UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

27 SEPTEMBER 2016

PROJECT NAME: GATES CA INTERMEDIARY FUND
PROJECT NUMBER: 00086140
COUNTRY: BELGIUM
AUDITOR: MOORE STEPHENS LLP
PERIOD SUBJECT TO AUDIT: 1 SEPTEMBER 2013 TO 31 DECEMBER 2015
UNOPS Internal Audit and Investigations Group
Financial audit report
Gates CA Intermediary Fund, Belgium
1 September 2013 to 31 December 2015

Contents

Acronyms and abbreviations ................................................................. 3
Financial audit report ........................................................................ 4
Audit opinion on the project financial statement .................................. 4

Annex I – Project financial statement
Annex II – Responsibility statement by management
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IAIG</td>
<td>Internal Audit and Investigations Group</td>
</tr>
<tr>
<td>IPSAS</td>
<td>International Public Sector Accounting Standards</td>
</tr>
<tr>
<td>PC</td>
<td>Project Centre</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 the UNOPS Cities Alliance Cluster

We have audited the accompanying project financial statement for the project ‘Gates CA Intermediary Fund’ (Atlas project ID 00086140) of UNOPS for the period from 1 September 2013 to 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 ‘Gates CA Intermediary Fund’ (Atlas project ID 00086140), for the period from 1 September 2013 to 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.

Mark Henderson
Partner
Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB
27 September 2016
INTERNAL AUDIT AND INVESTIGATIONS GROUP

Responsibility statement by management

This is attached as Annex II to this report.
Annex I – Project financial statement
May 6, 2016
Ref: Project No: 00086140
Funding: Bill & Melinda Gates Foundation

To whom it may concern,

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

We enclose the Interim Financial Statement for project 00086140 Gates CA Intermediary Fund; Gates CA Intermediary Fund, which commenced in year 2013 and indicates project expenses as at 31 December 2015.

We draw your attention to the following:

- Project expenditure and management fee: US$ 1,659,284.42
- Open purchase orders: US$ 0.00
- Total cash received: US$ 2,710,312.79 including interest earned US$ 10,312.79
- Fund balance: US$ 1,051,028.37

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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2100 Copenhagen
Denmark

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www.unops.org
CERTIFIED FINANCIAL STATEMENT
Project: 03088140 Gates CA Intermediary Fund; Gates CA Intermediary Fund
Partner(s): UN General Trust Fund
As on: 31-Dec-2015

Income Contributions

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>800,000.00</td>
</tr>
<tr>
<td>2014</td>
<td>900,000.00</td>
</tr>
<tr>
<td>2015</td>
<td>1,000,000.00</td>
</tr>
</tbody>
</table>

Interest

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>1,143.64</td>
</tr>
<tr>
<td>2015</td>
<td>9,199.15</td>
</tr>
</tbody>
</table>

Total Income (A) = $2,710,312.79

Less: Project Expenses

<table>
<thead>
<tr>
<th>Period - Year</th>
<th>Project Expense</th>
<th>Management Fees</th>
<th>Net Exchange Gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>115,965.66</td>
<td>9,277.25</td>
<td>(10.05)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>125,232.86</td>
</tr>
<tr>
<td>2014</td>
<td>704,038.16</td>
<td>56,323.04</td>
<td>(478.04)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>759,883.16</td>
</tr>
<tr>
<td>2015</td>
<td>719,968.48</td>
<td>57,602.69</td>
<td>(3,400.77)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>774,168.40</td>
</tr>
</tbody>
</table>

Total Expenditures (B) = $1,659,284.42

Less: Project Advances (C) = 0.00

Less: Project Capitalised Asset (D) = 0.00

Project Cash Balance (Surplus) (A-B-C-D) = 1,051,028.37

Less: Unliquidated Obligations (Open POs) (E) = 0.00

Project Fund Balance (Surplus) (A-B-C-D-E) = 1,051,028.37

The Statement is following IPSAS reporting requirements. Management Fee is calculated and recorded against Project Expenditure (Disbursements + Receipt Accruals). Project Advances represent amounts yet to be either recovered or settled against Project Expenditure. Open POs represent amounts committed against goods/services yet to be delivered/rendered. Fund balance represents cash available for implementation activities.

Certified by: Kanit Pukchaereon | Regional Finance Specialist | CSG / IPAS, UNOPS – HQ

Date: 6-May-2016
Report run on: 6-May-2016
Annex II – Statement of management responsibility
UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID: 86140 Gates CA Intermediary Fund; Gates CA Intermediary Fund

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. 86140 Gates CA Intermediary Fund; Gates CA Intermediary Fund. 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$ 1,659,284.42 incurred by the Cities Alliance Cluster (ECR, GVA, Cities Alliance) for the period 1 September 2013 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. 86140 Gates CA Intermediary Fund; Gates CA Intermediary Fund.

(Signature) Kanit Pukchareon
Name: Kanit Pukchareon
Regional Financial Officer
Region: CSG/IPAS, HQ
Place: Copenhagen
Date: 27 Jul 16

(Signature) Moin Karim
Name: Moin Karim
Regional Director
Europe and Central Asia
Region: ECR
Place: Geneva
Date: 27 July 2016

(Signature) William Cobbett
Name: William Cobbett
Project Manager / Director, Cities Alliance
Region: ECR, GVA
Place: Brussels
Date: 27th July 2016.