UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

24 October 2023

PROJECT NAME: SMALL GRANTS PROGRAMME (SGP)
OPERATIONAL PHASE 7

PROJECT NUMBER: 22097-001

COUNTRY: ECUADOR

AUDITOR: BDO LLP

PERIOD SUBJECT TO AUDIT: 1 JANUARY 2021 TO 31 DECEMBER 2022
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Acronyms and abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IAIG</td>
<td>Internal Audit and Investigations Group</td>
</tr>
<tr>
<td>IESBA</td>
<td>International Ethics Standards Board for Accountants</td>
</tr>
<tr>
<td>ISA</td>
<td>International Standards on Auditing</td>
</tr>
<tr>
<td>UNOPS</td>
<td>United Nations Office for Project Services</td>
</tr>
<tr>
<td>US$</td>
<td>United States Dollars</td>
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Financial audit report

Audit opinion on the project financial statement

Unmodified opinion

We have audited the accompanying project financial statement for the project ‘Small Grants Programme – Operational Phase 7, Ecuador’ (Project ID 22097 – 001) for the period from 1 January 2021 to 31 December 2022.

In our opinion, the financial statement gives a true and fair view of, in all material respects, the income and expenditure of the project ‘Small Grants Programme – Operational Phase 7, Ecuador’ (Project ID 22097 – 001) for the period from 1 January 2021 to 31 December 2022, which is implemented and managed by the SGP Office in Ecuador 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.

Robert Waters
Partner

BDO LLP
55 Baker Street
London W1U 7EU
24 October 2023

Responsibility statement by management
This is attached as Annex II to this report.
Annex I – Project financial statement
<table>
<thead>
<tr>
<th>Date of Approval</th>
<th>Project Description</th>
<th>Work Package Description</th>
<th>Natura Ol Cost Description</th>
<th>Account Description</th>
<th>Account Type Description</th>
<th>Plan, Total</th>
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<tbody>
<tr>
<td>2022-01-01</td>
<td>SPG</td>
<td>E01</td>
<td>Business Plan</td>
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<td>E01</td>
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</table>

Note: Expenditure indicated in $US 1,000,000.
Annex II – Responsibility Statement by Management
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 7 (OP7) in Ecuador, (OneUNOPS project number 22097-001). 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$ 887,517 incurred by the SGP office for the period 1 January 2021 to 31 December 2022 in conformity with the terms of the agreements and in accordance with International Public Sector Accounting Standards.

(Signature)  
Name:  
Regional Financial Management Officer  
Region: NYPO  
Place: New York  
Date: 28/07/2023

(Signature)  
Name:  
Regional Director  
Region: NYPO  
Place: New York  
Date: 31 July 2023

(Signature)  
Name:  
Project Manager  
Region: NYPO  
Place: New York  
Date: 26-Jul-2023