UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

26 September 2017

PROJECT NAME: LIVELIHOODS AND FOOD SECURITY TRUST FUND (LIFT)
PROJECT NUMBER: 00070927
COUNTRY: MYANMAR
AUDITOR: MOORE STEPHENS LLP
PERIOD SUBJECT TO AUDIT: 1 JANUARY TO 31 DECEMBER 2016
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Annex II – Statement of non-expendable property
Annex III – Responsibility statement by management
Acronyms and abbreviations

LIFT  Livelihoods and Food Security Trust
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 Operational Hub

We have audited the accompanying project financial statement for the project ‘Livelihoods and Food Security Trust Fund (LIFT)’ (oneUNOPS project ID 00070927), of UNOPS for the period from 1 January until 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 the 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 ‘Livelihoods and Food Security Trust Fund (LIFT)’ (oneUNOPS project ID 00070927), for the period from 1 January until 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


We have audited the accompanying statement of non-expendable property of the project ‘Livelihoods and Food Security Trust Fund (LIFT)’ (oneUNOPS project ID 00070927) of UNOPS 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 ‘Livelihoods and Food Security Trust Fund (LIFT)’ (oneUNOPS project ID 00070927), 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 September 2017
Responsibility statement by management
This is attached as Annex III to this report.
Annex I – Project financial statement

June 12, 2017
Ref: Project No: 00070927
Funding: LIFT

To whom it may Concern,

Subject: Certified Financial Statement as at 31 Dec 2016

We enclose the Certified Financial Statement for project 00070927 Livelihood and Food Security Trust Fund (LIFT), which commenced in year 2009 and indicates project expenses as at 31 Dec 2016.

We draw your attention to the following:

› Project expenditure and management fee: USS 266,165,169
› Project commitments: USS 1,263,418
› Project advances: USS 1,984
› Project capitalised assets: USS 823
› Total cash received: USS 335,700,865 including interest earned: USS 2,018,851
› Project fund balance: USS 68,269,471

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

Yours sincerely,

[Signature]

Karla Cienfuegos
Finance Specialist
CSG IPAS, UNOPS HQ

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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:** 70927 - Livelihood and Food Security Trust Fund (LIFT)

**Partner(s):** 1460 - LIFT Livelihoods and Food Security Trust Fund (LIFT),

**As on:** 31-Dec-2016

**Income:**

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<tbody>
<tr>
<td></td>
<td>19,863,890</td>
<td>34,277,591</td>
<td>37,341,976</td>
<td>9,113,890</td>
<td>37,280,446</td>
<td>30,885,297</td>
<td>86,107,087</td>
<td>77,589,031</td>
<td>332,459,208</td>
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</tbody>
</table>

**Interest**

| 2009  | 17,584 |
| 2010  | 131,743 |
| 2011  | 213,592 |
| 2012  | 201,556 |
| 2013  | 149,139 |
| 2014  | 142,373 |
| 2015  | 308,954 |
| 2016  | 853,910 |

**Miscellaneous Revenue**

| 2015  | 619,746 |
| 2016  | 603,060 |

**Total Income**

| A | 335,700,865 |

**Less: Project Expenses Period-Years**

| 2009 | Project(s) Expense | 255,142 |
|      | Management Fees | 17,860 |
|      | Net Exchange Gain/Loss | 0 |

| 2010 | Project(s) Expense | 18,702,037 |
|      | Management Fees | 281,793 |
|      | Net Exchange Gain/Loss | (90) |

| 2011 | Project(s) Expense | 22,755,027 |
|      | Management Fees | 354,903 |
|      | Net Exchange Gain/Loss | (653) |

|  | 23,109,277 |
### ANNUAL FINANCIAL REPORT

**Project:** 70927 - Livelihood and Food Security Trust Fund (LIFT)
**Partner(s):** 1460 - LIFT Livelihoods and Food Security Trust Fund (LIFT)

**As on:** 31-Dec-2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Project(s) Expense</th>
<th>Management Fees</th>
<th>Net Exchange Gain/Loss</th>
<th>Total Expenditure</th>
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<tbody>
<tr>
<td>2012</td>
<td>31,109,113</td>
<td>499,952</td>
<td>60</td>
<td>31,609,125</td>
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<tr>
<td>2013</td>
<td>35,314,190</td>
<td>588,844</td>
<td>1,125</td>
<td>35,904,159</td>
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<tr>
<td>2014</td>
<td>32,391,007</td>
<td>564,991</td>
<td>(645)</td>
<td>32,955,353</td>
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<tr>
<td>2015</td>
<td>63,451,055</td>
<td>932,709</td>
<td>(13,901)</td>
<td>64,369,863</td>
</tr>
<tr>
<td>2016</td>
<td>57,831,841</td>
<td>1,126,843</td>
<td>1,966</td>
<td>58,960,650</td>
</tr>
</tbody>
</table>

- **Total Expenditure:** 266,165,169
- **Less: Project Advances:** 1,984
- **Less: Project Capitalised Assets:** 823
- **Project Cash Balance:** 69,532,889
## ANNUAL FINANCIAL REPORT

**Project:**  70927 - Livelihood and Food Security Trust Fund (LIFT)

**Partner(s):**  1460 - LIFT Livelihoods and Food Security Trust Fund (LIFT),

**As on:**  31-Dec-2016

<table>
<thead>
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<th>Loss: Commitments</th>
<th>E</th>
<th>1,263,418</th>
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<tbody>
<tr>
<td>Project Fund Balance</td>
<td>A-B-C-D-E</td>
<td>68,269,471</td>
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</tbody>
</table>

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. Undistributed Obligations represent amounts committed against goods/services yet to be delivered/rendered. Fund balance represents cash available for implementation activities.

Certified by:  Karla Cuenfuegos
Finance Specialist
CSG IPAS, UNOPS HQ

Date:  12/06/2017
Report run on:  07 Jun 2017
### 2016 Statement of Non-expendable Assets

**LIFT (76027)**

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<thead>
<tr>
<th>Asset Category</th>
<th>Asset Location</th>
<th>Asset Number</th>
<th>Cost</th>
<th>Description</th>
<th>Non-Expendable Property</th>
<th>Non-Expendable Property</th>
<th>Non-Expendable Property</th>
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**Annex II - Statement of non-expendable property**

UNOPS Internal Audit and Investigations Group

1 January to 31 December 2016

LIFT Fund (00070927), Myanmar
<table>
<thead>
<tr>
<th>Asset ID</th>
<th>Asset Name Description</th>
<th>Asset Category</th>
<th>Location</th>
<th>Status</th>
<th>Status Description</th>
<th>Current Value</th>
<th>Capital Value</th>
<th>L.O.P.</th>
<th>Lessee Description</th>
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<td>Myanmar</td>
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<td>1 January to 31 December 2016</td>
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<td>LIFT Fund (00070927), Myanmar</td>
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<td>1 January to 31 December 2016</td>
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<td>Asset Profile</td>
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<td>Identification/Registration Number</td>
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**Summary**

UNOPS Internal Audit and Investigations Group

Financial audit report

LIFT Fund (00070927), Myanmar

1 January to 31 December 2016
Annex III – Responsibility statement by management

UNITED NATIONS OFFICE FOR PROJECT SERVICES
Project ID: 70927
Livelihoods and Food Security Trust Fund (LIFT)
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 Project ID 70927, Livelihoods and Food Security Trust Fund (LIFT). 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, as set out in Annex I, presents fairly in all material respects, the expenditure of US$ 58,960,650 incurred by the UNOPS 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 Project ID. 70927 Livelihoods and Food Security Trust Fund (LIFT).

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$ 70,106 in accordance with the Non-Expendable Inventory listing certified by project management. *

ACCEPTED AND CERTIFIED:

Name: Nicholas George
Officer-In-Charge, MMOC
Region: AR
Place: Myanmar
Date: 12/07/2017

Name: Karla Centfuegos
Regional Financial Management Officer
Region: IPAS Finance
Place: Denmark
Date: 12/07/2017

Name: Sanjay Mathur
Regional Director
Region: AR
Place: Thailand
Date: 7 August 2017

* The value presented under the Statement of Inventory includes: Non-expendable & Capitalized Assets. Non-expendable property are items with an acquisition cost of $300 but below $2,500. Capitalized Assets are items with a value of USD 2,500 or more.
** Assets purchased prior to January 2015 (prior to UNOPS bringing IPE into its books in full compliance with IPSAS 17) have already been reported as expense to the client at the time of purchase, and thus these will not be reflected in the general ledger. As agreed with UNOPS external auditors, UNOPS has ranked previous statements at a corporate level to avoid restatement of client reports. Details of the NRE are maintained in the asset register (for reference).
*** 2016 Depreciation/Amortization has been posted only at corporate level for year-end purposes, but not distributed at project level due to transfer to new ERP system. The distribution to projects will be done in 2017.