



INTERNAL AUDIT AND INVESTIGATIONS GROUP

# UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

## FINANCIAL AUDIT REPORT

**17 October 2019**

<b>PROJECT NAME:</b>	<b>SCHOOL INFRASTRUCTURE WORKS IN PARTNERSHIP WITH WORLD VISION</b>
<b>PROJECT NUMBER:</b>	<b>20269-001</b>
<b>COUNTRY:</b>	<b>NEPAL</b>
<b>AUDITOR:</b>	<b>BDO LLP</b>
<b>PERIOD SUBJECT TO AUDIT:</b>	<b>1 JUNE 2016 TO 31 DECEMBER 2018</b>

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## Acronyms and abbreviations

IAIG	Internal Audit and Investigations Group
IESBA	International Ethics Standards Board for Accountants
ISA	International Standards on Auditing
UNOPS	United Nations Office for Project Services
US\$	United States Dollars

## Financial audit report

### Audit opinion on the project financial statement

#### Unmodified opinion

We have audited the accompanying project financial statement for the project ‘School Infrastructure Works in Partnership with World Vision’ (“the project”) (oneUNOPS project ID 20269-001), which is implemented and managed by UNOPS Nepal, for the period from 1 June 2016 to 31 December 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 ‘School Infrastructure Works in Partnership with World Vision’ (“the project”) (oneUNOPS project ID 20269-001), for the period from 1 June 2016 to 31 December 2018 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.



Robert Waters

Partner

BDO LLP  
55 Baker Street  
London  
W1U 7EU

17 October 2019

**Responsibility statement by management**

This is attached as Annex II to this report.



INTERNAL AUDIT AND INVESTIGATIONS GROUP

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

Dear Sir/Madam,

Subject: **Annual Financial Statement**

We enclose the Annual Financial Statement for project 20269-001 - School Infrastructure Works in Partnership with World Vision, which commenced in year 2016 and indicates the incurred expenditure as at 31/12/2018.

We draw your attention to the following:

- a. Incurred expenditure and management fee: US\$ **1,295,600**
- b. Project advances: US\$ **0** and commitments: US\$ **163,911**
- c. Total funds received: US\$ **1,543,175** which includes interest earned: US\$ **0**
- d. Project Capitalised Asset: US\$ **0**
- e. Fund Surplus: US\$ **83,664**

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

Yours sincerely,



Meron MEKURIAW  
Finance Specialist  
SSC IPAS, UNOPS - HQ





## ANNUAL FINANCIAL STATEMENT

**Project :** 20269-001 - School Infrastructure Works in Partnership with World Vision  
**Partner(s):** 1454 - World Vision  
**As on:** 31-Dec-2018

### Income:

<b>Contributions</b>			
	2016	1,049,387	
	2018	493,788	
			1,543,175

<b>Total Income</b>	<b>A</b>	<b>1,543,175</b>
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### Less: Project Expenses

#### Period-Years

**2016**

Project(s) Expense	125,674	
Management Fees	10,934	
Net Exchange Gain/Loss	(3)	
		136,605

**2017**

Project(s) Expense	447,098	
Management Fees	38,898	
Net Exchange Gain/Loss	(26)	
		485,970

**2018**

Project(s) Expense	625,607	
Management Fees	54,428	
Net Exchange Gain/Loss	(7,010)	
		673,025

<b>Total Expenditure</b>	<b>B</b>	<b>1,295,600</b>
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<b>Less: Project Advances</b>	<b>C</b>	<b>0</b>
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<b>Less: Project Capitalised Assets</b>	<b>D</b>	<b>0</b>
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<b>Project Cash Balance</b>	<b>A-B-C-D</b>	<b>247,575</b>
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### Less: Actual Commitments

Commitments***	<b>E</b>	163,911
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Prepayments	<b>E</b>	0
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**163,911**

<b>Project Fund Balance</b>	<b>A-B-C-D-E</b>	<b>83,664</b>
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#### 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:

Comment:

Meron MEKURIAW  
Finance Specialist  
SSC IPAS, UNOPS - HQ

A handwritten signature in blue ink, consisting of a stylized initial 'M' followed by the name 'Meron Mekuriaw' written in cursive.

Date: 30 May 2019

Report run on: 27 May 2019

## **Annex II – Responsibility Statement by Management**

UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID: 20269-001 School Infrastructure Works in Partnership with World Vision

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 ID. 20269-001 School Infrastructure Works in Partnership with World Vision**. 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\$ 1,295,600** incurred by the UNOPS office for the period **01 June 2016 to 31 December 2018** 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. 20269-001 School Infrastructure Works in Partnership with World Vision**.



Name: Meron Mekuriaw

Financial Specialist  
CPH, SSC, IPAS Finance

Region: Denmark

Place : CPH

Date : 20 June 2019



Name: Sanjay MATHUR

Regional Director

Region: AR

Place : BKK

Date : 27 June 2019



Name: Simon James Darke

Project Manager

Region: AR, BKK

Place : Kathmandu, Nepal

Date : 13 June, 2019