UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

17 October 2019

PROJECT NAME: SCHOOL INFRASTRUCTURE WORKS IN PARTNERSHIP WITH WORLD VISION
PROJECT NUMBER: 20269-001
COUNTRY: NEPAL
AUDITOR: BDO LLP
PERIOD SUBJECT TO AUDIT: 1 JUNE 2016 TO 31 DECEMBER 2018
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## Acronyms and abbreviations

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<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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</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>UNOPS</td>
<td>United Nations Office for Project Services</td>
</tr>
<tr>
<td>US$</td>
<td>United States Dollars</td>
</tr>
</tbody>
</table>
UNOPS Internal Audit and Investigations Group
Financial audit report

School Infrastructure Works in Partnership with World Vision (20269-001), Nepal
1 June 2016 to 31 December 2018

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.
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

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2100 Copenhagen
Denmark
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## 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:

<table>
<thead>
<tr>
<th>Contributions</th>
<th>2016</th>
<th>2018</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,049,387</td>
<td>493,788</td>
<td></td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>A</strong></td>
<td><strong>1,543,175</strong></td>
<td></td>
</tr>
</tbody>
</table>

#### Less: Project Expenses

<table>
<thead>
<tr>
<th>Period-Years</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project(s) Expense</td>
<td>125,674</td>
<td>447,098</td>
<td>625,607</td>
</tr>
<tr>
<td>Management Fees</td>
<td>10,934</td>
<td>38,898</td>
<td>54,428</td>
</tr>
<tr>
<td>Net Exchange Gain/Loss</td>
<td>(3)</td>
<td>(26)</td>
<td>(7,010)</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td><strong>B</strong></td>
<td><strong>1,295,600</strong></td>
<td><strong>673,025</strong></td>
</tr>
</tbody>
</table>

#### Less: Project Advances

| C | 0 |

#### Less: Project Capitalised Assets

| D | 0 |

#### Project Cash Balance

| A-B-C-D | **247,575** |

#### Less: Actual Commitments

| Commitments*** | E | 163,911 |
| Prepayments    | E | 0       |

| A-B-C-D-E | **83,664** |

### 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  
_________________________  
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  Name: Sanjay MATHUR  Name: Simon James Darke
Financial Specialist  Regional Director  Project Manager
CPH, SSC, IPAS Finance
Region: Denmark  Region: AR  Region: AR, BKK
Place : CPH  Place : BKK  Place : Kathmandu, Nepal
Date : 20 June 2019  Date : 27 June 2019  Date : 13 June, 2019