



INTERNAL AUDIT AND INVESTIGATIONS GROUP

# UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

## FINANCIAL AUDIT REPORT

**08 April 2019**

<b>PROJECT NAME:</b>	<b>SMALL GRANTS PROGRAMME (SGP) – OPERATIONAL PHASE 5</b>
<b>ONEUNOPS PROJECT NUMBER:</b>	<b>93640, 93642 AND 10175 - 006</b>
<b>COUNTRY:</b>	<b>PALAU</b>
<b>AUDITOR:</b>	<b>BDO LLP</b>
<b>PERIOD SUBJECT TO AUDIT:</b>	<b>1 JANUARY 2016 TO 31 MARCH 2018</b>

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## Acronyms and abbreviations

IAIG	Internal Audit and Investigations Group
IPSAS	International Public Sector Accounting Standards
PC	Project Centre
TOR	Terms of Reference
UNOPS	United Nations Office for Project Services
US\$	United States Dollars

## FINANCIAL AUDIT REPORT

### Audit opinion on the project financial statement

#### Report of the Independent Auditors to UNOPS Small Grants Cluster

##### Unmodified opinion

We have audited the accompanying project financial statement for the project 'Small Grants Programme – Operational Phase 5, Palau' (Projects 93640, 93642 and 10175 - 006) of UNOPS for the period from 1 January 2016 to 31 March 2018.

In our opinion, the 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, Palau' (Project IDs 93640, 93642 and 10175 - 006), for the period from 1 January 2016 to 31 March 2018 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

##### Basis for the opinion

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 project financial statements are free from material misstatement.

We are independent of UNOPS Small Grants Cluster 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 Operational Phase 5 of the Small Grants Programme (Award Number 11960-00), and include obtaining reasonable assurance about whether the project financial statements are 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 statements.

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 statements, 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 communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Mark Henderson  
Partner

BDO LLP  
150 Aldersgate Street  
London EC1A 4AB

08 April 2019

**Responsibility statement by management**

This is attached as Annex II to this report.

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

EXPENDITURE (USD)					FISCAL_YEAR			
PROJECT	PROJECT_DESCR	WORKPACKAGE	NATCOST_DESCR	ACCOUNT_DESCR	2016	2017	2018	Grand Total
93640	SGP-OP5 Country Project (CORE)	93640-PALAU	Prior year POs: Contracts	Facilities&Admin-Implement	-40	0		-40
93640	SGP-OP5 Country Project (CORE)	93640-PALAU	Prior year POs: Contracts	Foreign Exch Translation Loss		0		0
93640	SGP-OP5 Country Project (CORE)	93640-PALAU	Prior year POs: Contracts	Receipt Accruals	0			0
93640	SGP-OP5 Country Project (CORE)	93640-PALAU	Prior year POs: Contracts	Sundry	-674			-674
93640	SGP-OP5 Country Project (CORE)	93640-PALAU	(blank)	CMDC non- person related (Engagement Services)	1	0		1
93640	SGP-OP5 Country Project (CORE)	93640-PALAU	(blank)	Facilities&Admin-Implement		0		0
93640	SGP-OP5 Country Project (CORE)	93640-PALAU	(blank)	Foreign Exch Translation Gain	0	0		0
93642	SGP-OP5 Country Project (STAR)	93642-PALAU	Prior year POs: Contracts	Facilities&Admin-Implement	2,720	-271		2,449
93642	SGP-OP5 Country Project (STAR)	93642-PALAU	Prior year POs: Contracts	Foreign Exch Translation Loss	0	0		0
93642	SGP-OP5 Country Project (STAR)	93642-PALAU	Prior year POs: Contracts	Grants to Instit & other Benef	44,793	-4,793		40,000
93642	SGP-OP5 Country Project (STAR)	93642-PALAU	Prior year POs: Contracts	Receipt Accruals	0	0		0
93642	SGP-OP5 Country Project (STAR)	93642-PALAU	(blank)	CMDC non- person related (Engagement Services)	535	480		1,015
93642	SGP-OP5 Country Project (STAR)	93642-PALAU	(blank)	CMDC non- person related (IPAS Services)		10		10
93642	SGP-OP5 Country Project (STAR)	93642-PALAU	(blank)	Facilities&Admin-Implement		13		13
93642	SGP-OP5 Country Project (STAR)	93642-PALAU	(blank)	Realized Loss	0			0
10175-006	SGP-OP5 PACIFIC	10175-006-08	Fees	Facilities&Admin-Implement	9,603	5,920	0	15,523
10175-006	SGP-OP5 PACIFIC	10175-006-08	Grants	Foreign Exch Translation Loss	0	0		0
10175-006	SGP-OP5 PACIFIC	10175-006-08	Grants	Grants to Instit & other Benef	158,543	271,000	-18,886	410,657
10175-006	SGP-OP5 PACIFIC	10175-006-08	Grants	Realized Gain		0		0
10175-006	SGP-OP5 PACIFIC	10175-006-08	Grants	Realized Loss		0	0	0
10175-006	SGP-OP5 PACIFIC	10175-006-08	Grants	Receipt Accruals	0	0	0	0
10175-006	SGP-OP5 PACIFIC	10175-006-08	Personnel	Petty Cash	0			0
10175-006	SGP-OP5 PACIFIC	10175-006-08	Personnel	Receipt Accruals	0			0
10175-006	SGP-OP5 PACIFIC	10175-006-08	Personnel	Service Contracts-Individuals			18,165	18,165
10175-006	SGP-OP5 PACIFIC	10175-006-08	Personnel	Svc Co-Social Svcs Social Sci	504			504
10175-006	SGP-OP5 PACIFIC	10175-006-08	Personnel	Svc Co-Trade and Business Serv			0	0
10175-006	SGP-OP5 PACIFIC	10175-006-08	Personnel	UNOPS ICA Fee	674			674
10175-006	SGP-OP5 PACIFIC	10175-006-08	(blank)	CMDC non- person related (Engagement Services)	335	311	1,456	2,102
10175-006	SGP-OP5 PACIFIC	10175-006-08	(blank)	CMDC non- person related (IPAS Services)		24	21	45
10175-006	SGP-OP5 PACIFIC	10175-006-08	(blank)	Facilities&Admin-Implement		10,360		10,360
10175-006	SGP-OP5 PACIFIC	10175-006-08	(blank)	Foreign Exch Translation Gain	0	0		0
10175-006	SGP-OP5 PACIFIC	10175-006-08	(blank)	Realized Gain	0			0
10175-006	SGP-OP5 PACIFIC	10175-006-08	(blank)	Realized Loss	0	0		0
<b>Grand Total</b>					<b>216,994</b>	<b>283,054</b>	<b>756</b>	<b>500,804</b>

Certified by: Meron Mekuriaw, Finance Specialist, SSC, IPAS

Date: 08 February 2019

Signature:  Meron Mekuriaw

Note: Expenditure included 6% fee



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

**UNITED NATIONS OFFICE FOR PROJECT SERVICES**

**Project ID: Small Grants Programme (SGP), Operational Phase 5 (OP5) in Palau, (OneUNOPS project numbers 93640, 93642 and 10175 - 006)**


**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 Palau, (OneUNOPS project numbers 93640, 93642 and 10175 - 006). 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\$ 500,804 incurred by the SGP office for the period 1 January 2016 to 31 March 2018 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

  
(Signature)

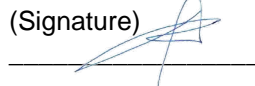
\_\_\_\_\_  
Name: Meron Mekuriaw  
Finance Specialist, SSC, IPAS  
Regional Financial  
Management Officer

Region:

Place: Copenhagen

Date: 12 February 2019

(Signature)

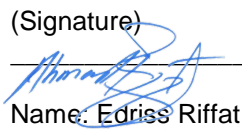
  
\_\_\_\_\_  
Name: Dionyssia Geka,  
Deputy Director  
Regional Director

Region: NYO

Place: New York

Date: 13 February, 2019

(Signature)

  
\_\_\_\_\_  
Name: Edriss Riffat  
Project Manager

Region: NYO

Place: New York

Date: 04 Feb 2019