



AUDIT

OF

UN WOMEN MULTI-COUNTRY OFFICE IN FIJI

The UN Women Markets for Change Program
(Directly Implemented Project No. 89127)

Report No. 1858

Issue Date: 24 August 2017



**Report on the Audit of UN Women Multi-Country Office in Fiji
The UN Women Markets for Change Program (Project No. 89127)
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through KPMG SA (the audit firm), from 12 to 23 June 2017, conducted an audit of The UN Women Markets for Change Program, Project No. 89127 (the Project), which is directly implemented and managed by the UN Women Multi-Country Office in Fiji (the Office). This was the first audit of the Project.

The audit firm conducted a financial audit to express an opinion on whether the financial statements present fairly, in all material aspects, the Project's operations. The audit covered the Project's Trial Balance Report, which includes expenditure for the period from 1 January 2016 to 31 December 2016 and the Statement of Assets as of 31 December 2016. The audit did not include expenditures processed and approved outside of the country (such as by UN Women Regional Centres and UN Women Headquarters).

The audit was conducted under the general supervision of OAI in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

Audit results

Based on the audit report and corresponding management letter submitted by the audit firm, the results are summarized in the table below:

Project Expenditure*		Project Assets	
Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
1,627	Unqualified	10	Unqualified

* Expenditures recorded in the Project Trial Balance were \$ 2,037,558. Excluded from the audit scope were transactions that relate to expenditures processed and approved by other UN Women offices outside of the country in (\$410,330).

The audit did not result in any recommendations.



Management comments

Comments and/or additional information provided have been incorporated into the report, where appropriate.



Helge S. Ostveiten
Director
Office of Audit and Investigations

A handwritten signature in blue ink is enclosed in a black rectangular box. The signature is stylized and appears to read 'H. Ostveiten'. Below the signature, the name and title of the signatory are printed in black text.



United Nations Development Programme (UNDP)

Report of the Independent Auditor on the United Nations
Entity for Gender Equality and the Empowerment of
Women (UN Women) Directly Implemented (DIM)
Project 00089127, “The UN Women Markets for Change
Program”

- Fiji Multi-Country Office -

For the year ended 31 December 2016



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KPMG SA
Audit Western Switzerland
111 Rue de Lyon
CH-1203 Geneva

P.O. Box 347
CH-1211 Geneva 13

Telephone +41 58 249 25 15
Fax +41 58 249 25 13
Internet www.kpmg.ch

Executive Summary

KPMG Geneva conducted the financial audit of UN Women Fiji Multi-Country Office (MCO) project number 00089127, “The UN Women Markets for Change Program” (the project) for the period 1 January to 31 December 2016. The audit was undertaken on behalf of the Office of Audit and Investigations (OAI), United Nations Development Programme (UNDP).

We have issued audit opinions as summarized in the table below and as detailed in the next section:

Project Trial Balance (PTB) Statement	Unmodified
Project Statement of Fixed Assets	Unmodified

There were no reportable findings with a Medium or High priority rating consequently we do not provide a management letter. The project was not implemented in the prior period, consequently there were no audit findings for follow up.

KPMG SA

Karina Vartanova
Director

Henri Mwaniki

Geneva, 15 August 2017



Audit Objectives and Scope

The objective of the financial audit was to express an opinion on the Directly Implemented Modality (DIM) project’s statements which include:

- Expressing an opinion on whether the financial expenses incurred by the project between 1 January and 31 December 2016 are fairly presented in accordance with UN Women accounting policies and that the expenses incurred were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UN Women; and (iv) supported by properly approved vouchers and other supporting documents. The Project Trial Balance (PTB) certified by the UN Women Chief of Accounts is the mandatory and official Statement upon which the audit opinion is expressed.
- Expressing an opinion on whether the Project Statement of Fixed Assets presents fairly the balance of assets of the UN Women project as at 31 December 2016. This Statement includes all assets available as at 31 December 2016 and not only those purchased in the period. The Project Statement of Fixed Assets as at 31 December 2016, certified by the UN Women Chief of Accounts, is the mandatory and official Statement upon which the audit opinion should be expressed. Where a DIM project does not have any assets or equipment, no opinion is expressed.

The scope of the audit relates only to transactions concluded and recorded against the UN Women DIM project, between 1 January and 31 December 2016. The scope of the audit did not include:

- Activities and expenses incurred or undertaken at the level of “responsible parties”, unless the inclusion of these expenses is specifically required in the request for proposal; and
- Expenses processed and approved in locations outside the Country Office responsible for the project, such as expenditures initiated at UN Women Regional Offices and UN Women Headquarters for which the supporting documentation is not retained at the level of the UN Women country office.



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Independent Auditors' Report

Project Trial Balance (PTB) Statement

To: Director, Office of Audit and Investigations (OAI),
United Nations Development Programme (UNDP)

Audited Project: "The UN Women Markets for Change Program"

Period covered by the audited PTB Statement: From 1 January 2016 to 31 December 2016

Atlas Project Number to identify the PTB: 00089127

Location: Fiji Multi-Country Office

We have audited the accompanying Project Trial Balance (PTB) of the UN Women Fiji MCO, project number 00089127 "Markets for Change" for the period 1 January to 31 December 2016.

The Project Trial Balance expenditures totaling US\$ 2,037,558 are comprised of expenditure directly incurred by the UN Women Multi-Country Office in Fiji for an amount of US\$ 1,627,228 and expenditures incurred by entities other than the Multi-Country Office for an amount of US\$ 410,330. Our audit only covered the expenditure directly incurred by the UN Women Multi-Country in Fiji of US\$ 1,627,228.

Unmodified Opinion

In our opinion, the attached Project Trial Balance (PTB) presents fairly, in all material respects, the expenses of US\$ 1,627,228 directly incurred by the UN Women Multi-Country Office in Fiji and charged to the project for the period 1 January to 31 December 2016 in accordance with UN Women accounting policies and were i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UN Women; and (iv) supported by properly approved vouchers and other supporting documents.

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 responsibilities for the audit of the Project Trial Balance section of our report. We are independent of UN Women in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with this code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities

Management is responsible for the preparation of the Project Trial Balance of the project and for such internal control as management determines is necessary to enable the preparation of a Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities

Our objectives are to obtain reasonable assurance about whether the Project Trial Balance 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 economic decisions of users taken on the basis of these documents.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

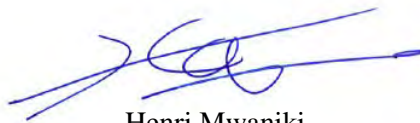
- Identify and assess the risks of material misstatement of the Project Trial Balance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization’s internal control.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG SA



Karina Vartanova
Director



Henri Mwaniki

Geneva, 15 August 2017



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Audit Western Switzerland
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CH-1203 Geneva

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CH-1211 Geneva 13

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Independent Auditors' Report

Statement of Fixed Assets

To: Director, Office of Audit and Investigations,
United Nations Development Programme (UNDP)

Audited Project: "The UN Women Markets for Change Program"

Period covered by the Statement of Fixed Assets: 1 January 2016 to 31 December 2016

Atlas Project Number to identify the PTB: 00089127

Location: Fiji MCO

We have audited the accompanying Statement of Fixed Assets of the UN Women Fiji MCO project number 00089127 "The UN Women Markets for Change Program" as at 31 December 2016.

Unmodified Opinion

In our opinion, the accompanying Statement of Fixed Assets presents fairly, in all material respects, the assets status of the UN Women Multi-Country Office in Fiji, project number 00089127, with a Net Book Value of US\$ 10,360 as at 31 December 2016 in accordance with UN Women accounting policies.

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 responsibilities for the audit of the statement of fixed assets section of our report. We are independent of UN Women in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with this code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities

Management is responsible for the preparation of the Statement of Fixed Assets, and for such internal control as management determines is necessary to enable the preparation of the Statement of Fixed Assets that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities

Our objectives are to obtain reasonable assurance about whether the Statement of Fixed Assets 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 economic decisions of users taken on the basis of these documents.



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement of Fixed Assets, 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization’s internal control.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG SA

Karina Vartanova
Director

Henri Mwaniki

Geneva, 15 August 2017


Annex 1: Project Trial Balance (PTB) Statement

Extract of UN Women Trial balance as at the 31 December 2016
Expenditure by Project

Project	Account	Acct Desc	Donor report classification	Total	Total Per Asset Schedule	Difference:
89127	18130	Communications & IT Equipments	Assets	15,967.07		
89127	18630	Accumulated Dep - ITC	Assets	(5,607.22)		
89127			Assets - Total	10,359.85	10,359.88	(0.03)
89127	61305	Salaries - IP Staff	Expenses	70,123.34		
89127	61310	Post Adjustment - IP Staff	Expenses	21,673.85		
89127	62305	Dependency Allowances-IP Staff	Expenses	7,979.07		
89127	62310	Contrib to Jt Staff Pens Fd-IP	Expenses	21,296.47		
89127	62315	Contrib. to Medical, social In	Expenses	3,312.57		
89127	62320	Mobility, Hardship, Non-remova	Expenses	7,990.40		
89127	62390	Rental Supplements - IP Staff	Expenses	22,609.31		
89127	62340	Annual Leave Expense - IP	Expenses	(463.39)		
89127	63330	Ed Grt Incl Trvl&Allow-IP Stf	Expenses	7,431.19		
89127	63335	Home Leave Trvl & Allow-IP Stf	Expenses	3,699.96		
89127	63515	Security-related Costs	Expenses	23,980.67		
89127	63530	Contribution to EOS Benefits	Expenses	3,442.38		
89127	63535	Contribution to Security	Expenses	3,671.90		
89127	63540	Contribution to Training	Expenses	917.96		
89127	63545	Contribution to ICT	Expenses	3,671.90		
89127	63550	Contributions to MAIP	Expenses	183.61		
89127	63555	Contribution to UN JFA	Expenses	1,652.32		
89127	63560	Contributions to Appendix D	Expenses	275.42		
89127	65115	Contributions to ASHI Reserve	Expenses	7,343.77		
89127	65135	Payroll Mgt Cost Recovery ATLA	Expenses	1,223.22		
89127	71205	Intl Consultants-Snt Term-Tech	Expenses	40,466.05		
89127	71305	Local Consult.-Snt Term-Tech	Expenses	169,629.19		
89127	71405	Service Contracts-Individuals	Expenses	162,425.61		
89127	71410	MAIP Premium SC	Expenses	458.87		
89127	71415	Contribution to Security SC	Expenses	5,047.74		
89127	71440	Appendix D SC	Expenses	3,671.09		
89127	71505	UN Volunteers-Stipend & Allow	Expenses	6,522.48		
89127	71605	Travel Tickets-International	Expenses	74,847.42		
89127	71610	Travel Tickets-Local	Expenses	22,623.29		
89127	71615	Daily Subsistence Allow-Intl	Expenses	15,758.14		
89127	71620	Daily Subsistence Allow-Local	Expenses	54,432.80		
89127	71635	Travel - Other	Expenses	20,428.19		
89127	72105	Svc Co-Construction & Engineer	Expenses	50,157.59		
89127	72120	Svc Co-Trade and Business Serv	Expenses	8,152.43		
89127	72125	Svc Co-Studies & Research Serv	Expenses	228.00		
89127	72145	Svc Co-Training and Educ Serv	Expenses	648.77		
89127	72210	Machinery and Equipment	Expenses	1,835.75		
89127	72220	Furniture	Expenses	51,189.24		
89127	72305	Agri & Forestry Products	Expenses	167,044.93		
89127	72399	Other Materials and Goods	Expenses	100,917.74		
89127	72405	Acquisition of Communic Equip	Expenses	810.93		
89127	72410	Acquisition of Audio Visual Eq	Expenses	370.65		
89127	72415	Courier Charges	Expenses	6,855.97		
89127	72420	Land Telephone Charges	Expenses	738.85		
89127	72425	Mobile Telephone Charges	Expenses	3,856.02		
89127	72430	Postage and Pouch	Expenses	5.71		
89127	72440	Connectivity Charges	Expenses	1,349.03		
89127	72445	Common Services-Communications	Expenses	2,331.54		
89127	72505	Stationery & other Office Supp	Expenses	16,446.12		
89127	72510	Publications	Expenses	809.75		
89127	72605	Grants to Instit & other Benef	Expenses	-		
89127	72710	Hospitality-Vouchered Expenses	Expenses	80.54		
89127	72715	Hospitality Catering	Expenses	4,114.01		
89127	72805	Acquis of Computer Hardware	Expenses	771.99		
89127	72815	Inform Technology Supplies	Expenses	491.37		
89127	73104	Leased Building	Expenses	(64.65)		
89127	73105	Rent	Expenses	24,114.31		
89127	73107	Rent - Meeting Rooms	Expenses	8,230.43		
89127	73115	Moving Expenses	Expenses	22,905.81		
89127	73120	Utilities	Expenses	6,670.42		
89127	73125	Common Services-Premises	Expenses	5,411.96		
89127	73216	Construction Cost	Expenses	86,465.97		
89127	73305	Maint & Licencing of Hardware	Expenses	63.03		
89127	74205	Audio Visual Productions	Expenses	16,319.09		
89127	74210	Printing and Publications	Expenses	32,360.06		
89127	74215	Promotional Materials and Dist	Expenses	86,218.44		
89127	74225	Other Media Costs	Expenses	2,172.37		
89127	74230	Audio & Visual Equipment	Expenses	768.66		
89127	74515	Claims and Adjustments	Expenses	822.27		
89127	74520	Storage	Expenses	117.26		
89127	74599	UNDP cost recovery chrgs-Bills	Expenses	12,391.60		
89127	74710	Land Transport	Expenses	10,076.45		
89127	74965	Low value equipment	Expenses	-		
89127	75105	Facilities & Admin - implement	Expenses	32,430.85		
89127	75115	Facilities & Admin - OH & ind	Expenses	410,329.94		
89127	75705	Learning Costs	Expenses	41,519.04		
89127	75709	Learning - training of counter	Expenses	26,581.15		
89127	75710	Participation of counterparts	Expenses	1,431.09		
89127	76125	Realized Loss	Expenses	1,198.60		
89127	77630	Dep Exp Owned - ITC	Expenses	2,489.23		
89127	77660	Dep Exp Owned -Vehicle	Expenses	-		
89127		Expenses Total		2,037,558.08		
89127				2,047,917.93		

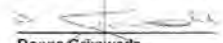


Karina Vartanova, Director
KPMG SA, Geneva
15 August 2017



Henri Mwaniki, Senior Manager
KPMG SA, Geneva
15 August 2017

I hereby certify that the Trial Balance is extracted from UN-Women's books and records which have been audited by the United Nations Board of Audit for the year ended 31 December 2016


Donna Grimwade
Chief of Accounts

16-May-17
Date


KPMG
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PURPOSES ONLY 9


Annex 2: Project Statement of Fixed Assets

Asset Schedule by Project as at the 31 December 2016

Business unit	Operating Unit	Asset ID	Profile ID	Description	TAG Number	Serial Number	Model	Location	Acquisition Date	In Service Date	Cost,USD	Net Book Value	Quantity	Department	Impl Agency	Donor	Project	Fund code
FJI30	FJI	548 UNW ICT1		A Notebook computers	UNW/COMP/350	SCG44327WD	M4C_PROJ		11/27/2014	11/27/2014	1,776.32	983.7	1	92301	2001	55	89127 W3000	
FJI30	FJI	549 UNW ICT1		A Notebook computers	UNW/COMP/346	SCG44327W8	FJI_012		11/27/2014	11/27/2014	1,776.32	983.7	1	92301	2001	55	89127 W3000	
FJI30	FJI	550 UNW ICT1		A Notebook computers	UNW/COMP/347	SCG44327WV	FJI_021		11/27/2014	11/27/2014	1,776.32	983.7	1	92301	2001	55	89127 W3000	
FJI30	FJI	551 UNW ICT1		A Notebook computers	UNW/COMP/342	M4C_MP	FJI_048_MP		11/27/2014	11/27/2014	1,776.32	983.7	1	92301	2001	55	89127 W3000	
FJI30	FJI	552 UNW ICT1		A Notebook computers	UNW/COMP/349	SCG44327W3	M4C_PROJ		11/27/2014	11/27/2014	1,776.32	983.7	1	92301	2001	55	89127 W3000	
FJI30	FJI	553 UNW ICT1		A Notebook computers	UNW/COMP/348	SCG44327WM	M4C_PROJ		11/27/2014	11/27/2014	1,776.32	983.7	1	92301	2001	55	89127 W3000	
FJI30	FJI	554 UNW ICT1		A Notebook computers	UNW/COMP/351	SCG44327WY	M4C_PROJ		11/27/2014	11/27/2014	1,776.32	983.7	1	92301	2001	55	89127 W3000	
FJI30	FJI	1272 UNW ICT1		A Notebook computers		1272 SCG631X961	FJI30		12/12/2016	12/12/2016	1,766.43	1,736.99	1	92301	2001	32	89127 W0001	
FJI30	FJI	1273 UNW ICT1		A Notebook computers		1273 SCG631X96Q	FJI30		12/12/2016	12/12/2016	1,766.43	1,736.99	1	92301	2001	32	89127 W0001	
											<u>15,967.10</u>	<u>10,359.88</u>						

I hereby certify that the Asset Schedule is extracted from UN-Women's books and records, which have been audited by the United Nations Board of Audit for the year ended 31 December 2016



Donna Gfimwade
Chief of Accounts


Frankline Okumu
Asset Focal Point

15-May-17
Date

15-May-17
Date


Karina Vartanova, Director
KPMG SA, Geneva
15 August 2017


Henri Mwaniki, Senior Manager
KPMG SA, Geneva
15 August 2017