UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

20 October 2023

PROJECT NAME: NORWAY FOR YOU – MONTENEGRO
PROJECT NUMBER: 21755-001
COUNTRY: SERBIA
AUDITOR: BDO LLP
PERIOD SUBJECT TO AUDIT: 10 DECEMBER 2018 TO 30 JUNE 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>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 ‘Norway For You – Montenegro’ (‘the project’) (oneUNOPS project ID 21755-001), which is implemented and managed by the UNOPS Office in Serbia, for the period from 10 December 2018 to 30 June 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 ‘Norway For You – Montenegro’ (‘the project’) (oneUNOPS project ID 21755-001), for the period from 10 December 2018 to 30 June 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 ‘Norway For You – Montenegro’ (oneUNOPS project ID 21755-001) of UNOPS as at 30 June 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 ‘Norway For You – Montenegro’ (oneUNOPS project ID 21755-001), as at 30 June 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

20 October 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 project **21755-001 - Norway For You – Montenegro**, which commenced in year **2018** and indicates the incurred expenditure as at **30 Jun 2023**

We draw your attention to the following:

a. Total funds received: US$ 3,044,802 which includes interest earned: US$ 21,607 and Net Hedging/Contribution Gain/loss: US$ 12,326
b. Incurred expenditure and management fee: US$ 2,911,031
c. Project Capitalised Asset: US$ 13,805
d. Commitments: US$ 7,925
e. Fund Balance: US$ 112,040

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

Yours Sincerely,

Finance Specialist
UNOPS
## INTERIM FINANCIAL STATEMENT

**Project:** 21755-001 - Norway For You – Montenegro  
**Partner(s):** 1136 - Norway  
**As on:** 30 Jun 2023

**Income:**

<table>
<thead>
<tr>
<th>Contributions</th>
<th>2018</th>
<th>701,614.57</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>975,683.48</td>
</tr>
<tr>
<td></td>
<td>2020</td>
<td>56,045.37</td>
</tr>
<tr>
<td></td>
<td>2021</td>
<td>1,154,601.10</td>
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<tr>
<td></td>
<td>2022</td>
<td>122,924.53</td>
</tr>
</tbody>
</table>

**Net Hedging/Contribution Gain/loss**  
2021  
12,325.68

**Interest**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>887.57</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>7,481.15</td>
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<tr>
<td></td>
<td>2020</td>
<td>6,431.16</td>
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<tr>
<td></td>
<td>2021</td>
<td>1,271.49</td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>3,039.93</td>
</tr>
<tr>
<td></td>
<td>2023</td>
<td>2,495.55</td>
</tr>
</tbody>
</table>

21,606.85

**Total Income**  
A 3,044,801.58
### Less: Project Expenses

#### Period-Years

<table>
<thead>
<tr>
<th>Year</th>
<th>Project(s) Expense</th>
<th>Management Fees</th>
<th>Net Exchange Gain/Loss</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,491.28</td>
<td>119.30</td>
<td></td>
<td>1,610.58</td>
</tr>
<tr>
<td>2019</td>
<td>241,181.63</td>
<td>19,294.53</td>
<td>61.44</td>
<td>260,537.60</td>
</tr>
<tr>
<td>2020</td>
<td>1,048,458.54</td>
<td>83,876.67</td>
<td>(7,841.18)</td>
<td>1,124,494.03</td>
</tr>
<tr>
<td>2021</td>
<td>905,700.63</td>
<td>26,505.91</td>
<td>12,220.97</td>
<td>944,427.51</td>
</tr>
<tr>
<td>2022</td>
<td>474,326.14</td>
<td>37,946.09</td>
<td>(1,627.06)</td>
<td>510,645.17</td>
</tr>
<tr>
<td>2023</td>
<td>64,164.08</td>
<td>5,133.13</td>
<td>19.25</td>
<td>69,316.46</td>
</tr>
</tbody>
</table>

**Total Expenditure** B 2,911,031.35

Less: Project Capitalised Assets: C 13,804.59

Less: Project Advances D 0

**Project Cash Balance (Surplus)** A-B-C-D 119,965.64

Less: Actual Commitments

<table>
<thead>
<tr>
<th>Commitment</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>PO Commitments</td>
<td>633.12</td>
</tr>
<tr>
<td>HR Commitments</td>
<td>6,705.27</td>
</tr>
<tr>
<td>Projected Fees on Commitments</td>
<td>587.07</td>
</tr>
<tr>
<td>Prepayments</td>
<td>0</td>
</tr>
<tr>
<td>Project Fund Balance (Surplus)</td>
<td>A-B-C-D-E</td>
</tr>
<tr>
<td>-------------------------------</td>
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</tbody>
</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)
❖ 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.

Report run on: 12 Oct 2023

Certified by: [Redacted] Finance Specialist. UNOPS

Date: 12 Oct 23
Annex II – Statement of non-expendable property
Annex III – Responsibility Statement by Management
Appendix C – Responsibility Statement by Management

UNITED NATIONS OFFICE FOR PROJECT SERVICES

oneUNOPS Project ID: 21755-001 Norway For You – Montenegro

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 of the UNOPS Project ID 21755-001 Norway For You – Montenegro. The Statement presented in Attachment 1 has been prepared in accordance with the Agreement between the Norwegian Ministry of Foreign Affairs and the United Nations Office for Project Services 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 presents fairly in all material aspects, the expenditure of US$ 2,911,031 incurred by the UNOPS office for the period 10 December 2018 to 30 June 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 Project ID 21755-001 Norway For You – Montenegro.

Statement of Inventory of Non-Expendable Equipment

The Statement of Non-Expendable Equipment presents fairly, in all material respects, the Non-Expendable Equipment balance procured during the period from 10 December 2018 to 30 June 2023 of the project amounting to US$ 13,805 in accordance with the Non-Expendable Inventory listing certified by project management.

(Signature)    (Signature)  (Signature)
Name:  Name:   Name:  
Title: Finance Associate   Title: Regional Director   Title: Project Manager
Unit: IPAS Finance* or FG*  Region: ECR  Office: ECR, RSMCO Serbia
Place: Copenhagen   Place: Geneva   Place: Podgorica
Date: 8th August 2023   Date:  09 August 2023   Date:  8 August 2023