

**UNITED NATIONS OFFICE FOR PROJECT SERVICES
(UNOPS)****FINANCIAL AUDIT REPORT****29 October 2025**

Project name:	House Reconstruction in Gaza (Phase II)
Project number:	21353-001
Country:	Jerusalem office
Auditor:	BDO LLP
Period subject to audit:	10 December 2021 to 31 July 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 'House Reconstruction in Gaza (Phase II)' ("the project") (oneUNOPS project ID 21353-001), which is implemented and managed by the UNOPS Office in Jerusalem, for the period from 10 December 2021 to 31 July 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 'House Reconstruction in Gaza (Phase II)' ("the project") (oneUNOPS project ID 21353-001), for the period from 10 December 2021 to 31 July 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 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.



BDO LLP
55 Baker Street
London W1U 7EU

29 October 2025

Responsibility statement by management

This is attached as Annex II to this report.

Annex I – Project financial statement



Date: 21-Aug-2025

Ref. Project No: 21353-001

Funding: KfW German Development Bank

Dear Sir/Madam,

Subject: **Final Financial Report**

We enclose the **Final Financial Report** for project 21353-001 - **PHASE II - House Reconstruction in Gaza**, which commenced in year 2018 and indicates the final income and expense of the project.

We draw your attention to the following:

- a. Total funds received: **US\$34,710,440** which includes interest earned: **US\$ 1,566,310**
- b. Incurred expenditure and management fee: **US\$ 34,227,405**
- c. Fund Balance: **US\$ 483,034**

If you have any questions, please do not hesitate to contact the UNOPS project manager within 3 months from the date of this letter, else the statement will be considered complete and final for the project.

Yours Sincerely,

 Deputy CFO


FINAL FINANCIAL REPORT
Project: 21353-001: PHASE II - House Reconstruction in Gaza

Funding(s): 1669 KfW German Development Bank

As on: 21-Aug-2025

Currency: USD

Income

Contribution	2018	21,409,410
	2019	2,931,996
	2021	4,504,795
	2022	4,264,392
		33,110,593
Interest	2018	104,602
	2019	427,009
	2020	160,845
	2021	50,148
	2022	83,098
	2023	291,993
	2024	315,876
	2025	132,738
		1,566,310
Transfers	2019	33,537
		33,537
Total Income		34,710,440

Project Expenses

2018	Project(s) Expense	1,273,171
	Management Fees	89,122
	Net Exchange Gain/Loss	(11)
		<u>1,362,282</u>
2019	Project(s) Expense	4,515,928
	Management Fees	316,115
	Net Exchange Gain/Loss	814
		<u>4,832,858</u>
2020	Project(s) Expense	6,699,089
	Management Fees	468,936
	Net Exchange Gain/Loss	(289)
		<u>7,167,736</u>
2021	Project(s) Expense	8,958,214
	Management Fees	627,075
	Net Exchange Gain/Loss	307
		<u>9,585,596</u>
2022	Project(s) Expense	5,846,334
	Management Fees	409,243
	Net Exchange Gain/Loss	(482)
		<u>6,255,096</u>
2023	Project(s) Expense	3,822,421
	Management Fees	(163,787)
	Net Exchange Gain/Loss	(206)
		<u>3,658,428</u>
2024	Project(s) Expense	1,277,395
	Management Fees	89,418
	Net Exchange Gain/Loss	(670)
		<u>1,366,143</u>

2025

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INTERNAL AUDIT AND INVESTIGATIONS GROUP

Project(s) Expense	(965)
Management Fees	(68)
Net Exchange Gain/Loss	299
	(734)

Total Expense	B	34,227,405
Project Cash Balance - Surplus	A-B	483,034

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.

Certified by:



Deputy CFO

Comment:

Date: 21-Aug-2025

Report run on: 21-Aug-2025

Audit Period 10/12/2021 to 07/31/2024			2021 January to 09th December 2021			1st August 2024 to 31st December 2024		
Account	Account_Description	SUM of Amount	Account	Account_Description	SUM of Amount	Account	Account_Description	SUM of Amount
58005	Foreign Exch Transaction Gain	\$51	58010	Foreign Exch Translation Gain	\$0	58005	Foreign Exch Transaction C	-\$698
58053	Revaluation gain - Accounts Receiva	\$0	71105	UNOPS ICA Fee	\$172,929	58053	Revaluation gain - Account	-\$293
58054	Revaluation gain - Accounts Payable	\$0	71115	ICA Annual Leave Accrual	-\$17,981	71105	UNOPS ICA Fee	\$1,076
58055	Revaluation gain - PO balances	\$0	71210	GSS_UNOPS Supervised ICA	\$16,197	71115	ICA Annual Leave Accrual	-\$5,339
71105	UNOPS ICA Fee	\$421,211	71215	LSS_UNOPS Supervised ICA	\$44,800	71220	LICA PF Org Contribution	\$161
71115	ICA Annual Leave Accrual	\$8,373	71220	LICA PF Org Contribution	\$8,934	72725	Gain/Loss Disposal of Fixe	\$500
71135	UNOPS ICA Danger Pay	\$4,685	71225	ICA Insurance UNOPS	\$2,262	72825	Dep Exp - ITC	\$7
71210	GSS_UNOPS Supervised ICA	\$27,919	71620	Daily Subsistence Allow-Local	\$568	75215	Mobile Telephone Charges	\$215
71215	LSS_UNOPS Supervised ICA	\$247,980	72105	Svc Co-Construction & Engineer	\$7,000	77005	GSS non-person related (e	-\$296
71220	LICA PF Org Contribution	\$28,100	72120	Svc Co-Trade and Business Serv	\$87,761	78015	Foreign Exch Transaction I	\$1
71225	ICA Insurance UNOPS	\$4,658	72126	Svc Co-Security	\$5,472	78035	Realized Loss	\$0
71620	Daily Subsistence Allow-Local	\$2,182	72155	Svc Co-Public Admin, Politics	\$77,200	78045	Realized Gain	-\$3
72105	Svc Co-Construction & Engineer	\$108,244	72160	Svc Co-Education & Health Serv	\$574	79005	Facilities&Admin-Implement	-\$254
72115	Svc Co-Natural Resources & Env	\$1,976	72165	Svc Co-Social Svcs, Social Sci	\$5,401		Grand Total	-\$4,842
72126	Svc Co-Security	\$41,657	72215	Fuel, petroleum and other oils	\$36,991		Total for 2021-2024 period	\$20,865,263
72130	Svc Co-Transportation Services	\$21,301	72275	Security related goods and mat	\$211		FFS Summary	
72140	Svc Co-Information Technology	\$1,167	72280	Other Materials and Goods	\$528		Total Income	\$34,710,440
72155	Svc Co-Public Admin, Politics	\$60,300	72305	Grants to Instit & other Benef	\$7,394,665		Project Expenses	\$34,227,405
72165	Svc Co-Social Svcs, Social Sci	\$2,131	72410	Machinery and Equipment	\$144		2018	\$1,362,282
72215	Fuel, petroleum and other oils	\$46,033	72425	Furniture	\$840		2019	\$4,832,858
72280	Other Materials and Goods	\$85	72605	Acquisition of Communic Equip	\$2,129		2020	\$7,167,736
72305	Grants to Instit & other Benef	\$8,058,915	72615	Acquisition of Audio Visual Eq	\$1,680		2021	\$9,585,596
72410	Machinery and Equipment	\$12,408	72630	Inform Technology Supplies	\$1,900		2022	\$6,265,090
72425	Furniture	\$864,524	72825	Dep Exp - ITC	\$825		2023	\$3,658,428
72625	Acquis of Computer Software	\$614	73110	Rental - Other	\$14,585		2024	\$1,366,143
72825	Dep Exp - ITC	\$893	73135	Leased Vehicles	\$181,600		2025	-\$734
73106	Cost recovery for Rent & Common S	\$2,398	73230	Maint, Oper of Transport Equip	\$2,119		Total expenses 2021-2024	\$20,865,263
73110	Rental - Other	\$57,521	75125	LSS non-person related	\$18,200		Cash Balance	\$183,015
73135	Leased Vehicles	\$220,329	75205	Courier Charges	\$60			
73225	Maintenance of Equipment	\$2,131	75215	Mobile Telephone Charges	\$5,573			
73230	Maint, Oper of Transport Equip	\$24,055	76230	Connectivity Charges	\$10,023			
75125	LSS non-person related	\$106,277	75305	Stationery & other Office Supp	\$4,667			
75205	Courier Charges	\$97	75435	Printing and Publications	\$321			
75215	Mobile Telephone Charges	\$8,658	75515	Bank Charges - Payments	-\$152			
75230	Connectivity Charges	\$12,720	75720	Land Storage&Handling charges	\$4,950			
75305	Stationery & other Office Supp	\$2,536	76005	Reimb to UNDP for Supp Svcs	\$2,214			
75335	Hospitality Catering	\$876	77005	GSS non-person related (engagemen	\$11,000			
75405	Audit Fees	\$20,400	77010	Mngmt and Reporting Svcs	\$395,543			
75420	Capacity Assessment	\$421	78020	Foreign Exch Translation Loss	-\$179			
75435	Printing and Publications	\$6,562	78035	Realized Loss	\$282			
75490	Miscellaneous Expenses	\$478	78045	Realized Gain	-\$129			
75505	Insurance	\$10,933	78053	Revaluation loss - Accounts Receoi	\$0			
75720	Land Storage&Handling charges	\$50,290	79005	Facilities&Admin-Implement	\$583,257			
76005	Reimb to UNDP for Supp Svcs	\$2,619		Grand Total	\$9,086,945			
77005	GSS non-person related (engagemen	\$23,958						
77010	Mngmt and Reporting Svcs	\$884,771						
78015	Foreign Exch Transaction Loss	\$21						
78035	Realized Loss	\$446						
78045	Realized Gain	-\$589						
78053	Revaluation loss - Accounts Receiva	\$0						
78054	Revaluation loss - Accounts Payable	\$0						
78055	Revaluation loss - PO balances	\$0						
79005	Facilities&Admin-Implement	\$378,947						
Grand Total		\$11,783,161						

Project Finance Advisor-UNOPS Copenhagen

Annex II – Responsibility Statement by Management



Internal Audit and Investigations Group

Appendix C – Responsibility Statement by Management

UNITED NATIONS OFFICE FOR PROJECT SERVICES

oneUNOPS Project ID: 21353-001 House Reconstruction in Gaza

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 of the UNOPS Project ID. 21353-001 House Reconstruction in Gaza. The Statement presented 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\$11,783,161 incurred by the UNOPS office for the period from 10th December 2021 to 31st July 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. 21353-001 House Reconstruction in Gaza


Name:Title: Project Finance Advisor
Unit: Finance Group


Place: Copenhagen

Date: 03/10/2025

Title: Country Director
Office: Jerusalem

Place: Jerusalem

Date: 8 Oct 2025

Title: Finance Officer
Office: Jerusalem

Place: Jerusalem

Date: 8.10.2025