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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

Qualified opinion
We have audited the accompanying project financial statement for the project ‘Small Grants Programme – Operational Phases 6 and 7, Timor Leste’ (Project IDs 11960-008 and 21970-006) for the period from 1 January 2019 to 31 December 2020.

In our opinion, except for the effects of the matters described in the basis for qualified opinion section, the financial statement gives a true and fair view, in all material respects, of the income and expenditure of the project ‘Small Grants Programme – Operational Phases 6 and 7, Timor Leste’ (Project IDs 11960-008 and 21970-006) for the period from 1 January 2019 to 31 December 2020, which is implemented and managed by the SGP office in Timor Leste in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

Basis for qualified opinion
We have raised financial audit findings totaling US$ (31,150), as set out in the relevant section of the accompanying internal audit report. Finding 5 results in an understatement of expenditure of US$ 31,150 (11.1% of the total reported expenditure) and is considered material in the context of our audit.

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.

Robert Waters
Partner

BDO LLP
55 Baker Street
London W1U 7EU

2 August 2022
Responsibility statement by management

This is attached as Annex II to this report.
Annex I – Project financial statement
<table>
<thead>
<tr>
<th>Project Code</th>
<th>Project Description</th>
<th>Work Package Description</th>
<th>Nature Cost Description</th>
<th>Account Description</th>
<th>Account Type Description</th>
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<th>Fiscal Year 2020</th>
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Grand Total: 200,465 79,932 280,397

Note: Expenditure included 6% fee

Certified by [Signature]

Date: 28/05/2021
Annex II – Responsibility Statement by Management
UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID: Small Grants Programme (SGP), SGP OP6/OP7 - Timor Leste, (OneUNOPS project number 11960-008 / 21970-006)

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 the UNOPS Project Small Grants Programme (SGP), Operational Phase 6 & 7 (OP6 & OP7) in Timor Leste, (OneUNOPS project number 11960-008 and 21970-006). 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$ 280,397 incurred by the SGP office for the period 1 January 2019 to 31 December 2020 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

(Signature)

Name: [Redacted]
Region: NYSC
Place: New York
Date: 15/12/2021

(Signature)

Name: [Redacted]
Region: NYSC
Place: New York
Date: 16/12/2021

(Signature)

Name: [Redacted]
Region: NYSC
Place: New York
Date: 14 December 2021