
<td>2,135,099.23</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>2016</td>
<td>668,395.86</td>
<td>1,067.28</td>
<td>46,862.42</td>
<td>716,325.56</td>
</tr>
</tbody>
</table>

### Total Project Expenses (B)

Total Project Expenses (B) = 3,452,651.07

### Project Advances (C)

<table>
<thead>
<tr>
<th></th>
<th>Project Advances (C)</th>
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<tbody>
<tr>
<td></td>
<td>722.32</td>
</tr>
</tbody>
</table>

### Project Capitalised Asset (D)

<table>
<thead>
<tr>
<th></th>
<th>Project Capitalised Asset (D)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.00</td>
</tr>
</tbody>
</table>

### Project Cash Balance

**Project Cash Balance (E) = (A) - (B) - (C) - (D)**

<table>
<thead>
<tr>
<th></th>
<th>Project Cash Balance (E)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>1,854,201.41</td>
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</table>

### Open Purchase Orders (F)

<table>
<thead>
<tr>
<th></th>
<th>Open Purchase Orders (F)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>393,561.06</td>
</tr>
</tbody>
</table>

### Project Fund Balance (G) = (E) - (F)

**Project Fund Balance (G) = 1,460,640.35**

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.

Certified by

Kanit Pukchareon
Regional Finance Specialist
CSG IPAS, UNOPS HQ
Annex II – Statement of management responsibility
UNited Nations Office for Project Services

Project ID: 91219

Name of the Project: Serbia Rehabilitation Support after Floods

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 of the UNOPS Project ID. 91219, Serbia Rehabilitation Support after Floods. The Statement presented in Attachment 1 has been prepared in accordance with the Agreement between the Norwegian Ministry of Foreign Affairs, the Government of the Republic of Serbia and the United Nations Office for Project Services concerning Serbia Rehabilitation Support after Floods Project 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 (Interim Financial Statement as at 31 Mar 2016), presents fairly in all material aspects, the expenditure of US$ 3,452,651.07 incurred by the UNOPS office for the period 23 Jul 2014 to 31 Mar 2016 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. 90219, Serbia Rehabilitation Support after Floods.

(Signature)

Name: Kanit Pukchareon
Regional Finance Specialist
Region: CSPG / IPAS
Place: Copenhagen
Date: 26 May 16

(Signature)
Name: Moin Karim
Regional Director Europe and CIS
Region: Europe and CIS
Place: Geneva
Date: 26/5/2016

(Signature)
Name: Graeme Tyndall
Serbia Operations Center Manager
Region: RSOC
Place: Belgrade
Date: 25/5/2016