UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

Final

05 September 2018

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

PROJECT NUMBER: 96054

COUNTRY: CAMBODIA

AUDITOR: MOORE STEPHENS LLP

PERIOD SUBJECT TO AUDIT: 1 JANUARY TO 31 DECEMBER 2017
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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>IAIG</td>
<td>Internal Audit and Investigations Group</td>
</tr>
<tr>
<td>IESBA</td>
<td>International Ethics Standards Board for Accountants</td>
</tr>
<tr>
<td>ISA</td>
<td>International Standards on Auditing</td>
</tr>
<tr>
<td>NFM</td>
<td>New Funding Model</td>
</tr>
<tr>
<td>UNOPS</td>
<td>United Nations Office for Project Services</td>
</tr>
<tr>
<td>US$</td>
<td>United States Dollars</td>
</tr>
</tbody>
</table>
Financial audit report

Audit opinion on the project financial statement

Unmodified opinion

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 96054), which is implemented and managed by the UNOPS office in Cambodia, for the period from 1 January to 31 December 2017.

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 96054), for the period from 1 January to 31 December 2017 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the ‘Auditor’s responsibility for the audit of the project financial statement’ section of this report.

We are independent of UNOPS in accordance with the IESBA Code of Ethics for Professional Accountants. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 for the audit of the project financial statement

The objectives of our audit are set out in the terms of reference for the audits of UNOPS projects, as issued by the Internal Audit and Investigations Group (IAIG) of UNOPS, and include obtaining reasonable assurance about whether the project financial statement is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the project financial statement.
As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also identify and assess the risks of material misstatement of the project financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Project financial statement**

This is attached as Annex I to this report.
Audit opinion on the statement of non-expendable property

Unmodified opinion

We have audited the accompanying statement of non-expendable property of the project ‘Towards Elimination of Artemisinin - Resistant Parasites of Plasmodium Falciparum Malaria’ (oneUNOPS project ID 96054) of UNOPS as at 31 December 2017.

In our opinion, the statement of non-expendable property presents fairly, in all material respects, the status of non-expendable property of the project ‘Towards Elimination of Artemisinin - Resistant Parasites of Plasmodium Falciparum Malaria’ (oneUNOPS project ID 96054), as at 31 December 2017 is 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

05 September 2018
Responsibility statement by management

This is attached as Annex III to this report.
Annex I – Project financial statement
ANNUAL FINANCIAL STATEMENT

Project: 96054 - NFM Malaria PR-UNOPS
Partner(s): 1222 - UNWOMEN United Nations Entity for Gender Equality and the Empowerment of Women (UNWOMEN),
1382 - Myanmar,
1448 - GFATM Global Fund to Fight AIDS Tuberculosis and Malaria (GFATM),
1541 - Other Sponsors,
1573 - INT-NGO International Non-Governmental Organization

As on: 31-Dec-2017

Income:

Contributions

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3,052,780</td>
</tr>
<tr>
<td>2016</td>
<td>4,793,155</td>
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<tr>
<td>2017</td>
<td>7,909,655</td>
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</table>

Interest

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3,736</td>
</tr>
<tr>
<td>2016</td>
<td>21,255</td>
</tr>
<tr>
<td>2017</td>
<td>48,519</td>
</tr>
</tbody>
</table>

Transfers

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>844,583</td>
</tr>
<tr>
<td>2016</td>
<td>(2,200,174)</td>
</tr>
<tr>
<td>2017</td>
<td>(3,584,030)</td>
</tr>
</tbody>
</table>

Total Income A 10,889,479

Less: Project Expenses

Period-Years

2015

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project(s) Expense</td>
<td>758,443</td>
</tr>
<tr>
<td>Management Fees</td>
<td>49,220</td>
</tr>
</tbody>
</table>

2016

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project(s) Expense ***</td>
<td>3,143,991</td>
</tr>
<tr>
<td>Management Fees</td>
<td>158,645</td>
</tr>
<tr>
<td>Net Exchange Gain/Loss</td>
<td>(867)</td>
</tr>
</tbody>
</table>

2017

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project(s) Expense ***</td>
<td>6,287,169</td>
</tr>
<tr>
<td>Management Fees</td>
<td>299,961</td>
</tr>
<tr>
<td>Net Exchange Gain/Loss</td>
<td>(867)</td>
</tr>
</tbody>
</table>

Total Expenditure B 10,696,695

Less: Project Advances C 2,097

Less: Project Capitalised Assets D 63,254
# ANNUAL FINANCIAL STATEMENT

**Project:** 96054 - NFM Malaria PR-UNOPS  
**Partner(s):**  
- 1222 - UNWOMEN United Nations Entity for Gender Equality and the Empowerment of Women (UNWOMEN),  
- 1382 - Myanmar,  
- 1448 - GFATM Global Fund to Fight AIDS Tuberculosis and Malaria (GFATM),  
- 1541 - Other Sponsors,  
- 1573 - INT-NGO International Non-Governmental Organization

**As on:** 31-Dec-2017

<table>
<thead>
<tr>
<th>Project Cash Balance</th>
<th>A-B-C-D</th>
<th>127,433</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less: Commitments**</td>
<td>E</td>
<td>44,757</td>
</tr>
<tr>
<td>Project Fund Balance</td>
<td>A-B-C-D-E</td>
<td>82,676</td>
</tr>
</tbody>
</table>

**Notes:**  
* 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.  
** The statement is prepared in accordance to IPSAS reporting requirement, the reported figure under commitment is for information and it discloses only the expected utilisation of project funds as of the reporting period, these commitments are not charged as an expense until the goods are delivered or services rendered.  
* Project advances include operational advances, prepayments, petty cash, and any VAT payments to suppliers that have yet to be recovered.  

**Certified by:**  
MERON MEKURIAW  
FINANCE SPECIALIST  
SSC IPAS, UNOPS HQ

**Comment:**

**Date:** 15 June 2018

**Report run on:** 31 May 2018
Dear Sir/Madam,

Subject: Annual Financial Statement

We enclose the Annual Financial Statement for project 96054 - NFM Malaria PR-UNOPS, which commenced in year 2015 and indicates the incurred expenditure as at 31/12/2017

We draw your attention to the following:

a. Incurred expenditure and management fee: US$ 10,696,695
b. Project advances: US$ 2,097 and open purchase order: US$ 44,757
c. Total funds received: US$ 10,889,479 which includes interest earned: US$ 73,510
d. Project Capitalised Asset: US$ 63,254
e. Fund Surplus: US$ 82,676

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

Yours sincerely,

MERON MEKURIAW
FINANCE SPECIALIST
SSC IPAS, UNOPS HQ

PO Box 2695
2100 Copenhagen
Denmark
Tel: + 45 45 33 75 00
Fax: +45 45 33 75 01
E-mail:info@unops.org
www.unops.org
Annex II – Statement of non-expendable property
| No. | Revised Date | Description of Item | Make / Model / Type / Specification | Serial Number | Tag No. | Governance Department / Unit / Division | Estimation | Funding Source | Qty | Purchased Value | UnitPrice | Equipment | UnitPrice | SHF | Conditions | Status | PO | Bole 1 | Finance GP |
|-----|--------------|---------------------|-------------------------------------|---------------|--------|----------------------------------------|-----------|--------------|-----|----------------|-----------|-----------|-----------|-----|-----------|--------|----|----------|--------|------|
| 1   | 26-Dec-2019  | Air Conditioner DAE-60P | Daikin | MN-00000000 | DAE-60P | Maintenance | DAE-60P | 600 | 600 | 3,645.00 | 3,645.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 |
| 2   | 26-Dec-2019  | Lobby General AC 10.5 HP | Hitachi | MN-00000000 | GENERAL | Maintenance | GENERAL | 10.5 | 10.5 | 1,200.00 | 1,200.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 |
| 3   | 26-Dec-2019  | Lobby General AC 10.5 HP | Hitachi | MN-00000000 | GENERAL | Maintenance | GENERAL | 10.5 | 10.5 | 1,200.00 | 1,200.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 |
| 4   | 26-Dec-2019  | Lobby General AC 10.5 HP | Hitachi | MN-00000000 | GENERAL | Maintenance | GENERAL | 10.5 | 10.5 | 1,200.00 | 1,200.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 |
| 5   | 26-Dec-2019  | Lobby General AC 10.5 HP | Hitachi | MN-00000000 | GENERAL | Maintenance | GENERAL | 10.5 | 10.5 | 1,200.00 | 1,200.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 |
| 6   | 26-Dec-2019  | Lobby General AC 10.5 HP | Hitachi | MN-00000000 | GENERAL | Maintenance | GENERAL | 10.5 | 10.5 | 1,200.00 | 1,200.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 |

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Annex III - Statement of management responsibility
UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID: 96054
New Funding Model (NFM)- Principal Recipient Malaria 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 Statements of the Project ID: 96054 - New Funding Model (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 aspects, the expenditure of USS 6,586,263 incurred by the UNOPS office for the period 01 January 2017 to 31 December 2017 in accordance with the accounting policies set out in the Notes to the Statement and in conformity with approved activities and budgets of New Funding Model (NFM) Malaria Project in Cambodia (KHM-M-UNOPS-777) under Project ID 96054.

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 2017 amounting to USS 63,254 as net Book Value in accordance with the Non-Expendable Inventory listing certified by project management.

ACCEPTED AND CERTIFIED

(Signature)

Name: Frederic Suzanne  
Officer in Charge for Program Regional Director  
Principal Recipient for the The Global Fund to Fight AIDS  
Region: AR  
Place: Yangon, Myanmar  
Date: 10 July 2018

Name: Meron Mekuriaw  
Finance Specialist, SSC, IPAS  
Regional Financial  
Name: Sanjay Mathur  
Regional Director, UNOPS Asia Region  
Region: IPAS  
Place: Copenhagen, DK  
Date: 10 July 2018  
Region: AR  
Place: Bangkok, Thailand  
Date: 11 July 2018