UNITED NATIONS OFFICE FOR PROJECT SERVICES
(UNOPS)

FINANCIAL AUDIT REPORT

23 June 2022

PROJECT NAME: SOUTH SUDAN ENHANCING COMMUNITY RESILIENCE AND LOCAL GOVERNANCE PROJECT (ECRP)

PROJECT NUMBER: 21775-001

COUNTRY: SOUTH SUDAN

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

ECRP  Enhancing Community Resilience and Local Governance Project
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 ‘South Sudan Enhancing Community Resilience and Local Governance Project (ECRP)’ (“the project”) (oneUNOPS project ID 21775-001), which is implemented and managed by the UNOPS Office in South Sudan, 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 ‘South Sudan Enhancing Community Resilience and Local Governance Project (ECRP)’ (“the project”) (oneUNOPS project ID 21775-001), 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 ‘South Sudan Enhancing Community Resilience and Local Governance Project (ECRP)’ (oneUNOPS project ID 21775-001) of UNOPS as of 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 ‘South Sudan Enhancing Community Resilience and Local Governance Project (ECRP)’ (oneUNOPS project ID 21775-001), as of 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 report.

Robert Waters
Partner

BDO LLP
55 Baker Street
London W1U 7EU

23 June 2022
Responsibility statement by management

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

Subject: ANNUAL FINANCIAL STATEMENT

We enclose the Annual Financial Statement for project 21775-001 - South Sudan Enhancing Community Resilience, which commenced in year 2020 and indicates the incurred expenditure as at 31 Dec 2021

We draw your attention to the following:

a. Total funds received: US$ 28,662,811 which includes interest earned: US$ 17,038 and Net Hedging/Contribution on Gain/loss: US$ (878,731)
b. Incurred expenditure and management fee: US$ 18,889,451
c. Project Capitalised Asset: US$ 172,632
d. Project advances: US$ 21,831
e. Commitments: US$ 1,273,287
f. Fund Balance: US$ 8,305,610

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

Yours Sincerely,

Finance
Specialist - Advisory Services
SSC, IPAS UNOPS
# ANNUAL FINANCIAL STATEMENT

**Project:** 21775-001 - South Sudan Enhancing Community Resilience  
**Partner(s):** 1444 - IDA International Development Association  
**As on:** 31 Dec 2021

## Income:

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2021</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>8,559,456.91</td>
<td>20,965,047.03</td>
<td><strong>29,524,503.94</strong></td>
</tr>
<tr>
<td>Net Hedging/Contribution Gain/loss</td>
<td></td>
<td></td>
<td><strong>(878,730.99)</strong></td>
</tr>
<tr>
<td>Interest</td>
<td>2,511.09</td>
<td>14,526.87</td>
<td><strong>17,037.96</strong></td>
</tr>
</tbody>
</table>

**Total Income A:** 28,662,811

## Less: Project Expenses Period-Years

<table>
<thead>
<tr>
<th>Year</th>
<th>Project(s) Expense</th>
<th>Management Fees</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>5,180,483.45</td>
<td>248,663.22</td>
<td><strong>5,429,146.67</strong></td>
</tr>
<tr>
<td>2021</td>
<td>12,843,802.14</td>
<td>616,502.52</td>
<td><strong>13,460,304.66</strong></td>
</tr>
</tbody>
</table>

**Total Expenditure B:** 18,889,451

## Less: Project Capitalised Assets:

**C:** 172,632

## Less: Project Advances

**D:** 21,831

## Project Cash Balance (Surplus) A-B-C-D

**9,578,897**

## Less: Actual Commitments

**PO Commitments E:** 1,214,969
<table>
<thead>
<tr>
<th>Commitments</th>
<th>E</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Fees on Commitments</td>
<td>E</td>
<td>58,318</td>
</tr>
<tr>
<td>Prepayments</td>
<td>E</td>
<td>0</td>
</tr>
</tbody>
</table>

Project Fund Balance (Surplus)  A-B-C-D-E  8,305,610

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.
- Project advances include operational advances, prepayments, petty cash, and any VAT payments to suppliers that have yet to be recovered.
- 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.

Comment:

Please note that the final audit report of UNOPS financial statements for 2021, as per regular process, has not yet been shared by the UN Board of Auditors. The audit itself has been concluded and the Board of Auditors has shared its observations with UNOPS. None of these raise any concerns about the integrity and completeness of the client project records that have been used to prepare the attached Financial Report. Should the reported figures need to be adjusted, UNOPS will provide a revised statement without delay.

Certified by: [Signature]

Finance Specialist - Advisory Services SSC, IPAS UNOPS

Date: 25 May 2022

Report run on: 25 May 2022
Annex II – Statement of non-expendable property
<table>
<thead>
<tr>
<th>S#</th>
<th>Location</th>
<th>Region</th>
<th>County</th>
<th>Project</th>
<th>Project Number</th>
<th>VLP</th>
<th>Owner</th>
<th>MHC</th>
<th>Asset ID</th>
<th>Asset Tag/Handler</th>
<th>Asset Group</th>
<th>Description</th>
<th>Class</th>
<th>Adjusted Cost</th>
<th>Useful Life</th>
<th>Asset Depreciation Start Date</th>
<th>Depreciation Life</th>
<th>Last Depreciation Run</th>
<th>Replaced by</th>
<th>Replacement Asset ID</th>
<th>Condition</th>
<th>Current/Total Asset Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>DSC#104</td>
<td>APR</td>
<td>82304</td>
<td>09-D009</td>
<td>21775860048</td>
<td>1464</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>H07048</td>
<td>54.48050128-54.671875</td>
<td>54.55584073</td>
<td>$ 37,950.00</td>
<td>120</td>
<td>26-Dec-0000</td>
<td>W-06-5013</td>
<td>08-13</td>
<td>02-13</td>
<td>00-5013</td>
<td>Yes</td>
</tr>
<tr>
<td>2</td>
<td>DSC#404</td>
<td>APR</td>
<td>82304</td>
<td>09-D009</td>
<td>21775860048</td>
<td>1464</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>H07048</td>
<td>54.48050128-54.671875</td>
<td>54.55584073</td>
<td>$ 37,950.00</td>
<td>120</td>
<td>26-Dec-0000</td>
<td>W-06-5013</td>
<td>08-13</td>
<td>02-13</td>
<td>00-5013</td>
<td>Yes</td>
</tr>
<tr>
<td>3</td>
<td>DSC#404</td>
<td>APR</td>
<td>82304</td>
<td>09-D009</td>
<td>21775860048</td>
<td>1464</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>H07048</td>
<td>54.48050128-54.671875</td>
<td>54.55584073</td>
<td>$ 37,950.00</td>
<td>120</td>
<td>26-Dec-0000</td>
<td>W-06-5013</td>
<td>08-13</td>
<td>02-13</td>
<td>00-5013</td>
<td>Yes</td>
</tr>
<tr>
<td>4</td>
<td>DSC#404</td>
<td>APR</td>
<td>82304</td>
<td>09-D009</td>
<td>21775860048</td>
<td>1464</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>H07048</td>
<td>54.48050128-54.671875</td>
<td>54.55584073</td>
<td>$ 37,950.00</td>
<td>120</td>
<td>26-Dec-0000</td>
<td>W-06-5013</td>
<td>08-13</td>
<td>02-13</td>
<td>00-5013</td>
<td>Yes</td>
</tr>
<tr>
<td>5</td>
<td>DSC#404</td>
<td>APR</td>
<td>82304</td>
<td>09-D009</td>
<td>21775860048</td>
<td>1464</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>H07048</td>
<td>54.48050128-54.671875</td>
<td>54.55584073</td>
<td>$ 37,950.00</td>
<td>120</td>
<td>26-Dec-0000</td>
<td>W-06-5013</td>
<td>08-13</td>
<td>02-13</td>
<td>00-5013</td>
<td>Yes</td>
</tr>
<tr>
<td>6</td>
<td>DSC#404</td>
<td>APR</td>
<td>82304</td>
<td>09-D009</td>
<td>21775860048</td>
<td>1464</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>0324</td>
<td>21775860048</td>
<td>H07048</td>
<td>54.48050128-54.671875</td>
<td>54.55584073</td>
<td>$ 37,950.00</td>
<td>120</td>
<td>26-Dec-0000</td>
<td>W-06-5013</td>
<td>08-13</td>
<td>02-13</td>
<td>00-5013</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Total: $ 176,520.73
Annex III – Responsibility Statement by Management
Annex C
UNITED NATIONS OFFICE FOR PROJECT SERVICES
Project ID: 21775-001

South Sudan Enhancing Community Resilience and Local Governance 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 Statement of UNOPS project ID 21775-001 South Sudan Enhancing Community Resilience and Local Governance Project (ECRP). The Statement presented in Annex 1 has been prepared in accordance with the requirements of the applicable UNOPS regulations and rules.

We do hereby state that, in our opinion:

Financial Statement

The Financial Statement as reported Annex 1, presents fairly in all material aspects, the expenditure of US$ 13,460,304.66 incurred by the UNOPS office for the period 01 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 of UNOPS Project ID 21775-001 - South Sudan Enhancing Community Resilience and Local Governance Project (ECRP).

Statement of Inventory of Non-Expendable Equipment

The Statement of Non-Expendable Equipment in Annex 2 presents fairly, in all material respects, the Non-Expendable Equipment balance at 31 December 2021 of the project amounting to US$ 172,632 in accordance with the Non-Expendable Inventory listing certified by project management.

(Signature) (Signature) (Signature)
Finance Specialist
IPAS Finance
Date: 16 Jun 2022

Regional Director
Africa Region
Date: 16 Jun 2022

ECRP Snr Project Manager
Juba - South Sudan
Date: 16 Jun 2022