



INTERNAL AUDIT AND INVESTIGATIONS GROUP

# UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

## FINANCIAL AUDIT REPORT

**22 November 2017**

<b>PROJECT NAME:</b>	<b>SMALL GRANTS PROGRAMME (SGP) – OPERATIONAL PHASE 5</b>
<b>ATLAS PROJECT NUMBER:</b>	<b>00078668</b>
<b>ONEUNOPS WORK PACKAGE:</b>	<b>10175-005-04</b>
<b>COUNTRY:</b>	<b>CHINA</b>
<b>AUDITOR:</b>	<b>MOORE STEPHENS LLP</b>
<b>PERIOD SUBJECT TO AUDIT:</b>	<b>1 JANUARY 2011 TO 30 SEPTEMBER 2016</b>

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## Acronyms and abbreviations

IAIG	Internal Audit and Investigations Group
IPSAS	International Public Sector Accounting Standards
PC	Project Centre
SGP	Small Grants Programme
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 Small Grants Cluster

We have audited the accompanying project financial statement for the project 'Small Grants Programme – Operational Phase 5, China' (Atlas Project ID 00078668, OneUNOPS Work Package 10175-005-04) of UNOPS for the period from 1 January 2011 to 30 September 2016.

#### Management responsibility for the project financial statement

Management is responsible for the preparation and fair presentation of the project 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 project 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 project financial statement gives a true and fair view of, in all material respects, the income and expenditure of the project 'Small Grants Programme – Operational Phase 5, China' (Atlas Project ID 00078668, OneUNOPS Work Package 10175-005-04), for the period from 1 January 2011 to 30 September 2016 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

**Emphasis of matter**

Without qualifying our opinion, we have raised a financial audit finding with a financial impact of US\$ (10,000), (reflecting an understatement of US\$ 10,000), as set out in the relevant section of the accompanying internal audit report, which represents eligible expenditure amounts omitted from the project financial statement. This finding amounts to 0.3% of the total expenditure reported in the project financial statement.

We also draw your attention to the other audit findings, as set out within the relevant sections of the accompanying internal audit report, which represent internal control weaknesses we came across during the conduct of our audit, and in particular finding 3, which results in an estimated understatement of expenditure of US\$ 86,161.

The financial and other audit findings are together not considered material in the context of our audit.

**Project financial statement**

This is attached as Annex I to this report.



Mark Henderson  
Partner

Moore Stephens LLP  
150 Aldersgate Street  
London EC1A 4AB

22 November 2017

**Responsibility statement by management**

This is attached as Annex II to this report.

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

Reporting 201101-201609

COUNTRY	SOURCE	PROJECT_ID	PROJECT_DESCR	ACTIVITY_DESCR	2011	2012	2013	2014	2015	2016	Grand Total	
CHINA	ATLAS	78668	CHN/SGP/OP5	EQUIPMENT, OPERATIONS & MAINT	2,258	3,204	3,061	2,308			10,831	
CHINA	ATLAS	78668	CHN/SGP/OP5	GEF Grants (CORE)	173,320	297,757	151,826	92	12,997		635,992	
CHINA	ATLAS	78668	CHN/SGP/OP5	GEF Grants (STAR)			509,719	724,913			1,234,632	
CHINA	ATLAS	78668	CHN/SGP/OP5	OUTREACH	-	-	1,706				1,706	
CHINA	ATLAS	78668	CHN/SGP/OP5	Personnel	48,848	89,014	98,383	93,407			329,653	
CHINA	ATLAS	78668	CHN/SGP/OP5	PREMISES	22,521	22,381	22,811	22,811			90,524	
CHINA	ATLAS	78668	CHN/SGP/OP5	SUNDRY	591	87	2,094	377			3,150	
CHINA	ATLAS	78668	CHN/SGP/OP5	Technical Assistance	-						-	
CHINA	ATLAS	78668	CHN/SGP/OP5	Travel	2,172	9,609	8,562	19,940	-	1	40,284	
CHINA	ATLAS	78668	CHN/SGP/OP5	WORKSHOPS	-	4,277	11,596	2,608			18,480	
CHINA	ATLAS	93640	SGP-OP5 Country Project (CORE)	CHINA					190,546	-	295	190,250
CHINA	ATLAS	93642	SGP-OP5 Country Project (STAR)	CHINA					331,446	-		331,446
CHINA	oneUNOPS	93640	93640 - SGP-OP5 Country Project (CORE)	General Operating Expenses						20		20
CHINA	oneUNOPS	93640	93640 - SGP-OP5 Country Project (CORE)	Grants						10,981		10,981
CHINA	oneUNOPS	93642	93642 - SGP-OP5 Country Project (STAR)	General Operating Expenses						59		59
CHINA	oneUNOPS	93642	93642 - SGP-OP5 Country Project (STAR)	Grants						18,868		18,868
CHINA	oneUNOPS	10175-005	10175-005 - SGP-OP5 ASIA	(blank)						-	164	164
CHINA	oneUNOPS	10175-005	10175-005 - SGP-OP5 ASIA	General Operating Expenses						1,928		1,928
CHINA	oneUNOPS	10175-005	10175-005 - SGP-OP5 ASIA	Grants						53,000		53,000
CHINA	oneUNOPS	10175-005	10175-005 - SGP-OP5 ASIA	Travel						6,606		6,606
<b>Total</b>					<b>249,710</b>	<b>426,329</b>	<b>806,346</b>	<b>866,456</b>	<b>534,988</b>	<b>91,003</b>	<b>2,974,834</b>	

Note: The expenditure figures include 6% UNOPS fee.



Kanit Pukchareon      Date:      04 October 2017  
Regional Finance Specialist  
IPAS Finance, UNOPS



## **Annex II – Statement of management responsibility**

**UNITED NATIONS OFFICE FOR PROJECT SERVICES**

**Project ID: Small Grants Programme (SGP), Operational Phase 5 (OP5) in China, (Atlas Project ID 00078668, OneUNOPS Work Package 10175-005-04)**

**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 Small Grants Programme (SGP), Operational Phase 5 (OP5) in China, (Atlas Project ID 00078668, OneUNOPS Work Package 10175-005-04). 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\$ 2,974,834 incurred by the SGP office for the period 1 January 2011 to 30 September 2016 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

  
(Signature)

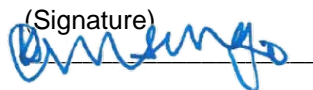
Name: Kanit Pukchareon

Regional Financial  
Management Officer

Region: CSG/IPAS

Place: CPH/HQ

Date: 20 Oct 17

(Signature)  


Name: Peter Onsongo

Regional Oversight  
Advisor

Region: ECR

Place: CPH

Date: 27.10.2017

  
(Signature)

Name: Edriss Riffat

Portfolio Manager

Region:

Place: New York

Date: 18 October 2017