UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

16 June 2020

PROJECT NAME: THE THREE MILLENNIUM DEVELOPMENT GOAL FUND (3MDG)
ENGAGEMENT NUMBER: 10636
COUNTRY: MYANMAR
AUDITOR: BDO LLP
PERIOD SUBJECT TO AUDIT: 1 JANUARY TO 31 DECEMBER 2018
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Acronyms and abbreviations

3MDG       The Three Millennium Development Goal Fund
FMO        Fund Management Office
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 ‘The Three Millennium Development Goal Fund (3MDG)’ ("the project") (oneUNOPS engagement ID 10636), which is implemented and managed by the UNOPS Office in Myanmar, for the period from 1 January 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 ‘The Three Millennium Development Goal Fund (3MDG)’ ("the project") (oneUNOPS engagement ID 10636), for the period from 1 January 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

16 June 2020
Responsibility statement by management

This is attached as Annex II to this report.
Annex I – Project financial statement
Date: May 5, 2020
Ref. Engagement No: 10636-31
Funding: 1112 - U.S. Agency for International Development (USAID),
1001 - Three Millennium Development Goal Fund (3MDG)

Dear Sir/Madam,

Subject: Final Financial Statement

We enclose the Final Financial Statement for engagement 10636-31 - Three Millennium Development Goal Fund for Myanmar (Award ID 00066803), which commenced in year 2012 and indicates the income and the incurred expenditure as at 31 December 2018.

We draw your attention to the following:

a. Total funds received: US$ 330,899,763 which includes interest earned: US$ 2,988,659
b. Incurred expenditure and management fee: US$ 308,022,206
c. Cash Surplus: US$ 22,877,557

If you have any question, please do not hesitate to contact the project focal point within 3 months from date of this letter, else the statement will be considered complete and final for the period reported.

Yours sincerely,

SVEN ECKERT
HEAD OF PROJECT FINANCE
UNOPS

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2100 Copenhagen
Denmark
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E-mail:info@unops.org
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# FINAL FINANCIAL STATEMENT*

**Engagement:** 10636-31 – 3MDG Three Millennium Development Goal Fund for Myanmar (Award ID 00066803)

**Partner(s):**
- 1112 - U.S. Agency for International Development (USAID),
- 1001 - Three Millennium Development Goal Fund (3MDG)

**Project End Date:** 31-Dec-2018

## Income:

### Contributions

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>34,162,498</td>
</tr>
<tr>
<td>2013</td>
<td>55,214,376</td>
</tr>
<tr>
<td>2014</td>
<td>67,993,387</td>
</tr>
<tr>
<td>2015</td>
<td>54,006,335</td>
</tr>
<tr>
<td>2016</td>
<td>55,685,999</td>
</tr>
<tr>
<td>2017</td>
<td>43,802,710</td>
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<tr>
<td>2018</td>
<td>12,889,087</td>
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</table>

Total: 323,754,392

### Interest

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>40,229</td>
</tr>
<tr>
<td>2013</td>
<td>240,258</td>
</tr>
<tr>
<td>2014</td>
<td>276,083</td>
</tr>
<tr>
<td>2015</td>
<td>404,253</td>
</tr>
<tr>
<td>2016</td>
<td>527,099</td>
</tr>
<tr>
<td>2017</td>
<td>504,924</td>
</tr>
<tr>
<td>2018</td>
<td>995,813</td>
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</tbody>
</table>

Total: 2,988,659

### Investment Income - General

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>400,000</td>
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</tbody>
</table>

Total: 400,000

### Transfers

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>926,601</td>
</tr>
<tr>
<td>2014</td>
<td>(926,601)</td>
</tr>
<tr>
<td>2016</td>
<td>3,756,712</td>
</tr>
</tbody>
</table>

Total: 3,756,712

### Total Income

<table>
<thead>
<tr>
<th></th>
<th>A</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>330,899,763</td>
</tr>
</tbody>
</table>

## Less: Engagement Expenses

### Period-Years

#### 2012

<table>
<thead>
<tr>
<th>Expense Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engagement Expense</td>
<td>531,166</td>
</tr>
<tr>
<td>Management Fees</td>
<td>37,182</td>
</tr>
<tr>
<td>Net Exchange Gain/Loss</td>
<td>1</td>
</tr>
</tbody>
</table>

Total: 568,349

#### 2013

<table>
<thead>
<tr>
<th>Expense Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engagement Expense</td>
<td>25,315,157</td>
</tr>
<tr>
<td>Management Fees</td>
<td>525,286</td>
</tr>
<tr>
<td>Net Exchange Gain/Loss</td>
<td>457</td>
</tr>
</tbody>
</table>

Total: 25,840,900
<table>
<thead>
<tr>
<th>Year</th>
<th>Engagement Expense</th>
<th>Management Fees</th>
<th>Net Exchange Gain/Loss</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>61,680,066</td>
<td>1,014,543</td>
<td>(9,935)</td>
<td>62,684,674</td>
</tr>
<tr>
<td>2015</td>
<td>73,653,827</td>
<td>1,449,773</td>
<td>68,409</td>
<td>75,172,009</td>
</tr>
<tr>
<td>2016</td>
<td>47,904,558</td>
<td>1,285,132</td>
<td>(1,475)</td>
<td>49,188,215</td>
</tr>
<tr>
<td>2017</td>
<td>44,693,915</td>
<td>1,217,602</td>
<td>3,317</td>
<td>45,914,834</td>
</tr>
<tr>
<td>2018</td>
<td>47,614,422</td>
<td>1,018,622</td>
<td>20,181</td>
<td>48,653,225</td>
</tr>
<tr>
<td></td>
<td><strong>Total Expenditure</strong></td>
<td></td>
<td></td>
<td><strong>308,022,206</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Engagement Cash Balance</strong></td>
<td>A-B-C-D</td>
<td></td>
<td><strong>22,877,557</strong></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 figures in the statement are rounded at the total of each line, however, the refund will be made based on precise cash balance of the project including decimals USD 22,877,556.68

Certified by: [Signature]
Comment: 
SVEN ECKERT  
HEAD OF PROJECT FINANCE  
UNOPS  
Date: 6 May 2020  
Report run on: 5 May 2020
Annex II – 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 Engagement ID 10636-31 (Award ID:00066803), The Three Millennium Development Goal Fund (3MDGF). 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$ 48,653,225 incurred by the UNOPS office for the period 1 January 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 Engagement ID 10636-31 The Three Millennium Development Goal Fund (3MDGF).

**ACCEPTED AND CERTIFIED:**

Name: Oren Ginzburg  
Fund Director, 3MDGF  
Region: AR  
Place: Myanmar  
Date: 17 May 2020

Name: Meron Mekuriaw  
Finance Specialist  
Region: IPAS Finance  
Place: Denmark  
Date: 18 May 2020

Name: Sanjay Mathur  
Regional Director  
Region: AR  
Place: Thailand  
Date: 26 May 2020