

**UNITED NATIONS OFFICE FOR PROJECT SERVICES
(UNOPS)****FINANCIAL AUDIT REPORT****5 December 2025**

Project name:	Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)
Project number:	22988-003
Country:	Yemen
Auditor:	BDO LLP
Period subject to audit:	27 July 2023 to 30 June 2024

Contents

Acronyms and abbreviations.....	3
Financial audit report	4
Audit opinion on the project financial statement.....	4
Annex I – Project financial statement	
Annex II – Responsibility statement by management	

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 22988-003), which is implemented and managed by the UNOPS Office in Yemen, for the period from 27 July 2023 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 22988-003), for the period from 27 July 2023 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

UNOPS Internal Audit and Investigations Group

Financial audit report

Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II), 22988-003, Yemen

27 July 2023 to 30 June 2024

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.

Signed:

**BDO LLP**

5 December 2025

Responsibility statement by management

This is attached as Annex II to this report.

Annex I – Project financial statement



Date: 15-Aug-2024
Ref. Project No: 22988-003
Funding: The World Bank

Dear Sir/Madam,

Subject: Interim Financial Report

We enclose the **Interim Financial Report for project 22988-003-AF2 - Financing Agreement Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II)**, which commenced in year **2023** and indicates the incurred expenditure as at **30-Jun-2024**.

We draw your attention to the following:

- a. Total funds received: **US\$8,855,015.00**
- b. Incurred expenditure and management fee: **US\$ 559,828.34**
- c. Project advances: **US\$ 71,155.15**
- d. Commitments: **US\$2,717,907.38**
- e. Fund Balance: **US\$ 5,506,124.13**

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

Yours Sincerely,

A solid black rectangular box used to redact the signature of the Finance Associate.

Finance Associate

Interim Financial Report

Project: 22988-003: AF2 - Financing Agreement 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	2023	8,855,015.00
		8,855,015.00

Total Income	A	8,855,015.00
---------------------	----------	---------------------

Project Expenses

2023	Project(s) Expense	69,349.00
	Management Fees	1,803.08
		71,152.08

2024	Project(s) Expense	476,292.65
	Management Fees	12,383.61
		488,676.26

Total Expenditure	B	559,828.34
--------------------------	----------	-------------------

Less: Project Capitalized Asset	C	0.00
--	----------	-------------

Less: Project Advances	D	71,155.15
-------------------------------	----------	------------------

Project Cash Balance - Surplus	A-B-C-D	8,224,031.51
---------------------------------------	----------------	---------------------

Less: Actual Commitments

PO Commitment	E	2,609,117.13
HR Commitment	E	109,267.40
Projected Fees on Commitments	E	70,678.00
Prepayments	E	(71,155.15)

Total Commitment	E	2,717,907.38
-------------------------	----------	---------------------

Project Fund Balance - Surplus	A-B-C-D-E	5,506,124.13
---------------------------------------	------------------	---------------------

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.

Certified by:

Comment:

[REDACTED]

[REDACTED] Finance Associate

Date: 15 Aug 2024

Report run on: 15-Aug-2024

Annex II – Responsibility Statement by Management

Annex III
UNITED NATIONS OFFICE FOR PROJECT SERVICES

Project ID 22988-003-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 22988-003-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. E2140) 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\$ 559,828.34 which commenced in the year 2023, and indicates the incurred expenditure as at 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 22988-003-Parent Phase II: Yemen Integrated Urban Services Emergency Project (YIUSEP II).

[Redacted Signature]

Name: [Redacted]

Finance Officer

Region: HQ

Place: Panama

[Redacted Signature]

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

Region: Hub in Amman

Place: Amman

[Redacted Signature]

(Signature)

Name: [Redacted]

Project Manager

Place: Yemen

Date: 28 Oct 2024

Date: 30 October 2024

Date: October 23, 2024

**Please strike off, whichever is not applicable*