INTERNAL AUDIT AND INVESTIGATIONS GROUP

UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

15 June 2016

PROJECT NAME: STRENGTHENING HEALTH SECTOR PUBLIC PROCUREMENT AND SUPPLY CHAIN MANAGEMENT CAPACITIES PHASE II AND PHASE III

PROJECT NUMBER: 00086188

COUNTRY: MALDIVES

AUDITOR: PRICEWATERHOUSECOOPERS

PERIOD SUBJECT TO AUDIT: 15 April 2013 TO 31 December 2014
Independent auditor’s report

To the Board of Directors of United Nations Office for Project Services

We have audited the accompanying statement of cash receipts and disbursements (“the statement”) of the project, Strengthening Health Sector Public Procurement and Supply Chain Management Capacities – Phase II and III (Atlas ID 00086188) of UNOPS, for the period 15 April 2013 to 31 December 2014.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation the statement of the project and for such internal control as management determines is necessary to enable the preparation of statement that is free from material misstatement, whether due to fraud or error. The statement is prepared in accordance with cash receipts and disbursements basis. On this basis revenue is recognized when received rather than when earned, and expenses are recognized when paid rather than when incurred.

Auditor’s Responsibility

Our responsibility is to express an opinion on the statement of cash receipts and disbursements based on our audit. We conducted our audit in accordance with 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. 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 statements.

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

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Opinion

In our opinion, the statement of receipts and disbursements gives a true and fair view of, in all material aspects, the receipts collected and disbursements made by the project, Strengthening Health Sector Public Procurement and Supply Chain Management Capacities – Phase II and III (Atlas ID 00086188) for the period 15 April 2013 to 31 December 2014 in accordance with cash receipts and disbursements basis.

25 May 2016

CHARTERED ACCOUNTANTS
Registration No: F0005
Project Atlas id: 00086188

Project Title: Strengthening Health Sector Public Procurement and Supply Chain Management Capacities - Phase II and III

Funding Maldives
All Amounts in US$

Date: 25/05/2016

CERTIFIED STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR THE PERIOD 15 April 2013 to 31 December 2014

1) RECEIPTS

<table>
<thead>
<tr>
<th>DEPOSITS</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1,126,856.13</td>
<td></td>
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</tr>
<tr>
<td>2014</td>
<td>2,284,227.12</td>
<td></td>
<td>3,411,083.25</td>
</tr>
</tbody>
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| INTEREST  |               |               |               |
| 2014      | 6,051.37      |               | 6,051.37      |

TOTAL RECEIPTS (A) 3,417,134.62

2) PROJECT DISBURSEMENTS

PERIOD - PRIOR YEARS:

| 2013 | Project Expense | 451,850.24 |
|      | Net Exchange Gain | -6.52     |
|      | Management Fee  | 18,074.02 |

PERIOD - CURRENT YEAR

| 2014 | Project Expense | 2,492,024.79 |
|      | Net exchange loss | 18.57     |
|      | Management fee   | 231,925.98  |

TOTAL PROJECT DISBURSEMENTS (B) 3,193,887.08

PROJECT CASH BALANCE (D) = (A) - (B) - (C) 223,247.54

3) PROJECT FUND BALANCE (F) = (D) - (E) 223,247.54

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