



INTERNAL AUDIT AND INVESTIGATIONS GROUP

# UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

## FINANCIAL AUDIT REPORT

**2 August 2016**

<b>PROJECT NAME:</b>	<b>GLOBAL FUND REGIONAL ARTEMISININ INITIATIVE (RAI) – MYANMAR - PRINCIPAL RECIPIENT - UNOPS</b>
<b>PROJECT NUMBER:</b>	<b>00089550</b>
<b>COUNTRY:</b>	<b>MYANMAR</b>
<b>AUDITOR:</b>	<b>MOORE STEPHENS LLP</b>
<b>PERIOD SUBJECT TO AUDIT:</b>	<b>1 JANUARY TO 31 DECEMBER 2015</b>

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## Acronyms and abbreviations

GF	Global Fund
IPSAS	International Public Sector Accounting Standards
MMOH	Myanmar Operations Hub
NMCP	National Malaria Control Program
OC	Operations Centre
PC	Project Centre
PR	Principal Recipient
RAI	Regional Artemisinin Initiative
RO	Regional Office
SR	Sub-recipient
TOR	Terms of Reference
UNOPS	United Nations Office for Project Services
USD	United States Dollars

## 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 Regional Artemisinin Initiative (RAI) – Myanmar – Principal Recipient – UNOPS' (Atlas project ID 00089550) of UNOPS for the period from 1 January until 31 December 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, the financial statement gives a true and fair view of, in all material respects, the income and expenditure of the project 'Global Fund Regional Artemisinin Initiative (RAI) – Myanmar – Principal Recipient – UNOPS' (Atlas project ID 00089550), for the period from 1 January until 31 December 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.

**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 Regional Artemisinin Initiative (RAI) – Myanmar - Principal Recipient – UNOPS' (Atlas project ID 00089550) of UNOPS as at 31 December 2015.

**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 Regional Artemisinin Initiative (RAI) – Myanmar - Principal Recipient – UNOPS' (Atlas project ID 00089550) as at 31 December 2015 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

2 August 2016

**Responsibility statement by management**

This is attached as Annex III to this report.

## **Annex I – Project financial statement**

May 4, 2016  
Ref: Project No: 00089550  
Funding: GFATM

To whom it may Concern,

**Subject: Certified Financial Statement as at 31 Dec 2015**

We enclose the Certified Financial Statement for project **00089550 UNOPS\_RAI\_PR\_001**, which commenced in year 2014 and indicates project expenses as at T 31 Dec 2015.

We draw your attention to the following:

- › Project expenditure and management fee: **US\$ 2,203,891**
- › Total cash received: **US\$ 5,920,094** including interest earned: **US\$ 67,712**
- › Project fund balance: **US\$ 3,716,203**

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

Yours sincerely,



Kanit Pukchareon  
Regional Finance Specialist  
CSG IPAS, UNOPS HQ



Project Atlas id: 00089550  
 Project Title : UNOPS\_RAI\_PR\_001

Funding: GFATM  
 All Amounts in US\$  
 Date: 04/05/2016

**CERTIFIED FINANCIAL STATEMENT AS AT 31 DEC 2015**

**1) INCOME**

**DEPOSITS**

2014	5,473,173.00	
2015	38,005,396.00	43,478,569.00

**INTEREST**

2014	24,191.29
2015	43,520.50

**TOTAL INTEREST**

**67,711.79**

**INTER-PROJECT TRANSFER**

2014	-3,572,487.00	
2015	-34,053,700.00	<b>(37,626,187.00)</b>

**TOTAL FUNDS (A)**

**5,920,093.79**

**PERIOD - PRIOR YEARS:**

2014	Project Expense	800,184.40	
	Net exchange gain	-6.92	
	Management fee	32,202.27	<b>832,379.75</b>

**PERIOD - CURRENT YEAR**

2015	Project Expense	1,322,690.07	
	Net exchange loss	166.33	
	Management fee	48,654.75	<b>1,371,511.15</b>

**TOTAL PROJECT EXPENSES (B)**

**2,203,890.90**

Project Advances (C)	-0.00	<b>(0.00)</b>
Project Capitalised Asset (D)	0.00	-

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

**3,716,202.89**

Open Purchase Orders (F)	0.00	-
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**3) PROJECT FUND BALANCE (G) = (E) - (F)**

**3,716,202.89**

*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 RATEA  
 Senior Finance Associate  
 CSG IPAS, UNOPS HQ

Certified By

Kanit Pukchareon  
 Regional Finance Specialist  
 CSG IPAS, UNOPS HQ

## **Annex II – Statement of non-expendable property**

**Statement of Non-expendable Assets**  
**GFATM- RAI (89550)**

Department ID	Item Category	Attractive items/asset/no n-asset	Useful life (year)	PROJECT_ID	Tag Number	Item Description	Serial number	Model number	Purchase/acquisition date	No.of years used	Currency	Amount	Ex.rate/USD	USD equivalent	Location	Conditions	PO ID
05506	Communication & IT equipment	asset	3	000089550	89550MMR0001	Laptop computer Complete set Dell Latitude E 6440	ST-BF9FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	FFA Kachin	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0002	Laptop computer Complete set Dell Latitude E 6440	ST-CB9FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	FFA Kayah	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0003	Laptop computer Complete set Dell Latitude E 6440	ST-D19FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-1-2-3	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0004	Laptop computer Complete set Dell Latitude E 6440	ST-D49FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-1-2-3	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0005	Laptop computer Complete set Dell Latitude E 6440	ST-D79FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-1-1-3	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0006	Laptop computer Complete set Dell Latitude E 6440	ST-DC9FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-3-2-6	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0007	Laptop computer Complete set Dell Latitude E 6440	ST-DH9FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-4-2-4	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0008	Laptop computer Complete set Dell Latitude E 6440	ST-FK9FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	ICT	Write Off	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0009	Laptop computer Complete set Dell Latitude E 6440	ST-GG9FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-3-2-2	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0010	Laptop computer Complete set Dell Latitude E 6440	ST-GT9FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-4-2-6	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0011	Laptop computer Complete set Dell Latitude E 6440	ST-HF9FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-1-2-6	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0012	Laptop computer Complete set Dell Latitude E 6440	ST-JC9FVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-1-1-5	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0013	Laptop computer Complete set Dell Latitude E 6440	ST-19LFVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-4-1-5	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0014	Laptop computer Complete set Dell Latitude E 6440	ST-1KYFVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-3-2-5	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0015	Laptop computer Complete set Dell Latitude E 6440	ST-2KLFVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-1-1-3	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0016	Laptop computer Complete set Dell Latitude E 6440	ST-2QMFVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	ICT	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0017	Laptop computer Complete set Dell Latitude E 6440	ST-37LFVZ1	E 6440	19-Feb-14	1.86	USD	1,582	1	1,582	B-1-2-3	Fully Functional	434523
05506	Communication & IT equipment	asset	3	000089550	89550MMR0018	Multifunction Function Printer (Canon MF.226dn)	RVH02699	MF.226dn)	19-Mar-15	0.79	USD	400	1	400	FFA	Fully Functional	516160
05506	Communication & IT equipment	asset	3	000089550	89550MMR0019	Multifunction Function Printer (Canon MF.226dn)	RVH02839	MF.226dn)	19-Mar-15	0.79	USD	400	1	400	FFA Loikaw	Fully Functional	516160
05506	Communication & IT equipment	asset	3	000089550	89550MMR0020	Multifunction Function Printer (Canon MF.226dn)	RVH02694	MF.226dn)	19-Mar-15	0.79	USD	400	1	400	FFA	Fully Functional	516160

**Statement of Non-expendable Assets**  
**GFATM- RAI (89550)**

Department ID	Item Category	Attractive items/asset/no n-asset	Useful life (year)	PROJECT_ID	Tag Number	Item Description	Serial number	Model number	Purchase/acquisition date	No.of years used	Currency	Amount	Ex.rate/USD	USD equivalent	Location	Conditions	PO ID
05506	Communication & IT equipment	asset	3	000089550	89550MMR0021	Multifunction Function Printer (Canon MF.226dn)	RVH02840	MF.226dn	19-Mar-15	0.79	USD	400	1	400	FFA	Fully Functional	516160
05506	Communication & IT equipment	asset	3	000089550	89550MMR0022	Multifunction Function Printer (Canon MF.226dn)	RVH02836	MF.226dn	19-Mar-15	0.79	USD	400	1	400	FFA	Fully Functional	516160
05506	Communication & IT equipment	asset	3	000089550	89550MMR0023	Multifunction Function Printer (Canon MF.226dn)	RVH02594	MF.226dn	19-Mar-15	0.79	USD	400	1	400	B-3-3-3	Fully Functional	516160
05506	Communication & IT equipment	asset	3	000089550	89550MMR0024	Dell Latitude E6440 Notebook, USP, Dell Mouse	S/N - 4S44M32	E 6440	17-May-15	0.62	USD	1,457	1	1,457	FFA	Fully Functional	515453
05506	Communication & IT equipment	asset	3	000089550	89550MMR0025	Dell Latitude E6440 Notebook, USP, Dell Mouse	S/N - 68B4M32	E 6440	17-May-15	0.62	USD	1,457	1	1,457	FFA	Fully Functional	515453
05506	Communication & IT equipment	asset	3	000089550	89550MMR0026	Dell Latitude E6440 Notebook, USP, Dell Mouse	S/N - 3MZ5M32	E 6440	17-May-15	0.62	USD	1,457	1	1,457	FFA	Fully Functional	515453
05506	Communication & IT equipment	asset	3	000089550	89550MMR0027	Dell Latitude E6440 Notebook, USP, Dell Mouse	S/N - C2J4M32	E 6440	17-May-15	0.62	USD	1,457	1	1,457	FFA	Fully Functional	515453
05506	Communication & IT equipment	asset	3	000089550	89550MMR0028	Dell Latitude E6440 Notebook, USP, Dell Mouse	S/N - HMW4M32	E 6440	17-May-15	0.62	USD	1,457	1	1,457	FFA	Fully Functional	515453
05506	Communication & IT equipment	asset	3	000089550	89550MMR0029	Dell Latitude E6440 Notebook, USP, Dell Mouse	S/N - D1KFM32	E 6440	17-May-15	0.62	USD	1,457	1	1,457	FFA	Fully Functional	515453
05506	Communication & IT equipment	asset	3	000089550	89550MMR0030	Dell Latitude E6440 Notebook with Dock Station	S/N-J4KXT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	B324	Fully Functional	538769
05506	Communication & IT equipment	asset	3	000089550	89550MMR0031	Dell Latitude E6440 Notebook with Dock Station	S/N-2H4YT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	B122	Fully Functional	538769
05506	Communication & IT equipment	asset	3	000089550	89550MMR0032	Dell Latitude E6440 Notebook with Dock Station	S/N-74KXT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	B112	Fully Functional	538769
05506	Communication & IT equipment	asset	3	000089550	89550MMR0033	Dell Latitude E6440 Notebook with Dock Station	S/N-4TSXT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	B-3-3-3	Fully Functional	538769
05506	Communication & IT equipment	asset	3	000089550	89550MMR0034	Dell Latitude E6440 Notebook with Dock Station	S/N-1M4YT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	B323	Fully Functional	538769
05506	Communication & IT equipment	asset	3	000089550	89550MMR0035	Dell Latitude E6440 Notebook with Dock Station	S/N-H1KXT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	B324	Fully Functional	538769
05506	Communication & IT equipment	asset	3	000089550	89550MMR0036	Dell Latitude E6440 Notebook with Dock Station	S/N-B3PXT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	Laos	Fully Functional	538769
05506	Communication & IT equipment	asset	3	000089550	89550MMR0037	Dell Latitude E6440 Notebook with Dock Station	S/N-36PXT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	B333	Fully Functional	538769
05506	Communication & IT equipment	asset	3	000089550	89550MMR0038	Dell Latitude E6440 Notebook with Dock Station	S/N-21KXT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	B333	Fully Functional	538769
05506	Communication & IT equipment	asset	3	000089550	89550MMR0039	Dell Latitude E6440 Notebook with Dock Station	S/N-D2MYT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	M43	Fully Functional	538769
05506	Communication & IT equipment	asset	3	000089550	89550MMR0040	Dell Latitude E6440 Notebook with Dock Station	S/N-52KXT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	B333	Fully Functional	538769

**Statement of Non-expendable Assets**  
**GFATM- RAI (89550)**

Department ID	Item Category	Attractive items/asset/no n-asset	Useful life (year)	PROJECT_ID	Tag Number	Item Description	Serial number	Model number	Purchase/ acquisition date	No.of years used	Currency	Amount	Ex.rate/ USD	USD equivalent	Location	Conditions	PO ID	
05507	Communication & IT equipment	asset	3	000089550	89550MMR0041	Dell Latitude E6440 Notebook with Dock Station	S/N-93KXT32	E 6440	23-Jul-15	0.44	USD	1,574	1	1,574	B333	Fully Functional	538769	
05506	Vehicles	asset	3	000089550	89550MMR0042	Motorcycle for FFA	OH2AF1012968	TVS 110 Cc	13-Jul-15	0.47	USD	1,084	1	1,084	FFA	Fully Functional	548500	
05506	Vehicles	asset	3	000089550	89550MMR0043	Motorcycle for FFA	OH2EDI 041088	TVS 110 Cc	13-Jul-15	0.47	USD	1,084	1	1,084	FFA	Fully Functional	548500	
05506	Vehicles	asset	3	000089550	89550MMR0044	Motorcycle for FFA	OH2KE1011296	TVS 110 Cc	13-Jul-15	0.47	USD	1,084	1	1,084	FFA	Fully Functional	548500	
05506	Vehicles	asset	3	000089550	89550MMR0045	Motorcycle for FFA	OH2AF1012945	TVS 110 Cc	13-Jul-15	0.47	USD	1,084	1	1,084	FFA	Fully Functional	548500	
05506	Vehicles	asset	3	000089550	89550MMR0046	Motorcycle for FFA	OH2AF1012965	TVS 110 Cc	13-Jul-15	0.47	USD	1,084	1	1,084	FFA	Fully Functional	548500	
														<b>62,353</b>				



INTERNAL AUDIT AND INVESTIGATIONS GROUP

## **Annex III – Responsibility statement by management**

**UNITED NATIONS OFFICE FOR PROJECT SERVICES**

**Project ID: 00089550 GF RAI 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. 89550 GF RAI 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 out in Annex I, presents fairly in all material respects, the expenditure of US\$ 1,371,511 incurred by the UNOPS office for the period 1 January to 31 December 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. 89550 GF RAI PR-MYANMAR-PR-UNOPS.

**Statement of Non-Expendable Property**

The Statement of Non-Expendable Property presents fairly, in all material respects, the non-expendable property balance as at 31 December 2015 amounting to US\$ 62,353 in accordance with the Non-Expendable Property listing certified by project management.



Name: Dr. Attila Molnar

Programme Director

Principal Recipient for The Global Fund to Fight AIDS, Tuberculosis and Malaria

Region: UNOPS Asia Region

Place: Yangon, Myanmar

Date: 26 / 05 / 2016