UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

25 October 2017

PROJECT NAME: TOWARDS ELIMINATION OF ARTEMISININ - RESISTANT PARASITES OF PLASMODIUM FALCIPARUM MALARIA (NFM MALARIA GRANT)

PROJECT NUMBER: 00096054

COUNTRY: CAMBODIA

AUDITOR: MOORE STEPHENS LLP

PERIOD SUBJECT TO AUDIT: 1 JULY 2015 TO 31 DECEMBER 2016
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Acronyms and abbreviations

GFATM  The Global Fund to fight AIDS, Tuberculosis and Malaria
IAIG    Internal Audit and Investigations Group
IPSAS   International Public Sector Accounting Standards
KHOC    Cambodia Operations Centre
NFM     New Funding Model
PR      Principal Recipient
PUDR    Progress Update and Disbursement Request
RO      Regional Office
SR      Sub-recipient
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 Cambodia Operations Centre

We have audited the accompanying project financial statement for the project ‘Towards Elimination of Artemisinin - Resistant Parasites of Plasmodium Falciparum Malaria’ ("the project") (OneUNOPS project ID 00096054), which is implemented and managed by the UNOPS Office in Cambodia, for the period from 1 July 2015 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 ‘Towards Elimination of Artemisinin - Resistant Parasites of Plasmodium Falciparum Malaria’ ("the project") (OneUNOPS project ID 00096054), for the period from 1 July 2015 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.
Mark Henderson
Partner
Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB
25 October 2017
Responsibility statement by management
This is attached as Annex II to this report.
Annex I – Project financial statement
ANNUAL FINANCIAL REPORT

Project: 96054 - NFM Malaria PR-UNOPS
Partner(s): 1448 - GFATM Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM),
As on: 31-Dec-2016

Income:

| Contributions | 2015     | 3,052,780 |
|               | 2016     | 4,793,155 |
| Interest      | 2015     | 3,736     |
|               | 2016     | 21,255    |
| Transfers     | 2015     | 844,583   |
|               | 2016     | (2,200,174) |

Total Income: A $6,515,335

Less: Project Expenses

<table>
<thead>
<tr>
<th>Period-Years</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project(s) Expense</td>
<td>758,443</td>
<td>3,143,991</td>
</tr>
<tr>
<td>Management Fees</td>
<td>49,220</td>
<td>158,645</td>
</tr>
<tr>
<td>Net Exchange Gain/Loss</td>
<td>0.00</td>
<td>133</td>
</tr>
</tbody>
</table>

Total Expenditure: B $4,110,432

| Less: Project Advances | (C)     | 1,473 |
| Less: Project Capitalised Assets | D | 0.00 |
| Project Cash Balance | A-B-C-D | 2,403,430 |

Less: Commitments | (E) | 41,620 |

Project Fund Balance: A-B-C-D-E $2,361,810

* 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.


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

Date: 05/10/2017
Report run on: 22 Aug 2017
Annex II - Statement of management responsibility
UNIVERSAL NATIONS OFFICE FOR PROJECT SERVICES

Project ID: 00096054

NFM Malaria (PRINCIPAL RECIPIENT) Project in Cambodia

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 Project ID: 00096054 NFM Malaria project in Cambodia. 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$ 4,110,432 incurred by the UNOPS Cambodia office for the period 1 July 2015 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 NFM Malaria project in Cambodia (Grant KHM-M-UNOPS) under Project ID 00096054.

ACCEPTED AND CERTIFIED:

[Signatures]

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

Place: Shangrila, Yunnan, China
Date: 12.10.2017

Region: AR

Name: Karla Cienfuegos
Regional Financial Management officer

Place: Copenhagen, DK
Date: 12.10.2017

Region: IPAS

Name: Sanjay Mathur
Regional Director,
UNOPS Asia Region

Place: Copenhagen, Denmark (on mission travel)
Date: 13 Oct 2017

Region: AR