UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

18 October 2022

PROJECT NAME: C19RM – RAi3E
PROJECT NUMBER: 20864-008 (Work Package 20864-008-13)
COUNTRY: MYANMAR
AUDITOR: BDO LLP
PERIOD SUBJECT TO AUDIT: 1 January to 31 December 2021
Contents

Acronyms and abbreviations ........................................................................................................... 3

Financial audit report .................................................................................................................. 4
  Audit opinion on the project financial statement ....................................................................... 4
  Audit opinion on the statement of non-expendable property .................................................. 6

Annex I – Project financial statement
Annex II – Statement of non-expendable property
Annex III – Responsibility statement by management
## Acronyms and abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>C19RM</td>
<td>Covid-19 Response Mechanism</td>
</tr>
<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>
Financial audit report

Audit opinion on the project financial statement

Unmodified opinion
We have audited the accompanying project financial statement for the project ‘C19RM – RAI3E’ (‘the project’) (oneUNOPS project ID 20864-008, work package 20864-008-13), which is implemented and managed by the UNOPS Office in Myanmar, for the period from 1 January to 31 December 2021.

In our opinion, the financial statement gives a true and fair view of, in all material respects, the income and expenditure of the project ‘C19RM – RAI3E’ (‘the project’) (oneUNOPS project ID 20864-008, work package 20864-008-13), for the period from 1 January to 31 December 2021 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.

**Use of this report**

This report is made solely to UNOPS, in accordance with terms of reference defined by UNOPS. Our work has been undertaken so that we might state to UNOPS those matters we are required to state to it in accordance with UNOPS’s terms of reference and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than UNOPS, for our work, for this report, or for the opinions we have formed.

**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 ‘C19RM – RAI3E’ (oneUNOPS project ID 20864-008, work package 20864-008-13) of UNOPS as at 31 December 2021.

In our opinion, the statement of non-expendable property presents fairly, in all material respects, the status of non-expendable property of the project ‘C19RM – RAI3E’ (oneUNOPS project ID 20864-008, work package 20864-008-13), as at 31 December 2021, 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 report¹.

Robert Waters
Partner

BDO LLP
55 Baker Street
London W1U 7EU

18 October 2022

---

¹ The attached financial statement includes all expenditure reported against the ‘C19RM – RAI3E’ grant with oneUNOPS project ID 20864-008, for the period from 1 January to 31 December 2021. The scope of this audit concerns only the expenditure amounting to US$ 7,778,380 as incurred by UNOPS Myanmar as Principal Recipient with oneUNOPS project ID 20864-008, and work package ID 20864-008-13.
Responsibility statement by management

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

**Project:** 20864-008 - C19RM - RAI3E  
**Partner(s):**  
1679 - GFATM-AID Global Fund to fight AIDS  
1681 - GFATM-MAL Global Fund to fight Malaria  
**As on:** 31 Dec 2021

## Income:

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td></td>
<td>31,359,778</td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td>282</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td></td>
<td>2,454</td>
</tr>
<tr>
<td>Transfers</td>
<td></td>
<td>3,252,489</td>
</tr>
</tbody>
</table>

**Total Income**  
A  
34,615,003

## Less: Project Expenses

**Period-Years**  
2021

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>20864-008-01 - MAM : Medical Action Myanmar</td>
<td>1,429,683</td>
</tr>
<tr>
<td>20864-008-02 - MCC : Myanmar Council Of Churches</td>
<td>3,148</td>
</tr>
<tr>
<td>20864-008-03 - MHAA : Myanmar Health Assistant Association</td>
<td>135,394</td>
</tr>
<tr>
<td>20864-008-04 - MMA : Myanmar Medical Association</td>
<td>123,503</td>
</tr>
<tr>
<td>20864-008-05 - MRCRS : Myanmar Red Cross Society</td>
<td>33,489</td>
</tr>
<tr>
<td>20864-008-06 - NAP : National AIDS Programme</td>
<td>30,208</td>
</tr>
<tr>
<td>20864-008-08 - NTP : National TB Programme</td>
<td>5,529</td>
</tr>
<tr>
<td>20864-008-10 - SMRU : Shoklo Malaria Research Unit</td>
<td>402,120</td>
</tr>
<tr>
<td>20864-008-11 - UNION : The UNION</td>
<td>521,779</td>
</tr>
<tr>
<td>20864-008-13 - United Nations Office for Project Services (Mya)</td>
<td>7,778,380</td>
</tr>
<tr>
<td>20864-008-14 - SCI : Save the Children Federation, Inc.</td>
<td>3,959,430</td>
</tr>
</tbody>
</table>

**Total Expenditure**  
B  
14,422,663

## Project Cash Balance (Surplus)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>A - B</td>
<td>20,192,340</td>
</tr>
</tbody>
</table>
Less: Actual Commitments

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>PO Commitments</td>
<td>C</td>
</tr>
<tr>
<td>Projected Fees on Commitments</td>
<td>C</td>
</tr>
</tbody>
</table>

Project Fund Balance (Surplus) = A - B - C = 19,798,099

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 utilization of project funds as of the reporting period, these commitments are not charged as an expense until the goods are delivered or services rendered.
- Currency revaluations are done at the end of the year as per IPSAS requirement, and they are reversed in the following year.

Note on Work Package 20864-008-13:
Expenditure for the fiscal year 2021 excludes expenses of $817,116 and related management fees of $32,685, which were incorrectly allocated to project RAIE, work package 20864-007-09 (this amount has been recorded in oneUNOPS in 2022 under 20864-008-13).
In addition, expenses of $398,436 and related management fees of $15,937 are understated in this AFS, as an adjustment to reallocate C19RM – RAIE expenditure from work package 20864-007-09 to work package 20864-008-13, was posted incorrectly (this amount has also been recorded in oneUNOPS in 2022).

Across these two work packages, 20864-007-09 and 20864-008-13, the net impact of the above adjustments is nil.

Certified by: [Signature]

Report run on: 20 May 2022
Dear Sir/Madam,

Subject: ANNUAL FINANCIAL STATEMENT

We enclose the Annual Financial Statement for project 20864-008 - C19RM - RA13E, which commenced in year 2021 and indicates the incurred expenditure as at 31 Dec 2021.

We draw your attention to the following:

a. Total funds received: US$ 34,615,003 which includes interest earned: US$ 282
b. Incurred expenditure and management fee: US$ 14,422,663
c. Commitments: US$ 394,241
d. Fund Balance: US$ 19,798,099

If you have any questions, please do not hesitate to contact UNOPS.
Annex II – Statement of non-expendable property
| Serial Number | Rate | Asset Tag Number | Asset Tag ID | Brand | Model | Description | Acquisition Date | Cost (THB) | USTD | Project | PO NO. | Location | Vendor | Enclosure Location | Physical Location | Previous Location | Current Location | Asset Status | Current Condition | Unit of Useful Life | ISP | ISP's Reference | Requesting Year | Number of Current Period (Expiry Month) | ISP's Current Value | ISP's Current Life | ISP's salvage value | ISP's textile (amount paid) |
|---------------|------|------------------|--------------|-------|-------|-------------|-----------------|------------|------|---------|-------|---------|--------|--------------------|-----------------|---------------|-----------------|-------------|-----------------|-------------------|---------------|-----------------|-------------------|------------------|
| HK171         | 74   | X711             | 8015         | Dell  | 7100  | Dell OptiPlex 7550 | 13-12-23      | 47,400.00  | 1,400 | 3204-807 | 51403541 | 69932635 | 119143-PC Lam | THAM0415 | 1456-AHPIC |          | Suppress     | YES               | Dell OptiPlex 7550 | NO              | 30              | 15-Dec-2021     | 31-Dec-2021     | 1                | 1,400           | 35              | 1,291           | 30              |
| **Total**     |      |                  |              |       |       |             |                |            |      |         |       |         |         |                    |                 |               |                 |             |                |                   |                |                |                   |                 |                |                 |                |
Annex III – 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 20864-008 (WP: 20864-008-13), Project name: C19RM - RA13E. 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$ 7,778,380** (In words: United States Dollar Seven Million Seven Hundred Seventy Eight Thousand Three Hundred and Eighty only) incurred by the UNOPS office for the period 1 January 2021 to 31 December 2021 in accordance with the accounting policies set out in the Notes to the Statement and in conformity with approved activities and budgets Project ID 20864-008 (WP: 20864-008-13), Project name: C19RM - RA13E.

**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 2021 amounting to **US$ 1,367** (In words: United States Dollar One Thousand Three Hundred and Sixty Seven only) as net book Value in accordance with the Non-Expendable Inventory listing certified by project management.

ACCEPTED AND CERTIFIED:

Region: AR
Place: Yangon, Myanmar
Date: 17th October 2022

Region: UNOPS – HQ
Place: Copenhagen, Denmark
Date: 17th October 2022

Region: AR
Place: Bangkok, Thailand
Date: 17 October 2022