UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

9 October 2018

PROJECT NAME: RURAL ACCESS IMPROVEMENT PROJECT (RAIP) III
PROJECT NUMBER: 84840
COUNTRY: AFGHANISTAN
AUDITOR: MOORE STEPHENS LLP
PERIOD SUBJECT TO AUDIT: 1 JANUARY 2015 TO 30 JUNE 2018
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Acronyms and abbreviations

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 ‘Rural Access Improvement Project (RAIP) III’ (‘the project’) (oneUNOPS project ID 84840), which is implemented and managed by the UNOPS Office in Afghanistan, for the period from 1 January 2015 to 30 June 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 ‘Rural Access Improvement Project (RAIP) III’ (‘the project’) (oneUNOPS project ID 84840), for the period from 1 January 2015 to 30 June 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.

Mark Henderson
Partner
Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB

9 October 2018
Responsibility statement by management
This is attached as Annex II to this report.
Annex I – Project financial statement
Date: July 10, 2018  
Ref. Project No: 84840  
Funding: SIDA Swedish International Development Cooperation Agency (Sida)  

Mr Niklas Eklund  
Programme Manager/Specialist Private Sector Development  
Afghanistan Unit  
Department for Asia, North Africa and Human Assistance  
Swedish International Development Cooperation Agency (Sida)  
SE-105 25 Stockholm, Sweden  

Dear Sir/Madam,  

Subject: **Interim Financial Statement**  

We enclose the **Interim Financial Statement** for project 84840 - Rural Access Improvement Project III (RAIP III), which commenced in year 2013 and indicates the incurred expenditure as at 30/06/2018  

We draw your attention to the following:  
a. Incurred expenditure and management fee: US$ **29,560,147**  
b. Project advances: US$ **0** and open purchase order: US$ **0**  
c. Total funds received: US$ **30,161,782** which includes interest earned: US$ **181,537**  
d. Project Capitalised Asset: US$ **0**  
e. Fund Surplus: US$ **601,635**  

If you have any question, please do not hesitate to contact UNOPS.  

Yours sincerely,  

[Signature]  
MERON MEKURIAW  
FINANCE SPECIALIST  
SSC IPAS, UNOPS HQ  

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UNOPS is ISO 9001 certified
# INTERIM FINANCIAL STATEMENT

**Project:** 84840 - Rural Access Improvement Project III (RAIP III)
**Partner(s):** 1108 - SIDA Swedish International Development Cooperation Agency (Sida)
**As on:** 30-Jun-2018

## Income:

**Contributions**

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>6,199,573</td>
</tr>
<tr>
<td>2014</td>
<td>14,488,540</td>
</tr>
<tr>
<td>2015</td>
<td>9,223,317</td>
</tr>
<tr>
<td>2018</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Income**  : 30,161,782

## Less: Project Expenses

**Period-Years**

**2013**

- Project(s) Expense: 4,086,970
- Management Fees: 286,088
- Net Exchange Gain/Loss: 51

**2014**

- Project(s) Expense: 10,970,968
- Management Fees: 767,966
- Net Exchange Gain/Loss: 124

**2015**

- Project(s) Expense: 8,206,685
- Management Fees: 574,845
- Net Exchange Gain/Loss: (2,117)

**Total Project Expenses**  : 22,365,609

**Net Income**  : 7,796,173
### INTERIM FINANCIAL STATEMENT

**Project:** 84840 - Rural Access Improvement Project III (RAIP III)

**Partner(s):** 1108 - SIDA Swedish International Development Cooperation Agency (Sida)

**As on:** 30-Jun-2018

#### 2016

- **Project(s) Expense:** $4,096,122
- **Management Fees:** $286,729
- **Net Exchange Gain/Loss:** $453

**Total Expenditure:** $4,383,304

#### 2017

- **Project(s) Expense:** $267,017
- **Management Fees:** $18,691
- **Net Exchange Gain/Loss:** $(336)

**Total Expenditure:** $285,372

#### 2018

- **Project(s) Expense:** $0
- **Net Exchange Gain/Loss:** $(109)

**Total Expenditure:** $(109)

**Total Expenditure:** $29,560,147

**Less: Project Advances**

**Total Amount:** $0

**Less: Project Capitalised Assets**

**Total Amount:** $0

**Project Cash Balance**

- **A-B-C-D:** $601,635

**Less: Commitments**

- **Total Amount:** $0

**Project Fund Balance**

- **A-B-C-D-E:** $601,635

**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.
- This is an interim statement provided for information purposes only. Figures are not final.
- The report includes fee projections for open period(s).
- 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

Comment:

Date: 10 July 2018

Report run on: 10 Jul 2018
Annex II – Responsibility Statement by Management
UNITED NATIONS OFFICE FOR PROJECT SERVICES
Project ID: 84840, “Rural Access Improvement Project Phase III (RAIP 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 (“Statement”) of the UNOPS Project ID 84840, “Rural Access Improvement Project Phase III (RAIP III)” (“the Project”). The statement presented has been prepared in accordance with the requirements of the applicable UNOPS regulations and rules.

We do hereby state that, in our opinion:

Interim Financial Statement

The Interim Financial Statement as reported, presents fairly in all material aspects, the expenditure of US$ 13,447,980 incurred by the UNOPS office for the period from 1 January 2015 to 30 June 2018 in accordance with the accounting policies set out in the Notes to the Statement and in conformity with approved activities and budget of UNOPS Project ID 84840, “Rural Access Improvement Project Phase III (RAIP III)” (“the Project”).

Name: Meron Mekuriaw
Finance Specialist
SSC, IPAS, UNOPS HQ
Region:
Place: Copenhagen, Denmark
Date: 23 September 2018

Name: Sanjay Mathur
Regional Director
Region: Asia
Place: Bangkok, Thailand
Date: 24 September 2018

Name: Shekhar K. Shrestha
Project Manager
Region: Asia
Place: Mazar, Afghanistan
Date: 19/09/2018