UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

28 April 2023

PROJECT NAME: SUPPORT TO RSHQ / NATO
ENGAGEMENT NUMBER: 21395-16
PROJECT NUMBERS: 21395-001, 21395-002, 21395-003, 21395-008, 21395-016, 21395-024, 21395-025, 21395-035, 21395-073 AND 21395-078
COUNTRY: AFGHANISTAN
AUDITOR: BDO LLP
PERIOD SUBJECT TO AUDIT: 1 JULY 2022 TO 28 FEBRUARY 2023
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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>NATO</td>
<td>North Atlantic Treaty Organization</td>
</tr>
<tr>
<td>RSHQ</td>
<td>Resolute Solution Headquarters</td>
</tr>
<tr>
<td>UNOPS</td>
<td>United Nations Office for Project Services</td>
</tr>
<tr>
<td>US$</td>
<td>United States Dollars</td>
</tr>
</tbody>
</table>
Financial audit report

Audit opinion on the project financial statement

Unmodified opinion
We have audited the accompanying project financial statement for the project ‘Support to RSHQ / NATO’ ("the project") (oneUNOPS engagement ID 21395-16 and project IDs 21395-001, 21395-002, 21395-003, 21395-008, 21395-016, 21395-024, 21395-025, 21395-035, 21395-073 and 21395-078), which are implemented and managed by the UNOPS Office in Afghanistan, for the period from 1 July 2022 to 28 February 2023.

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 to RSHQ / NATO’ ("the project") (oneUNOPS engagement ID 21395-16 and project IDs 21395-001, 21395-002, 21395-003, 21395-008, 21395-016, 21395-024, 21395-025, 21395-035, 21395-073 and 21395-078), for the period from 1 July 2022 to 28 February 2023 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 ‘Support to RSHQ / NATO’ (‘the project’) (one UNOPS engagement ID 21395-16 and project IDs 21395-001, 21395-002, 21395-003, 21395-008, 21395-016, 21395-024, 21395-025, 21395-035, 21395-073 and 21395-078) of UNOPS as at 28 February 2023.

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 to RSHQ / NATO’ (‘the project’) (one UNOPS engagement ID 21395-16 and project IDs 21395-001, 21395-002, 21395-003, 21395-008, 21395-016, 21395-024, 21395-025, 21395-035, 21395-073 and 21395-078), as at 28 February 2023, 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

28 April 2023
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 Engagement 21395-16 - Support to RSHQ/NATO, which commenced in year 2019 and indicates the incurred expenditure as at 28 Feb 2023

We draw your attention to the following:

a. Total funds received: US$ 52,982,970 which includes interest earned: US$ 226,837
b. Incurred expenditure and management fee: US$ 48,724,961
c. Project Capitalised Asset: US$ 236,902
d. Commitments: US$ 39,688
e. Fund Balance: US$ 3,981,418

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

Yours Sincerely,

Financial Management Advisor
INTERIM FINANCIAL STATEMENT

Engagement: 21395-16 - Support to RSHQ / NATO
Partner(s): 1076 - DFAT Department of Foreign Affairs and Trade
1024 – CAD Global Affairs Canada
1689 - RSHQ Resolute Support HQ – NATO
As on: 28 Feb 2023

Income:

| Contributions  | 2019     | 6,202,940.40 |
|               | 2020     | 85,070,586.64 |
|               | 2021     | 311,595,124.50 |

**Total Contributions** 402,868,651.54

| Interest       | 2019     | 46,662.48 |
|               | 2020     | 317,894.00 |
|               | 2021     | 641,572.02 |
|               | 2022     | (524,470.95) |
|               | 2023     | (254,820.97) |

**Total Interest** 226,836.58

| Miscellaneous Revenue | 2020     | 1,800.00 |
|                       | 2021     | (1,800.00) |
|                       | 2022     | (0.55) |
|                       | 2023     | (11.54) |

**Total Miscellaneous Revenue** (12.09)

| Transfers | 2019     | 0.00 |
|           | 2020     | 0.00 |
|           | 2021     | 0.00 |

**Total Transfers** 0.00

| Refunds | 2020     | (264,981.77) |
|         | 2021     | (89,647,230.48) |
|         | 2022     | (260,365,376.07) |
|         | 2023     | 165,082.14 |

**Total Refunds** (350,112,506.18)

<table>
<thead>
<tr>
<th>Total Income</th>
<th>A</th>
<th>52,982,970</th>
</tr>
</thead>
</table>
### Less: Engagement Expenses

#### Period-Years

<table>
<thead>
<tr>
<th>Year</th>
<th>Engagement Expense</th>
<th>Management Fees</th>
<th>Net Exchange Gain/Loss</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>926,483.09</td>
<td>43,637.37</td>
<td>41.77</td>
<td>970,162.23</td>
</tr>
<tr>
<td>2020</td>
<td>7,176,616.84</td>
<td>256,663.36</td>
<td>(201.43)</td>
<td>7,433,078.77</td>
</tr>
<tr>
<td>2021</td>
<td>26,215,079.99</td>
<td>776,311.31</td>
<td>(13,626.69)</td>
<td>26,977,764.61</td>
</tr>
<tr>
<td>2022</td>
<td>13,107,296.60</td>
<td>102,896.33</td>
<td>(688.57)</td>
<td>13,209,504.36</td>
</tr>
<tr>
<td>2023</td>
<td>131,223.82</td>
<td>3,228.11</td>
<td>(1.02)</td>
<td>134,450.91</td>
</tr>
</tbody>
</table>

### Total Expenditure

| B | 48,724,961 |

### Less: Engagement Capitalised Assets

| C | 236,902 |

### Less: Engagement Advances

| D | 0 |

### Project Cash Balance (Surplus)

| A-B-C-D | 4,021,107 |

### Less: Actual Commitments

| E |  |

| PO Commitments | 7,139 |
| HR Commitments | 31,596 |
| Projected Fees on Commitments | 954 |
| Prepayments | 0 |

### Project Fund Balance (Surplus)

| A-B-C-D-E | 3,981,418 |

### 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 and figures are not final

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.

The project expenditure includes an amount of US$8,917,067 that was part of a larger order for supplies which had been purchased for the RSHQ project. This portion had not yet been delivered to Afghanistan and following NATO’s withdrawal from Afghanistan and decision to close the project, the items were re-routed to Poland to be used on another project at NATO’s request. UNOPS was not responsible for the management and onward distribution of the supplies in Poland.

The project expenditure also includes amounts totalling US$24,002 for supplies which had been purchased from four different vendors for the RSHQ project number 21395-073. These goods had not yet been delivered to Afghanistan and following NATO’s withdrawal from Afghanistan and decision to close the project, the items were donated to UNDP for onward deployment in projects in Afghanistan at NATO’s request. UNOPS was not responsible for the management and onward distribution of the supplies to or in Afghanistan.

The project expenditure includes amounts totalling US$198,691 for supplies which had been purchased for the RSHQ project number 21395-024. These goods had not yet been delivered to Afghanistan and following NATO’s withdrawal from Afghanistan and decision to close the project, the items were re-routed to NATO Support and Procurement Agency in Capellan, Luxembourg to be used on another project at NATO’s request. UNOPS was not responsible for the management and storage and/or onward distribution of the supplies.

Financial Management Advisor

Date: 27 Apr 2023
Report run on: 5 Mar 2023
Annex II – Statement of non-expendable property
## Statement of Assets - UNOPS - RSHQ As of 28 Feb 2023

### Asset List - UNOPS - RSHQ

<table>
<thead>
<tr>
<th>S/No</th>
<th>Project No.</th>
<th>Asset Category</th>
<th>Item Description</th>
<th>Unit</th>
<th>Quantity</th>
<th>Amount</th>
<th>Asset ID</th>
<th>PO Number</th>
<th>Receipt Date</th>
<th>Condition</th>
<th>Cumulative Depreciation</th>
<th>NBV</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>21395-016</td>
<td>ICT</td>
<td>Codan UHF</td>
<td>No. 1</td>
<td>1</td>
<td>$10,474</td>
<td>124041</td>
<td>6003551</td>
<td>18-Dec-2020</td>
<td>Good</td>
<td>$4,189.45</td>
<td>$6,284.18</td>
<td>Capitalized Asset</td>
</tr>
<tr>
<td>2</td>
<td>21395-016</td>
<td>ICT</td>
<td>Codan UHF</td>
<td>No. 1</td>
<td>1</td>
<td>$10,474</td>
<td>124042</td>
<td>6003551</td>
<td>18-Dec-2020</td>
<td>Good</td>
<td>$4,189.45</td>
<td>$6,284.18</td>
<td>Capitalized Asset</td>
</tr>
<tr>
<td>3</td>
<td>21395-016</td>
<td>MTRV</td>
<td>Armored Toyota Land Cruiser 200 4.5L</td>
<td>No. 1</td>
<td>1</td>
<td>$135,692</td>
<td>124043</td>
<td>6003551</td>
<td>18-Dec-2020</td>
<td>Good</td>
<td>$27,138.48</td>
<td>$108,553.89</td>
<td>Capitalized Asset</td>
</tr>
<tr>
<td>4</td>
<td>21395-016</td>
<td>MTRV</td>
<td>Armored Toyota Land Cruiser 200, 4.5L</td>
<td>No. 1</td>
<td>1</td>
<td>$135,692</td>
<td>124044</td>
<td>6003551</td>
<td>18-Dec-2020</td>
<td>Good</td>
<td>$27,138.48</td>
<td>$108,553.89</td>
<td>Capitalized Asset</td>
</tr>
<tr>
<td>5</td>
<td>21395-016</td>
<td>ICT</td>
<td>HP LaserJet ENT 700 Color MFP M775dN</td>
<td>No. 1</td>
<td>1</td>
<td>$3,191</td>
<td>120644</td>
<td>3997633</td>
<td>25-Jun-2020</td>
<td>Good</td>
<td>$2,084.57</td>
<td>$1,106.08</td>
<td>Capitalized Asset</td>
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<td>6</td>
<td>21395-016</td>
<td>ICT</td>
<td>HP Color LaserJet Enterprise MFP M776dn</td>
<td>No. 1</td>
<td>1</td>
<td>$3,069</td>
<td>121614</td>
<td>3116943</td>
<td>25-Oct-2020</td>
<td>Good</td>
<td>$1,538.99</td>
<td>$1,530.01</td>
<td>Capitalized Asset</td>
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<td>7</td>
<td>21395-016</td>
<td>ICT</td>
<td>HP Color LaserJet Enterprise MFP M776dn</td>
<td>No. 1</td>
<td>1</td>
<td>$3,069</td>
<td>121615</td>
<td>3116943</td>
<td>25-Oct-2020</td>
<td>Good</td>
<td>$1,538.99</td>
<td>$1,530.01</td>
<td>Capitalized Asset</td>
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<tr>
<td>8</td>
<td>21395-016</td>
<td>ICT</td>
<td>HP Color LaserJet Enterprise MFP M776dn</td>
<td>No. 1</td>
<td>1</td>
<td>$3,069</td>
<td>121617</td>
<td>3116943</td>
<td>25-Oct-2020</td>
<td>Good</td>
<td>$1,538.99</td>
<td>$1,530.01</td>
<td>Capitalized Asset</td>
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<tr>
<td>9</td>
<td>21395-016</td>
<td>ICT</td>
<td>HP Color LaserJet Enterprise MFP M776dn</td>
<td>No. 1</td>
<td>1</td>
<td>$3,069</td>
<td>121617</td>
<td>3116943</td>
<td>25-Oct-2020</td>
<td>Good</td>
<td>$1,538.99</td>
<td>$1,530.01</td>
<td>Capitalized Asset</td>
</tr>
</tbody>
</table>

**Grand Total**: $307,799  
**$70,896**:  
**$236,902**:  

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**Prepared by:**  
Title: Project Management Support Officer  
Signature: 

**Verified by:**  
Title: Manager  
Signature: 
Annex III – Responsibility Statement by Management
Annex III
UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID: 21395-16

Support to RSHQ / NATO

Responsibility Statement by Management

The United Nations Office for Project Services (UNOPS) management is responsible for the preparation, integrity and fair presentation of the Interim Financial Statements of the UNOPS Engagement ID:21395-16 for ‘Support to RSHQ / NATO’. The Statement is 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, presents fairly in all material aspects, the expenditure of US$ 1,006,469 incurred by the UNOPS office for the period 01 July 2022 to 28 February 2023 in accordance with the accounting policies set out in the Notes to the Statement and in conformity with approved activities and budgets of UNOPS Engagement ID: 21395-16 ‘Support to RSHQ / NATO’.

Statement of Inventory of Non-Expendable Equipment

The Statement of Non-Expendable Equipment reference: Annex 1 presents fairly, in all material respects, the Non-Expendable Equipment balance as at 28 February 2023 amounting to US$ 236,902 in accordance with the Non-Expendable Inventory listing certified by project management.

(Signature)
Name: [Name]
Project Management Support Officer
Region: AFCO
Place: Kabul
Date: 25 Apr 2023

[Signature]
Name: [Name]
Director and Representative
Region: AFCO
Place: Kabul
Date: 25 Apr 2023

[Signature]
Name: [Name]
Sr. Programme Manager
Region: AFCO
Place: London
Date: 25 Apr 2023