UNUNITED NATIONS OFFICE FOR PROJECT SERVICES
(UNOPS)

FINANCIAL AUDIT REPORT

21 January 2021

PROJECT NAME: REGIONAL ARTEMISININ 2 ELIMINATION (RAI2E)
PROJECT NUMBER: 20864-003 (WORK PACKAGE ID 20864-003-17)
COUNTRY: CAMBODIA
AUDITOR: BDO LLP
PERIOD SUBJECT TO AUDIT: 1 JANUARY TO 31 DECEMBER 2019
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Annex III – Responsibility statement by management
Acronyms and abbreviations

CNM National Centre for Parasitology, Entomology and Malaria Control
FB Fund Board
FMO Fund Manager’s Office
GFATM The Global Fund to fight AIDS, Tuberculosis and Malaria
IAIG Internal Audit and Investigations Group
IPSAS International Public Sector Accounting Standards
LLIN Long Lasting Insecticidal Nets
KHOC Cambodia Operations Centre
OC Operations Centre
PC Project Centre
PR Principal Recipient
PUDR Progress Update and Disbursement Request
RAI2E Regional Artemisinin Initiative 2 Elimination
RO Regional Office
SR Sub-recipient
TOR Terms of Reference
UNOPS United Nations Office for Project Services
USD 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 ‘Regional Artemisinin Initiative 2 Elimination (RAI2E)’ (“the project”) (oneUNOPS project ID 20864-003), which is implemented and managed by the UNOPS Office in Cambodia, for the period from 1 January to 31 December 2019.

In our opinion, the financial statement gives a true and fair view of, in all material respects, the income and expenditure of the project ‘Regional Artemisinin Initiative 2 Elimination (RAI2E)’ (“the project”) (oneUNOPS project ID 20864-003, work package ID 20864-003-17), for the period from 1 January to 31 December 2019 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 ‘Regional Artemisinin Initiative 2 Elimination (RAI2E)’ (oneUNOPS project ID 20864-003) of UNOPS as at 31 December 2019.

In our opinion, the statement of non-expendable property presents fairly, in all material respects, the status of non-expendable property of the project ‘Regional Artemisinin Initiative 2 Elimination (RAI2E)’ (oneUNOPS project ID 20864-003), of UNOPS as at 31 December 2019, 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.

Robert Waters
Partner
BDO LLP
55 Baker Street
London W1U 7EU
21 January 2021
Responsibility statement by management

This is attached as Annex III to this report.
## Annex I – Project financial statement

### Annual Financial Statement

<table>
<thead>
<tr>
<th>Project:</th>
<th>GFATM-PR-RAI2E-Regional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner(s):</td>
<td>1679 - GFATM-AID Global Fund to fight AIDS (GFATM-AID), 1681 - GFATM-MAL Global Fund to fight Malaria (GFATM-MAL)</td>
</tr>
<tr>
<td>As on:</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>

### Income:

- **Contributions**
  - 2018: 66,340,724
  - 2019: 81,579,704

- **Interest**
  - 2018: 159,016
  - 2019: 183,591

- **Miscellaneous Revenue**
  - 2018: 32,392
  - 2019: 18,376

- **Transfers**
  - 2018: 909,071

### Total Income:

- 2018: 147,920,428
- 2019: 969,071

### Less: Project Expenses

- **2018**
  - 20864-003-01 - NMCP : National Malaria Control Programme: 8,226,669
  - 20864-003-02 - MCC : Myanmar Council Of Churches: 704,080
  - 20864-003-03 - MMA : Myanmar Medical Association: 539,011
  - 20864-003-04 - MHAA : Myanmar Health Assistant Association: 67,109
  - 20864-003-05 - MRCS : Myanmar Red Cross Society: 580,531
  - 20864-003-06 - MAM : Medical Action Myanmar: 2,320,884
  - 20864-003-07 - SMRU : Shoklo Malaria Research Unit: 1,675,754
  - 20864-003-08 - WHO : World Health Organization (Mya): 2,187,298
  - 20864-003-09 - SCI : Save the Children Federation Inc.: 6,228,321
  - 20864-003-10 - United Nations Office for Project Services (Mya): 4,604,111
  - 20864-003-11 - Ministry of Economy and Finance of the Kingdom of Cambodia (Carm): 610,333
  - 20864-003-12 - National Center for Parasitology Entomology and Malaria Control (Carm): 3,680,059
  - 20864-003-13 - World Health Organization (Carm): 500,263
  - 20864-003-14 - Population Services International (Carm): 1,265,390
  - 20864-003-15 - Care international (Carm): 848,859
  - 20864-003-16 - Catholic Relief Services (Carm): 906,725
  - 20864-003-17 - United Nations Office for Project Services (Carm): 2,713,479
  - 20864-003-18 - Laos: 2,601,731
  - 20864-003-19 - Thailand: 6,864,387

- **Total Expenses**: 149,223,074
INternal audit and investigations group

Financial audit report
Regional Artemisinin Initiative 2 Elimination (RAI2E)', (20864-003), Cambodia
1 January to 31 December 2019
## UNOPS Internal Audit and Investigations Group

**Financial audit report**

Regional Artemisinin Initiative 2 Elimination (RAI2E)’, (20864-003), Cambodia

1 January to 31 December 2019

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### Financial Statement

**Total Expenditure**: 147,827,780

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less: Project Advances</td>
<td>356,713</td>
</tr>
<tr>
<td>Less: Project Capitalised Assets</td>
<td>32,521</td>
</tr>
<tr>
<td><strong>Cash Balance</strong></td>
<td><strong>1,086,069</strong></td>
</tr>
<tr>
<td>Less: Commitments**</td>
<td>8,390,138</td>
</tr>
<tr>
<td>Less: Prepayments</td>
<td>(70,969)</td>
</tr>
<tr>
<td><strong>Fund Balance (F)</strong></td>
<td><strong>8,369,170</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 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.

* Currency revaluations are done at the end of the year as per IPSAS requirement, and they are reversed in the following year.

Certified by: [Signature]

Meron MECURIJAW, Finance Specialist, SSC IPAS, UNOPS

Comment:
Annex II – Statement of non-expendable property
<table>
<thead>
<tr>
<th>No.</th>
<th>In Service Date</th>
<th>Asset ID</th>
<th>Description of Item</th>
<th>Serial Number</th>
<th>Make / Model</th>
<th>Location</th>
<th>Status of Item</th>
<th>Warranty Start</th>
<th>Warranty End</th>
<th>MVU</th>
<th>Condition</th>
<th>Remarks</th>
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<tr>
<td>0015</td>
<td>08-Aug-2021</td>
<td>01002</td>
<td>Tractor Trailer Unit (TLU)</td>
<td>02T081</td>
<td>International</td>
<td>0800-3630-17</td>
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<td>320.00</td>
<td>320.00</td>
<td>0</td>
<td>Good condition</td>
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<td>450.00</td>
<td>450.00</td>
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<td>Thermo King</td>
<td>6000-9009-17</td>
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<td>0</td>
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</tr>
<tr>
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</tr>
</tbody>
</table>

*Prepared by:*
Name: Anurudh KONIS
Position: ICT/Asset Management Officer
Date: September 30, 2020

*Verified by:*
Name: Chon Anandith CHETH
Position: Finance Analyst-Capacity Building and Compliance
Date: September 30, 2020

*Pre-Certified by:*
Name: Linda Arthadeep
Position: Programme and Finance Support Officer
Date: September 30, 2020

*Certified by:*
Name: Mohammad Nasir ULI
Position: Senior Programme Coordinator
Date: September 30, 2020
Annex III – Responsibility Statement by Management
UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project Work Package: 20864-003-17
Regional Artemisinin Initiative 2 Elimination (RAI2E)

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: 20864-003-17 Regional Artemisinin Initiative 2 Elimination (RAI2E) 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 US$2,651,744 (In word: United States Dollar Two Million Six Hundred Fifty One Thousand Seven Hundred and Forty Four only), incurred by the UNOPS office for the period 01 January 2019 to 31 December 2019 in accordance with the accounting policies set out in the Notes to the Statement and in conformity with approved activities and budgets of Regional Artemisinin Initiative 2 Elimination (RAI2E) under Project Work package: 20864-003-17.

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 2019 amounting to US$ 32,521 as net Book Value in accordance with the Non-Expendable Inventory listing certified by project management.

ACCEPTED AND CERTIFIED

Dr. Attila Molnar

Name: Attila MOLNAR
Name: Meron MEKURIAW
Name: Sanjay MATHUR

Program Director
PR-GFATM, UNOPS Asia Region
Region: AR
Place: Yangon, Myanmar
Date: 11th November 2020

Finance Specialist
SSC – Project Finance
Region: UNOPS-HQ
Place: Copenhagen, Denmark
Date: 12th November 2020

Regional Director
UNOPS Asia Region
Region: AR
Place: Bangkok, Thailand
Date: 13 November 2020