UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

6 July 2021

PROJECT NAME: SUPPORT OF THE KINGDOM OF NORWAY TO THE MINISTRY OF INTERIOR OF THE REPUBLIC OF SERBIA
PROJECT NUMBER: 21001-001
COUNTRY: SERBIA
AUDITOR: BDO LLP
PERIOD SUBJECT TO AUDIT: 11 DECEMBER 2017 TO 31 MARCH 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

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 ‘Support of the Kingdom of Norway to the Ministry of Interior of the Republic of Serbia’ (‘the project’) (oneUNOPS project ID 21001-001), which is implemented and managed by the UNOPS Office in Serbia, for the period from 11 December 2017 to 31 March 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 ‘Support of the Kingdom of Norway to the Ministry of Interior of the Republic of Serbia’ (‘the project’) (oneUNOPS project ID 21001-001), for the period from 11 December 2017 to 31 March 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.

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 ‘Support of the Kingdom of Norway to the Ministry of Interior of the Republic of Serbia’ (oneUNOPS project ID 21001-001) of UNOPS as at 31 March 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 ‘Support of the Kingdom of Norway to the Ministry of Interior of the Republic of Serbia’ (oneUNOPS project ID 21001-001), as at 31 March 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 report.

Robert Waters
Partner

BDO LLP
55 Baker Street
London W1U 7EU

6 July 2021
Responsibility statement by management

This is attached as Annex III to this report.
Annex I – Project financial statement
Dear Sir/Madam,

Subject: Interim Financial Statement

We enclose the Interim Financial Statement for project 21001-001 - Support of the Kingdom of Norway to the Ministry of Interior of the Republic of Serbia, which commenced in year 2017 and indicates the incurred expenditure as at 31/03/2021

We draw your attention to the following:

a. Incurred expenditure and management fee: US$ 3,862,611
b. Project advances: US$ 0 and commitments: US$ 24,246
c. Total funds received: US$ 4,031,895 which includes interest earned: US$ 53,807
d. Project Capitalised Asset: US$ 10,790
e. Fund Surplus: US$ 134,248

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

Yours sincerely,

Emina Jonuz, Finance Officer
**INTERIM FINANCIAL STATEMENT**

**Project:** 21001-001 - Support of the Kingdom of Norway to the Ministry of Interior of the Republic of Serbia

**Partner(s):** 1136 - Norway

**As on:** 31-Mar-2021

**Income:**

<table>
<thead>
<tr>
<th>Year</th>
<th>Contributions</th>
<th>Interest</th>
<th>Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>A</td>
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<tr>
<td>2017</td>
<td>1,720,368</td>
<td>1,278</td>
<td>3,978,088</td>
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<tr>
<td>2018</td>
<td>1,164,814</td>
<td>13,464</td>
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<tr>
<td>2019</td>
<td>663,208</td>
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<tr>
<td>2020</td>
<td>429,698</td>
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<tr>
<td>2021</td>
<td>0</td>
<td>852</td>
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</table>

Less: Project Expenses

**Period-Years**

<table>
<thead>
<tr>
<th>Year</th>
<th>Project(s) Expense</th>
<th>Management Fees</th>
<th>Net Exchange Gain/Loss</th>
<th>A</th>
<th>Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1,000</td>
<td>60</td>
<td></td>
<td>1,060</td>
<td>4,031,895</td>
</tr>
<tr>
<td>2018</td>
<td>1,777,169</td>
<td>106,630</td>
<td>(36)</td>
<td>1,883,763</td>
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<tr>
<td>2019</td>
<td>526,830</td>
<td>17,783</td>
<td>(1,302)</td>
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<tr>
<td>2020</td>
<td>1,200,589</td>
<td>72,035</td>
<td>1,932</td>
<td>1,274,556</td>
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<tr>
<td>2021</td>
<td>149,923</td>
<td>8,996</td>
<td>1,002</td>
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<td></td>
</tr>
<tr>
<td>Description</td>
<td>Value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>--------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>$159,921</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Project Advances</td>
<td>$3,862,611</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Project Capitalised Assets</td>
<td>$0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Cash Balance</td>
<td>$10,790</td>
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<tr>
<td>Project Fund Balance</td>
<td>$158,494</td>
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<tr>
<td>Less: Actual Commitments</td>
<td>$24,246</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitments***</td>
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<tr>
<td>Project Fund Balance</td>
<td>$134,248</td>
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</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.
* This is an interim statement provided for information purposes only.
* 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: Emina Jonuz, Finance Officer

Date: Report run on: 01 Apr 2021
Annex II – Statement of non-expendable property
### Assets List Summary

**Project**: 21000-001  
**Period From**: 01/09/00  
**Period To**: 30/11/01  
**As of**: 01.08.2021

<table>
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<th>ASSET ID</th>
<th>ASSET_DESCR</th>
<th>ASSET_CATEGOR</th>
<th>ASSET_GROUP</th>
<th>ASSET_PERIOD_FROM</th>
<th>ASSET_PERIOD</th>
<th>IN_SERVICE_PERIOD</th>
<th>STATUS</th>
<th>DEPR/CAP_BASE_VALUE</th>
<th>LASTEST_DEPRE_C_PERIOD</th>
<th>USEFUL_LIFE</th>
<th>REMAINING_USEFUL_LIFE</th>
<th>NET_BOOK_VALUE (NRV)</th>
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<tr>
<td>1008009</td>
<td>Vehicle Škoda Kodiaq Ambition 2.0 TDI</td>
<td>MTRY</td>
<td>MTRYV4</td>
<td>201805</td>
<td>201805 N</td>
<td></td>
<td></td>
<td>24,900.00</td>
<td>201102</td>
<td>00</td>
<td>26</td>
<td>10,790.00</td>
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<td></td>
<td>24,900.00</td>
<td></td>
<td></td>
<td></td>
<td>10,790.00</td>
</tr>
</tbody>
</table>

**Asset Fiscal Point:**  

Vladimir Stamenev

**Asset Verifier:**  

Nenad Ćirjević
Annex III – Responsibility Statement by Management
Appendix C – Responsibility Statement by Management

UNITED NATIONS OFFICE FOR PROJECT SERVICES

oneUNOPS Project ID: 21001-001 Support of the Kingdom of Norway to the Ministry of Interior of the Republic of Serbia Project

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 UNOPS Project ID 21001-001 Support of the Kingdom of Norway to the Ministry of Interior of the Republic of Serbia. The Statement presented in Attachment 1 has been prepared in accordance with the Agreement between the Norwegian Ministry of Foreign Affairs and the United Nations Office for Project Services regarding Support of the Kingdom of Norway to the Ministry of Interior of the Republic of Serbia and the requirements of the applicable UNOPS regulations and rules.

We do hereby state that, in our opinion:

Financial Statement

The Financial Statement as reported (Interim Financial Statement as at 31 March 2021), presents fairly in all material aspects, the expenditure of US$ 3,862,611 incurred by the UNOPS office for the period 11 December 2017 to 31 March 2021 in accordance with the accounting policies set out in the Notes to the Statement and in conformity with approved activities and budgets of UNOPS Project ID 21001-001 Support of the Kingdom of Norway to the Ministry of Interior of the Republic of Serbia.

Statement of Inventory of Non-Expendable Equipment

The Statement of Non-Expendable Equipment presents fairly, in all material respects, the Non-Expendable Equipment balance procured during the period from 11 December 2017 to 31 March 2021 of the project amounting to US$ 10,790 in accordance with the Non-Expendable Inventory listing certified by project management.

Name: Moin Karim
Title: Regional Director
Unit: IPAS Finance or FG
Region: ECR
Office: RSMCO, Serbia
Place: Belgrade, Serbia
Date: 17/05/2021

Name: Petar Janjatovic
Title: Project Manager
Office: RSMCO, Serbia
Place: Belgrade, Serbia
Date: 17/05/2021

Name: Meron Mekuriaw
Title: Finance Specialist
Unit: IPAS Finance or FG
SSC, IPAS Finance
Place: Copenhagen
Date: 18 May 2021

Version: January 2020