



INTERNAL AUDIT AND INVESTIGATIONS GROUP

UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

25 August 2016

PROJECT NAME:	ROADS IN THE EAST OF DRC PHASE 2
PROJECT NUMBER:	00082719
COUNTRY:	DEMOCRATIC REPUBLIC OF CONGO
AUDITOR:	MOORE STEPHENS LLP
PERIOD SUBJECT TO AUDIT:	1 MAY 2012 TO 31 MAY 2016

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Acronyms and abbreviations

IAIG	Internal Audit and Investigations Group
IP	Implementing Partner
IPSAS	International Public Sector Accounting Standards
OH	Operational Hub
PC	Project Centre
RO	Regional Office
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 the UNOPS Congo Operational Hub

We have audited the accompanying project financial statement for the project 'Roads in the East of DRC Phase 2' ("the project") (Project ID 00082719), of UNOPS for the period from 1 May 2012 to 31 May 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 'Roads in the East of DRC Phase 2' (Project ID 00082719), for the period from 1 May 2012 to 31 May 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.

Audit opinion on the statement of non-expendable property**Report of the Independent Auditors to UNOPS Congo Operational Hub**

We have audited the accompanying statement of non-expendable property of the project 'Roads in the East of DRC Phase 2' (Project ID 00082719) of UNOPS as at 31 May 2016.

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 'Roads in the East of DRC Phase 2' (Project ID 00082719) of UNOPS as at 31 May 2016 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

Statements of non-expendable property

These are attached as Annex II to this report.

Responsibility statement by management

This is attached as Annex III to this report.



Mark Henderson
Partner

Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB

25 August 2016

Annex I – Project financial statement

June 23, 2016
Ref: Project No: 00082719
Funding: DFID

To whom it may Concern,

Subject: Interim Financial Statement as at 31 May 2016

We enclose the Interim Financial Statement for project 00082719 **Rehabilitation of roads in eastern Democratic Republic of the Congo on behalf of the United Kingdom Department for International Development (DFID)**, which commenced in year 2012 and indicates project expenses as at 31 May 2016.

We draw your attention to the following:

- › Project expenditure and management fee: **US\$ 10,155,043**
- › Project advances: **US\$ 39,042** and open purchase order: **US\$ 1,118,727**
- › Total cash received: **US\$ 15,222,353** including interest earned: **US\$ 97,687**
- › Project fund balance: **US\$ 3,909,541**

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

Yours sincerely,



Kanit Pukchareon
Regional Finance Specialist
CSG IPAS, UNOPS HQ

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Project Atlas id:	00082719	Funding	DFID
			All Amounts in US\$
Project Title :	Rehabilitation of roads in eastern Democratic Republic of the Congo on behalf of the United Kingdom Department for International Development (DFID)	Date:	23/06/2016

INTERIM FINANCIAL STATEMENT AS AT 31 MAY 2016

1) INCOME

DEPOSITS

2012	5,448,575.97	
2013	2,813,531.09	
2014	6,862,558.96	
2016	0.00	<u>15,124,666.02</u>

INTEREST

2012	5,417.04	
2013	18,376.79	
2014	31,756.23	
2015	42,137.00	

TOTAL INTEREST

97,687.06

TOTAL FUNDS (A)

15,222,353.08

2) PROJECT EXPENSES

PERIOD - PRIOR YEARS:

2012	Project Expense	906,323.60	
	Management Fee	<u>0.00</u>	<u>906,323.60</u>
2013	Project Expense	3,530,190.46	
	Management Fee	<u>247,113.34</u>	<u>3,777,303.80</u>
2014	Project Expense	2,786,355.41	
	Management fee	<u>258,487.52</u>	<u>3,044,842.93</u>
2015	Project Expense	1,290,145.43	
	Net exchange gain	-445.76	
	Management fee	<u>90,308.66</u>	<u>1,380,008.33</u>

PERIOD - CURRENT YEAR

2016	Project Expense	978,097.78	
	Management fee	<u>68,466.79</u>	<u>1,046,564.57</u>

TOTAL PROJECT EXPENSES (B)

10,155,043.23

Project Advances (C)	<u>39,041.71</u>	<u>39,041.71</u>
Project Capitalised Asset (D)	<u>0.00</u>	-

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

5,028,268.14

Open Purchase Orders (F)	<u>1,118,726.68</u>	<u>1,118,726.68</u>
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3) PROJECT FUND BALANCE (G) = (E) - (F)


3,909,541.45

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 IPAS 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 
Lubica Chovanova
Finance Associate
CSG IPAS, UNOPS HQ

Certified By 
Kanit Pukchareon
Regional Finance Specialist
CSG IPAS, UNOPS HQ

Annex II – Statement of non-expendable property

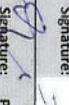
Verification Date: 31/05/2016

OC/OH: DRC/OH

Print: Asset Focal Point Name:

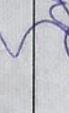
Alain BWENGE

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Signature: 

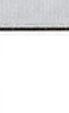
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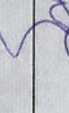
Print: Physical Verification Team Names:

Marco TSHIMPAKA & Dominique RUGUMIRIRA

Signature:

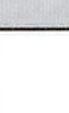
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Asset ID	PROFILE_ID	Description	Tag Number	SERIAL_ID	LOCATION	ACQUISITION_DT	DEPTID	FUND_C	PROJECT_ID	DONOR	OneUNOPS Workpackage	OneUNOPS Donor	CURRE	COST	ACCUM_DEPRE	NBV as per	IN_SERVICE_DT	LIFE	CORREC	Status	Asset	Comment
								ODE					D		EGATION	31/05/2016			NG		confirmed & verified	
5341	OPS_MTRV1	Hydraulic dump truck trailer	82719CDD0192	D61	COGBUK01	2/10/13	05301	KN062	00082719	00551	82719-Workpackage	1111	USD	18,271.00	12,180.67	6,090.33	2/10/13	60	20	Good Condition	Yes	N/A
5342	OPS_MTRV1	Hydraulic dump truck trailer	82719CGDD0321	D62	COGBUK01	2/10/13	05301	KN062	00082719	00551	82719-Workpackage	1111	USD	18,271.00	12,180.67	6,090.33	2/10/13	60	20	Good Condition	Yes	N/A



INTERNAL AUDIT AND INVESTIGATIONS GROUP

Annex III – Statement of management responsibility

UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID – 00082719 – Roads in the East of DRC Phase 2

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 00082719 – Roads in the East of DRC Phase 2. 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 aspects, the expenditure of US\$ 10,155,043 incurred by the UNOPS office for the period 1 May 2012 to 31 May 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. 00082719 – Roads in the East of DRC Phase 2.

Statement of Inventory of Non-Expendable Equipment

The Statement of Non-Expendable Equipment presents fairly, in all material aspects, the Non-Expendable Equipment balance at 31 May 2016 of the project amounting to US\$ 12,181 in accordance with the Non-Expendable Inventory listings certified by the project management.

(Signature)



Name KANIT PUCHAREON

Regional Financial
Management Officer

Region: CSG/IPAS

Place: COPENHAGEN

Date: 11/8/16

(Signature)



Name Guewa Honoré DANHI

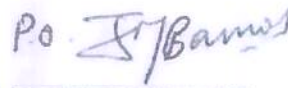
Regional Director

Region: AFR

Place: Dakar

Date: 12/08/16

(Signature)



Name: ABOUDOU RAZACK LAWAN

Project/Portfolio Manager

Region: AFR CDOH

Place: BUKAVU - Sud-Kivu

Date: March 2016