UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

18 October 2023

PROJECT NAME: TOP-UP: PHASE II: YEMEN INTEGRATED URBAN SERVICES EMERGENCY PROJECT (YIUSEP II)
PROJECT NUMBER: 22988-002
COUNTRY: YEMEN
AUDITOR: BDO LLP
PERIOD SUBJECT TO AUDIT: 15 FEBRUARY TO 30 JUNE 2022
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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

Unmodified opinion

We have audited the accompanying project financial statement for the project ‘Top-Up: Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)’ (‘the project’) (oneUNOPS project ID 22988-002), which is implemented and managed by the UNOPS Office in Yemen, for the period from 15 February to 30 June 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 ‘Top-Up: Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)’ (‘the project’) (oneUNOPS project ID 22988-002), for the period from 15 February to 30 June 2022 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 the 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 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

18 October 2023
Responsibility statement by management

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

Subject: INTERIM FINANCIAL STATEMENT

We enclose the Interim Financial Statement for project **22988-002 - Top-Up: Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)**, which commenced in year **2022** and indicates the incurred expenditure as at **30 Jun 2022**

We draw your attention to the following:

a. Total funds received: US$ 16,401,277
b. Incurred expenditure and management fee: US$ 187,754
c. Project advances: US$ 339,461
d. Commitments: US$ 4,998,867
e. Fund Balance: US$ 10,875,195

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

Yours Sincerely,

[Name]
Finance Specialist, SSC IPAS FINANCE
## INTERIM FINANCIAL STATEMENT

**Project:** 22988-002 - Top-Up: Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)

**Partner(s):** 1646 - The World Bank

**As on:** 30 Jun 2022

### Income:

<table>
<thead>
<tr>
<th>Contributions</th>
<th>2022</th>
<th>16,401,277.00</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>16,401,277.00</td>
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<tr>
<td><strong>Total Income</strong></td>
<td>A</td>
<td>16,401,277</td>
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</table>

### Less: Project Expenses

<table>
<thead>
<tr>
<th>Period-Years</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project(s) Expense</td>
<td>182,285.58</td>
<td></td>
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<tr>
<td>Management Fees</td>
<td>5,468.57</td>
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</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>B</td>
<td>187,754</td>
</tr>
</tbody>
</table>

### Less: Project Capitalised Assets:

<table>
<thead>
<tr>
<th></th>
<th>C</th>
<th>0</th>
</tr>
</thead>
</table>

### Less: Project Advances

<table>
<thead>
<tr>
<th></th>
<th>D</th>
<th>339,461</th>
</tr>
</thead>
</table>

### Project Cash Balance (Surplus)

<table>
<thead>
<tr>
<th>A-B-C-D</th>
<th>15,874,062</th>
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</thead>
</table>

### Less: Actual Commitments

<table>
<thead>
<tr>
<th>PO Commitments</th>
<th>E</th>
<th>5,182,843</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR Commitments</td>
<td>E</td>
<td>0</td>
</tr>
<tr>
<td>Projected Fees on Commitments</td>
<td>E</td>
<td>155,485</td>
</tr>
<tr>
<td>Prepayments</td>
<td>(E)</td>
<td>(339,461)</td>
</tr>
</tbody>
</table>

### Project Fund Balance (Surplus)

<table>
<thead>
<tr>
<th>A-B-C-D-E</th>
<th>10,875,195</th>
</tr>
</thead>
</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 and figures are not final
❖ 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.
❖ 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.

Certified by: [Name]
Date: June 4, 2023

Finance Specialist, SSC IPAS FINANCE

Comment:

Report run on: 2 Jun 2023
Annex II – Responsibility Statement by Management
Appendix B – Responsibility Statement by Management

UNITED NATIONS OFFICE FOR PROJECT SERVICES

oneUNOPS Project ID:.22988-002: Phase II Additional Financing: Yemen Integrated Urban-Services Emergency 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 as set out in Annex I of the UNOPS Project ID.22988-002: Phase II Additional Financing Yemen Integrated Urban Services Emergency Project.

The Statement presented in Annex I has been prepared in accordance with the (IDA Grant D957) 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 in Annex I, presents fairly in all material aspects, the expenditure of US$ 187,754 incurred by the UNOPS office for the period 15 February 2022 to 30 June 2022 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.22988-002: Phase II Additional Financing Yemen Integrated Urban Services Emergency Project.

Name: __________________________    Name: __________________________    Name: __________________________
Title: Finance Specialist               Title: Representative and Director      Title: Project Manager
Unit: IPAS Finance                    Hub: Amman Operational Hub           Office: Yemen
Place: Denmark                         Place: Amman                           Place: Yemen
Date: Oct 12, 2023                   Date: 16 October 2023                    Date: 12 Oct 2023