

UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

FINANCIAL AUDIT REPORT

3 July 2025

Project name:	Local Infrastructure for Rural Anbar (LIRA) - Phase III
Project number:	23573-001
Country:	Iraq
Auditor:	BDO LLP
Period subject to audit:	4 December 2023 to 31 December 2024

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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 'Local Infrastructure in Rural Anbar - LIRA III' ("the project") (oneUNOPS project ID 23573-001), which is implemented and managed by the UNOPS Operational Hub in Amman, for the period from 4 December 2023 to 31 December 2024.

In our opinion, the financial statement gives a true and fair view of, in all material respects, the income and expenditure of the project 'Local Infrastructure in Rural Anbar - LIRA III' ("the project") (oneUNOPS project ID 23573-001), for the period from 4 December 2023 to 31 December 2024 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 'Local Infrastructure in Rural Anbar - LIRA III' (oneUNOPS project ID 23573-001) of UNOPS as at 31 December 2024.

In our opinion, the statement of non-expendable property presents fairly, in all material respects, the status of non-expendable property of the project 'Local Infrastructure in Rural Anbar - LIRA III' (oneUNOPS project ID 23573-001), as at 31 December 2024, 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.

— DS
BDO LLP

BDO LLP
55 Baker Street
London W1U 7EU

3 July 2025

Responsibility statement by management

This is attached as Annex III to this report.

Annex I – Project financial statement



Date: 08-Jan-2025

Ref. Project No: 23573-001

Funding(s): 1669 KfW German Development Bank

Dear Sir/Madam,

Subject: Standard Interim Financial Report

We enclose the **Interim Financial Report** for project **23573-001 - Local Infrastructure for Rural Anbar (LIRA) - Phase III**, which commenced in year **2023** and indicates the incurred expenditure as at **31-Dec-2024**.

We draw your attention to the following:

- a. Total funds received: **US\$13,161,506.11** which includes interest earned: **US\$ 133,887.54**
- b. Incurred expenditure and management fee: **US\$ 306,149.03**
- c. Project Capitalised Asset: **US\$ 95,988.94**
- d. Commitments: **US\$482,836.56**
- e. Fund Balance: **US\$ 12,276,531.58**

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

Yours Sincerely

[Redacted]
[Redacted], Finance Associate

Interim Financial Report
Project: 23573-001: Local Infrastructure for Rural Anbar (LIRA) - Phase III

Funding(s): 1669 KfW German Development Bank

As on: 31-Dec-2024

Currency: USD

Income

Contribution	2023		13,027,618.57
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Interest	2023		10,894.00
	2024		122,993.54
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UN Levy	2023	UN Levy Received	130,276.18
	2024	UN Levy Received	(0.18)
	2024	UN Levy Paid	(130,276.00)
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			0.00

Total Income	A	13,161,506.11
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Project Expenses

2023	Project(s) Expense	870.34
	Management Fees	43.52
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		913.86
2024	Project(s) Expense	290,700.16
	Management Fees	14,535.01
	Net Exchange Gain/Loss	0.00
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		305,235.17

Total Expenditure	B	306,149.03
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Less: Project Capitalized Asset	C	95,988.94
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Less: Project Advances	D	0.00
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Project Cash Balance Surplus	A-B-C-D	12,759,368.14
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Less: Actual Commitments

PO Commitment	E	459,844.34
HR Commitment	E	0.00
Projected Fees on Commitments	E	22,992.22
Prepayments	E	0.00
Total Commitment	E	482,836.56

Project Fund Balance - Surplus	A-B-C-D-E	12,276,531.58
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Notes:

- i. 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 voucher.
- ii. This is an interim report and figures are not final.
- iii. The report includes fee projections for open period(s).
- iv. The report is prepared in accordance to IPSAS reporting requirement, the reported figure under commitment is for information and it discloses only the expected utilization of project funds as of the reporting period, these commitments are not charged as an expense until the goods are delivered or services rendered.
- v. Commitments include reservations in compliance with Financial Rule 105.01. These reservations include obligations for which the contractual process is still in progress.

Certified by:

Comment:



Finance Associate

Date: 8 Jan 2025

Report run on: **08-Jan-2025**

Annex II – Statement of non-expendable property

Complaints	Location	Region	Cost Centre	Project	Project Status	WP	Donor	NaC	Asset ID	Asset Group	Description	Cost	Adjusted cost	Useful life	Asset Date from	Degr Date from	Last Degr. min	NBV	Remaining Useful Life	Serial ID	Physically Verified	Condition	Impairment tested	Repairable	Used at lower capacity	Decommissioned	CFCA Asset Disposal ID
	IRQBBL01	MR	86104	23673401	ONDCPAG	23673401-02	1099	23673401-000004	[REDACTED]	IT/VS	Armored TOYOTA Land Cruiser 200	106327,0	116345,6	120	1-May-2022	0-May-2023	203412	95660,04	56-JTM-FV01-89432	Yes	Good condition	Yes					

Certified by
 [REDACTED]
 Head of Support Services

As of 31st December 2024

Annex III – Responsibility Statement by Management

Appendix C – Responsibility Statement by Management

UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID: 23573-001 Local Infrastructure for Rural Anbar (LIRA) - Phase III

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/Income/Income-Expenditure Statements as set out in Annex I of the UNOPS Project ID: 23573-001 Local Infrastructure for Rural Anbar (LIRA) - Phase III. The Statement presented in Annex I has been prepared in accordance with (Agreement Number: BMZ-No: 2023 183 27) 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\$ 306,149.03 incurred by the UNOPS office for the period 04 December 2023 to 31 December 2024 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 : 23573-001 Local Infrastructure for Rural Anbar (LIRA) - Phase III.

Statement of Inventory of Non-Expendable Equipment

The Statement of Non-Expendable Equipment as set out in Annex II presents fairly, in all material respects, the Non-Expendable Equipment balance procured during the period from 04 December 2023 to 31 December 2024 of the project amounting to US\$ 95,988.94 in accordance with the Non-Expendable Inventory listing certified by project management.

For/

Name: [REDACTED]

Finance Specialist

Region: MR-AMMCO

Place: Jordan, Amman

Date: May 29, 2025

Name: [REDACTED]

Hub Director

Region: MR-AMMCO

Place: Jordan, Amman

Date: May 29, 2025

Name: [REDACTED]

Project Manager

Region: MR-AMMCO

Place: Baghdad, Iraq

Date: May 29, 2025