UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

26 June 2017

<table>
<thead>
<tr>
<th>PROJECT NAME:</th>
<th>REGIONAL ARTEMISININ RESISTANCE INITIATIVE (RAI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROJECT NUMBER:</td>
<td>00089688</td>
</tr>
<tr>
<td>COUNTRY:</td>
<td>CAMBODIA</td>
</tr>
<tr>
<td>AUDITOR:</td>
<td>MOORE STEPHENS LLP</td>
</tr>
<tr>
<td>PERIOD SUBJECT TO AUDIT:</td>
<td>1 JANUARY 2016 TO 31 DECEMBER 2016</td>
</tr>
</tbody>
</table>
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Annex III – Responsibility statement by management
## Acronyms and abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CNM</td>
<td>National Centre for Parasitology, Entomology and Malaria Control</td>
</tr>
<tr>
<td>FB</td>
<td>Fund Board</td>
</tr>
<tr>
<td>FMO</td>
<td>Fund Manager’s Office</td>
</tr>
<tr>
<td>GFATM</td>
<td>The Global Fund to fight AIDS, Tuberculosis and Malaria</td>
</tr>
<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>LLIN</td>
<td>Long Lasting Insecticidal Nets</td>
</tr>
<tr>
<td>KHOC</td>
<td>Cambodia Operations Centre</td>
</tr>
<tr>
<td>OC</td>
<td>Operations Centre</td>
</tr>
<tr>
<td>PC</td>
<td>Project Centre</td>
</tr>
<tr>
<td>PR</td>
<td>Principal Recipient</td>
</tr>
<tr>
<td>PUDR</td>
<td>Progress Update and Disbursement Request</td>
</tr>
<tr>
<td>RO</td>
<td>Regional Office</td>
</tr>
<tr>
<td>SR</td>
<td>Sub-recipient</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 UNOPS Cambodia Operations Centre

We have audited the accompanying project financial statement for the project ‘Regional Artemisinin Resistance Initiative (RAI)’ (“the project”) (OneUNOPS project ID 00089688), which is implemented and managed by the UNOPS Office in Cambodia, for the period from 1 January to 31 December 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 ‘Regional Artemisinin Resistance Initiative (RAI)’ (“the project”) (OneUNOPS project ID 00089688), for the period from 1 January to 31 December 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 Cambodia Operations Centre

We have audited the accompanying statement of non-expendable property of the project ‘Regional Artemisinin Resistance Initiative (RAI)’ (OneUNOPS project ID 00089688), which is implemented and managed by the UNOPS Office in Cambodia, as at 31 December 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 ‘Regional Artemisinin Resistance Initiative (RAI)’ (OneUNOPS project ID 00089688), as at 31 December 2016 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

26 June 2017
Responsibility statement by management

This is attached as Annex III to this report.
Annex I – Project financial statement
To whom it may Concern,

**Subject: Interim Financial Statement as at 31 Dec 2016**

We enclose the Interim Financial Statement for project 00089688 Principal Recipient for Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) Single-Stream-of-Funding (SSF) malaria grant in Cambodia; RAI Cambodia PR UNOPS, which commenced in year 2014 and indicates project expenses as at 31 Dec 2016.

We draw your attention to the following:

- Project expenditure and management fee: **US$ 3,766,092**
- Project commitments: **US$ 44,851**
- Total cash received: **US$ 4,581,171** including interest earned: **US$ 24,679**
- Project fund balance: **US$ 770,228**

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

Yours sincerely,

[Signature]

Karla CIENFUEGOS  
Finance Specialist  
CSG IPAS, UNOP

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2100 Copenhagen  
Denmark

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Fax: +45 45 33 75 01  
E-mail: info@unops.org  
www.unops.org
## ANNUAL FINANCIAL REPORT

**Project:**
- 89688 - RAI Cambodia PR UNOPS
- 1448 - GFATM Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)
- 21/12/2016

### Income

<table>
<thead>
<tr>
<th>Year</th>
<th>Interest</th>
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<tbody>
<tr>
<td>2014</td>
<td>7,993.85</td>
</tr>
<tr>
<td>2015</td>
<td>4,321.28</td>
</tr>
<tr>
<td>2016</td>
<td>12,364.14</td>
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</tbody>
</table>

### Transfers

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>24,679.27</td>
</tr>
<tr>
<td>2015</td>
<td>4,693,433.30</td>
</tr>
<tr>
<td>2016</td>
<td>(39,851.25)</td>
</tr>
</tbody>
</table>

**Total Income**

| Amount | 4,281,170.94 |

### Less: Project Expenses

#### Perid-Year

<table>
<thead>
<tr>
<th>Year</th>
<th>Project(s) Expense</th>
<th>Management Fees</th>
<th>Net Exchange Gain/Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2,697,599.48</td>
<td>55,493.79</td>
<td>0.00</td>
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<tr>
<td>2015</td>
<td>182,289.02</td>
<td>7,405.51</td>
<td>0.00</td>
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<tr>
<td>2016</td>
<td>791,570.33</td>
<td>31,734.18</td>
<td>0.00</td>
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</tbody>
</table>

**Total Expenditure**

| Amount | 3,766,092.26 |

### Less: Project Advances

| Amount | 0.00 |

### Less: Project Capitalised Assets

| Amount | 0.00 |

### Project Cash Balance

| Amount | 815,078.68 |

### Less: Commitments

| Amount | 44,851.03 |

### Project Fund Balance

| Amount | 770,227.65 |

**Notes:**
- Books for the reporting period have not been closed yet. Management Fees include projections for open period(s).
- All amounts are in USD. Transactions in non-USD have been converted to USD at the UN operational rate of exchange as on the date of the transaction.
- This is an interim statement provided for information purposes only. Figures are not final.
- Project advances include operational advances, prepayments, petty cash, and any VAT payments to suppliers that have yet to be recovered.

**Certified by:**
- Karla CIENFUEGOS
  - Finance Specialist
  - CSG IPAS, UNOPS

**Date:**
- 29/04/2017

**Report run on:** 20 April 2017
Annex II – Statement of non-expendable property
<table>
<thead>
<tr>
<th>No.</th>
<th>Received Date</th>
<th>Description of Item</th>
<th>Model / Serial Number / Code</th>
<th>Serial Number / Tag No.</th>
<th>Vendors</th>
<th>Location (department / unit / service)</th>
<th>Certification</th>
<th>Funding Source</th>
<th>Qty</th>
<th>Net Book Value</th>
<th>Rental Price</th>
<th>Unit Price</th>
<th>Condition</th>
<th>Serial No.</th>
<th>Category</th>
<th>Asset-File</th>
<th>PO #</th>
<th>Invoice No.</th>
<th>Acq. Date</th>
<th>Acq. Type</th>
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<th>Remarks</th>
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<tbody>
<tr>
<td>12008</td>
<td>3-Jul-2014</td>
<td>Laptop: HP Elitebook 840 G4</td>
<td>8T4G422701</td>
<td>RA/11/20-0305A</td>
<td>Lenovo</td>
<td>12th Floor</td>
<td>Laptop Computer</td>
<td>Laptop</td>
<td>1</td>
<td>155.83</td>
<td>0.00</td>
<td>155.83</td>
<td>Excellent</td>
<td>12th Floor</td>
<td>Laptop Computer</td>
<td>Laptop</td>
<td>0003451323</td>
<td>17/14/001457</td>
<td>Purchase</td>
<td>Nevis Limited</td>
<td></td>
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<tr>
<td>12009</td>
<td>1-Jul-2014</td>
<td>Laptop: HP Elitebook 840 G4</td>
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<td>155.83</td>
<td>0.00</td>
<td>155.83</td>
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<td>Laptop Computer</td>
<td>Laptop</td>
<td>0003451323</td>
<td>17/14/001457</td>
<td>Purchase</td>
<td>Nevis Limited</td>
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</tbody>
</table>

**Cost:** $694.16
Annex III - Statement of management responsibility
UNIVERSITY OFFICE FOR PROJECT SERVICES

Project ID: 00089688

Regional Artemisinin Resistance Initiative (PRINCIPAL RECIPIENT) Project

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 Regional Artemisinin Resistance Initiative. Although UNOPS Myanmar is the Principle Recipient of the Regional Artemisinin Resistance Initiative grant (QMU-M-UNOPS), UNOPS Cambodia is the PR in the Kingdom of Cambodia and directly responsible for the Project ID: 00089688. 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$ 823,304.46 incurred by the UNOPS Cambodia office for the period 1 January to 31 December 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 Cambodia’s component of the Regional Artemisinin Resistance Initiative (Grant QMU-M-UNOPS) under Project ID 00089688.

Statement of Inventory of Non-Expendable Equipment

The Statement of Non-Expendable Equipment presents fairly, in all material respects, the Non-Expendable Equipment balance as at 31 December 2016 amounting to US$ 664.16 in accordance with the Non-Expendable Inventory listing certified by project management.

ACCEPTED AND CERTIFIED:

Name: Dr. Attila MOLNAR
Programme Director,
Principal Recipient for The Global Fund
to Fight AIDS, Tuberculosis and Malaria

Region: AR
Place: Yangon, Myanmar
Date: 16/05/2017

Name: Karla Cienfuegos
Regional Financial Management officer

Region: IPAS Finance
Place: Copenhagen, DK
Date: 22/05/2017

Name: Dnyay Mathur
Regional Director,
UNOPS Asia Region

Region: AR
Place: Bangkok
Date: 23 May 2017