



INTERNAL AUDIT AND INVESTIGATIONS GROUP

# UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

## FINANCIAL AUDIT REPORT

**27 September 2016**

<b>PROJECT NAME:</b>	<b>DEVELOPMENT GRANT FACILITY (DGF)</b>
<b>PROJECT NUMBER:</b>	<b>00089984</b>
<b>COUNTRY:</b>	<b>BELGIUM</b>
<b>AUDITOR:</b>	<b>MOORE STEPHENS LLP</b>
<b>PERIOD SUBJECT TO AUDIT:</b>	<b>1 SEPTEMBER 2014 TO 31 DECEMBER 2015</b>

## Contents

<b>Acronyms and abbreviations .....</b>	<b>3</b>
<b>Financial audit report .....</b>	<b>4</b>
Audit opinion on the project financial statement.....	4
<b>Annex I – Project financial statement</b>	
<b>Annex II – Responsibility statement by management</b>	

## Acronyms and abbreviations

IAIG	Internal Audit and Investigations Group
IPSAS	International Public Sector Accounting Standards
PC	Project Centre
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 Cities Alliance Cluster

We have audited the accompanying project financial statement for the project 'Development Grant Facility (DGF)' (Atlas project ID 00089984) of UNOPS for the period from 1 September 2014 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 'Development Grant Facility' (Atlas project ID 00089984), for the period from 1 September 2014 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

**Responsibility statement by management**

This is attached as Annex II to this report.

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

May 6, 2016  
Ref: Project No: 00089984  
Funding: IBRD

To whom it may concern,

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

We enclose the Interim Financial Statement for project **00089984 Development Grant Facility (DGF) - Cities Alliance**, which commenced in year 2014 and indicates project expenses as at 31 December 2015.

We draw your attention to the following:

- › Project expenditure and management fee: **US\$ 996,608.08**
- › Open purchase orders: **US\$ 1,583.02**
- › Project Advances: **US\$ 0.00**
- › Total cash received: **US\$ 1,000,000**
- › Fund balance: **US\$ 1,808.90**

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

Yours sincerely,



Kanit Pukchareon

Regional Finance Specialist  
CSG IPAS, UNOPS HQ

---

PO Box 2695

Tel: + 45 45 33 75 00



UNOPS is ISO 9001 certified

2100 Copenhagen

Fax: +45 45 33 75 01

Denmark

E-mail: [info@unops.org](mailto:info@unops.org)

[www.unops.org](http://www.unops.org)





## CERTIFIED FINANCIAL STATEMENT

Project: : 00089984 Development Grant Facility (DGF) - Cities Alliance; Development Grant Facility (DG)  
 Partner(s): International Bank of Reconstruction and Development (IBRD)  
 As on: 31-Dec-2015

Income			
Contributions			
2014		500,000.00	
2015		500,000.00	
<b>Total Income</b>	<b>(A)</b>		<b>1,000,000.00</b>
<hr/>			
Less: Project Expenses			
Period - Years			
2014	Project Expense	463,740.95	
	Management Fees	37,099.28	
	Net Exchange Loss	0.00	
			<b>500,840.23</b>
2015	Project Expense	460,459.98	
	Management Fees	36,836.79	
	Net Exchange Gain	(1,528.92)	
			<b>495,767.85</b>
<b>Total Expenditures</b>	<b>(B)</b>		<b>996,608.08</b>
<hr/>			
Less: Project Advances	(C)		0.00
Less: Project Capitalised Asset	(D)		0.00
<b>Project Cash Balance (Surplus)</b>	<b>(A-B-C-D)</b>		<b>3,391.92</b>
<hr/>			
Less: Unliquidated Obligations (Open POs)	(E)		1,583.02
<b>Project Fund Balance (Surplus)</b>	<b>(A-B-C-D-E)</b>		<b>1,808.90</b>

The Statement is following IPSAS reporting requirements. Management Fee is calculated and recorded against Project Expenses (Disbursements + Receipt Accruals)  
 Project Advances represent 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 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: 89984 Development Grant Facility (DGF)

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. 89984 Development Grant Facility (DGF). 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\$ 996,608.08 incurred by the Cities Alliance Cluster (ECR, GVA, Cities Alliance) for the period 1 September 2014 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. 89984 Development Grant Facility (DGF).


  
(Signature)

Name: Kanit Pukchareon  
Regional Financial  
Management Officer

Region: CSG/IPAS, HQ

Place: Copenhagen

Date: 27 Jul 16

  
(Signature)

Name: Moin Karim  
Regional Director  
Europe and Central Asia

Region: ECR

Place: Geneva

Date: 27 Geneva 2016

  
(Signature)

Name: William Cobbett  
Project Manager /  
Director, Cities Alliance

Region: ECR, GVA

Place: *Bruxelles*

Date: *27<sup>th</sup> July 2016*