



## **MEDAIR SOUTH SUDAN**

**Theo Road**  
Hai Tongping  
Juba, South Sudan  
[www.medair.org](http://www.medair.org)

# **MEDAIR SOUTH SUDAN COUNTRY PROGRAM** **STATUTORY AUDIT TERMS OF REFERENCE FOR THE** **FINANCIAL YEAR 2022**

## **INTRODUCTION**

Medair is an impartial, independent, and neutral humanitarian organization inspired by Christian faith to save lives and relieve human suffering in the world's most difficult-to-reach and devastated places. Since 1989, we have been helping people in crisis regardless of race, creed or nationality.

The South Sudan HNO 2021 estimated that 8 million South Sudanese and additional 310,000 refugees sheltered in the country are currently in need of humanitarian assistance. Food insecurity, the COVID-19 pandemic, sub-national violence, unprecedented flooding, and economic woes are the main drivers contributing to deteriorating humanitarian conditions across the country.

The protracted political and humanitarian crisis in the midst of a COVID-19 Pandemic in South Sudan has had a major impact on all levels of public health, notably, in conflict-affected areas such as Pibor, Leer and Renk.

Medair South Sudan Country Program is currently funded by USAID, FCDO, ECHO, SSHF and other UN Agencies to implement humanitarian response programs on Health, Nutrition, WASH and Shelter in Pibor, Renk, Leer and Juba Town through a double-faced approach that incorporates both long-term donor funded static responses and short-term donor funded emergency responses.

## **PURPOSE OF THE AUDIT**

Medair South Sudan is seeking the services of an independent external auditor to carry out a Statutory Audit of the Financial Statements for the Financial Year 2022. The auditor will be appointed to conduct the Statutory Audit for the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022 and to give reasonable assurance as to whether the income and expenditures for the reporting period, are presented fairly in all material respects and in accordance with the applicable accounting framework.

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The Auditor will express an independent professional opinion in conformity to International Standards of Auditing, on whether the Financial Statements are prepared, in all material respects, in accordance with the relevant Medair policies, Government of South Sudan applicable laws, Donor rules and regulations and International Financial Reporting Standards.

### **SCOPE OF THE AUDIT**

The Statutory Audit is a comprehensive Audit of all incomes and expenses by South Sudan Country Program within the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022.

The Auditor must review all Financial Statements as presented by Management for the Financial Year 2022 to obtain reasonable assurance that statements present in all material respects the true and fair view of the Program.

The Auditor will conduct tests to evaluate the overall control environment, the adequacy of the accounting systems and control procedures to identify any significant deficiencies or material weaknesses in the design or operation of internal control and to ascertain that a material misstatement, whether by error or fraud, of the financial statements will not be prevented or detected and corrected on a timely basis. This evaluation of internal control should include, but not be limited to, the control systems for;

- Ensuring that charges to the funds are accurate and supported.
- Cash and Bank Management.
- Procurement of goods and services.
- Asset and Inventory Management including disposal policy.
- Managing personnel functions such as timekeeping, salaries, and benefits.

Other than the Audit opinion on general purpose Financial Statements for the Financial Year 2022, the Auditor will prepare a detailed Management Letter, providing the auditor's observations and findings on accounting records, systems and internal controls that were examined during audit, including:

- Weaknesses and issues in accounting and internal control systems, including irregularities in the use of funds, ineligibility of expenditure, and procurement-related weaknesses and issues.
- Auditor's assessment of the causes, and recommendations to improve or rectify the identified weaknesses and issues.

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- Management responses to the weaknesses and issues including explanations of the causes, proposed action plan to address the concerns, and the timeline for completion.
- Status of weaknesses and issues identified and reported in prior period Audits.
- Any continuing or persistent issues and weaknesses, and follow-up actions taken.
- Any other matters that the auditor considers pertinent or significant as to impact the true and fair view of the Financial Statements.

### **Other Audit Responsibilities**

The Auditor must perform the following additional responsibilities;

- Hold entry meeting with Medair South Sudan Country Program Management Team in order to discuss audit-related matters including inputs to the audit plan and subsequently an exit meeting in order to obtain comments on the accuracy and completeness of facts and conclusions, including whether or not Medair concurs with the audit findings
- During the planning stages of the audit, communicate information to Medair regarding the nature and extent of planned testing and reporting on compliance with laws, regulations and internal control over financial reporting. This communication should be in the form of an engagement letter.
- Institute quality control procedures to ensure that sufficient appropriate evidence is obtained through inspection, observation, inquiries, physical verification and confirmations to afford a reasonable basis for an opinion regarding the financial statements under audit.
- The auditor must ascertain, during the audit engagement, whether Medair ensured that audits of its sub-grants and partners (if any) were performed to ensure accountability.
- Obtain a management representation letter, in accordance with International Standards of Auditing, signed by the Country Program Senior Leadership.

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### **AUDITOR QUALIFICATIONS**

- A legal entity operating in South Sudan with business license granted by the appropriate authority.
- A member of a professional body affiliated with the International Federation of Accountants.
- Have adequate relevant professional and educational qualifications, or able to provide audit staff with adequate qualifications, experience, and competence.
- Technically competent and able to conduct audit in line with the International Standards on Auditing.
- Objective and independent from the projects, its staff, and activities, and from all aspects of management or financial interests of Medair Globally.
- Possesses proven track record in Statutory and Financial audits of public sector clients, INGOs or audits of similar nature, type and complexity..