

**UNITED NATIONS OFFICE FOR PROJECT SERVICES
(UNOPS)****FINANCIAL AUDIT REPORT****18 November 2025**

Project name:	Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)
Project number:	22988-002
Country:	Yemen
Auditor:	BDO LLP
Period subject to audit:	1 July 2022 to 30 June 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
YIUSEP	Yemen Integrated Urban Services Emergency Project

Financial audit report

Audit opinion on the project financial statement

Unmodified opinion

We have audited the accompanying project financial statement for the project '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 1 July 2022 to 30 June 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 'Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)' ("the project") (oneUNOPS project ID 22988-002), for the period from 1 July 2022 to 30 June 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 'Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)' (oneUNOPS project ID 22988-002) of UNOPS as at 30 June 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 'Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)' (oneUNOPS project ID 22988-002), as at 30 June 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.



BDO LLP
55 Baker Street
London W1U 7EU

18 November 2025

Responsibility statement by management

This is attached as Annex III to this report.

Annex I – Project financial statement

Annex A: Financial Statements

Expenditures and Contributions for Project 22988-002

Period: July 2022 to June 2024

Item	First interim Auditing As of 30 June 2022	Second interim Auditing As of 30 June 2024	Total
Income:			
Contributions	\$16,401,277.00	\$79,285,495.00	\$95,686,772.00
Interest	\$0.00	\$2,524,389.34	\$2,524,389.34
Total Income:	\$16,401,277.00	\$81,809,884.34	\$98,211,161.34
Expenses:			
Management Fees	\$5,468.57	\$1,653,909.84	\$1,659,378.41
Project(s) Expense	\$182,285.58	\$55,130,327.80	\$55,312,613.38
Total Expenses	\$187,754.15	\$56,784,237.64	\$56,971,991.79

Prepared

Review and
WAR

Date: 09-Oct-2024
Ref. Project No: 22988-002
Funding: The World Bank

Dear Sir/Madam,

Subject: **Interim Financial Report**

We enclose the **Interim Financial Report for project 22988-002-AF(1) : Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)**, which commenced in year **2022** and indicates the incurred expenditure as at **30-Jun-2024**.

We draw your attention to the following:

- a. Total funds received: **US\$98,211,161.34** which includes interest earned: **US\$ 1,061,235.83**
- b. Incurred expenditure and management fee: **US\$ 56,971,991.79**
- c. Project Capitalised Asset: **US\$ 4,319.02**
- d. Project advances: **US\$ 978,288.08**
- e. Commitments: **US\$24,420,522.43**
- f. Fund Balance: **US\$ 15,836,040.03**

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

Yours Sincerely,

[Redacted Signature]

[Redacted Name] Finance Associate

Interim Financial Report
Project: 22988-002: AF(1) : Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)

Funding(s): 1646 The World Bank

As on: 30-Jun-2024

Currency: USD

Income

Contribution	2022	16,401,277.00
	2023	79,285,495.00
		95,686,772.00
Interest	2023	56,710.46
	2024	1,004,525.37
		1,061,235.83
Transfers	2024	1,463,153.51
		1,463,153.51

Total Income	A	98,211,161.34
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Project Expenses

2022	Project(s) Expense	2,547,123.93
	Management Fees	76,413.72
		2,623,537.65
2023	Project(s) Expense	36,129,339.26
	Management Fees	1,083,880.18
		37,213,219.44
2024	Project(s) Expense	16,636,150.19
	Management Fees	499,084.51
		17,135,234.70

Total Expenditure	B	56,971,991.79
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Less: Project Capitalized Asset	C	4,319.02
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Less: Project Advances	D	978,288.08
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Project Cash Balance - Surplus	A-B-C-D	40,256,562.45
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Less: Actual Commitments

PO Commitment	E	24,381,929.02
HR Commitment	E	266,814.87
Projected Fees on Commitments	E	739,462.32
Prepayments	E	(967,683.78)
Total Commitment	E	24,420,522.43
<hr/>		
Project Fund Balance - Surplus	A-B-C-D-E	15,836,040.03

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. Project advances include operational advances, prepayments, petty cash, and any VAT payments to suppliers that have yet to be recovered.
- v. 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.
- vi. Commitments include reservations in compliance with Financial Rule 105.01. These reservations include obligations for which the contractual process is still in progress.
- vii. The total figures in the report are rounded, however, the precise cash balance of the project including decimals is USD 15,836,040.029.

Certified by:

Comment:

[REDACTED]

[REDACTED] Finance Associate

Date: 11 Oct 2024

Report run on: 09-Oct-2024

Annex II – Statement of non-expendable property

Assets List Summary

Cost Centre: 05124
Project: 22988-002
Depreciation Book:
Period From: 190000
Period To: 202406

As of: 06 Nov 2024 09:20:18

Asset	Asset_Description	Asset_Group	Asset_Category	Asset_Category_D	Asset_Opening_G	Asset_Opening_C	Asset_Opening_N	Asset_Additions	Asset_Depreciated	Asset_Net_Value	Asset_Cumulative	Asset_Net_Value	Asset_Closing_Cua	Asset_Closing_Grc	Asset_Status	Asset_Lifetime	Work_Package	Donor_Description	Nature_Of_Cost	DEPREC_BOOK	Asset_Start_Date	Asset_Capitalised	Remaining Useful	Asset_Location_D
131083	46191505 Fire alarm systems	HYMS	HYM	Heavy machinery	6,170.00	-1,234.00	4,936.00	0	-616.98	0	0	4,319.02	-1,850.98	6,170.00	N	60	22988-002-03	The World Bank	22988-002-03-00	BUSINESS	04-Jan-2023	04-Jan-2023	42	Yemen Senaa Offi
												4,319.02												

Assets Verifier-

Project Manager-

9 Nov 2024

Annex III – Responsibility Statement by Management



Annex III
UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID 22988-002-Parent Phase II: Yemen Integrated Urban Services

Emergency Project (YIUSEP II),

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 Project ID 22988-002-Parent Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II). The Statement presented in Annex I has been prepared in accordance with (World Bank Grant No. D9570) 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\$ 56,784,238 incurred by the UNOPS office for the period of 01-Jul-2022 to 30-Jun-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 22988-002-Parent Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II).

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 up to 30-June- 2024 of the project amounting to US\$ 4,319.02 in accordance with the Non-Expendable Inventory listing certified by project management.

[Redacted Signature]

Name: [Redacted]
Finance Officer

[Redacted Signature]

Name: [Redacted]
Director – UNOPS Operational
Hub in Amman

[Redacted Signature]

Name: [Redacted]
Project Manager

Region: HQ

Place: Panama

Date: October 23, 2024

Region: Hub in Amman

Place: Amman, Jordan

Date: 10 November 2024

Place: Sana'a, Yemen

Date: 10 November 2024

**Please strike off, whichever is not applicable*