

# Terms of Reference For Project Audit

Audit Duration: 19/08/ 2024 - 23/08/ 2024  
Final Audit Report Submission Date: 30/08/2024

## I . Objectives of the Audit

The objective of the audit is to provide independent and objective assurance that the project funds were used for the purposes intended and in accordance with the project objectives and the Funding Contract.

## II . Project Summary

Primary Sector	Education
Project Title	Project Dismantling Barriers and Improving the Quality of Education for Girls, Out of school children and Children with disabilities in Fragile, Conflict and Crisis Situations
Project Duration	July 2023 - June 2024
Project Goal	To address the educational needs of children particularly girls and children with disabilities in Magwi Payam, Magwi County through a holistic and engaging approach which targets both access to education and the quality of the education provided
Total Budget (USD/Local Currency)	USD 104,768
Implementing Organization	CHILD RELIEF AND SUPPORT ORGANIZATION (CRSO)

## III . Scope of the Audit

1. The auditors shall express an independent professional opinion as to whether the financial statements present fairly, in all material respects, the financial position of the project in accordance with agreed-upon procedures.
2. The audit shall be carried out in accordance with the International Standards on Auditing (ISAs) as issued by the International Federation of Accountants (IFAC). The auditors in their duties shall comply with the duties imposed upon them by the Auditors Professions Act and local legislation.



The agreed-upon procedures are below

- A. All donor funds have been used in accordance with the terms and conditions of the relevant Funding Contract with due attention to economy and efficiency, and only for the purposes for which the financing was provided;
- B. Goods and services financed have been procured in accordance with the **Child Relief and Support Organization** procurement policy and all expenditures have been properly accounted for (supported by genuine accounting records such as vouchers, receipts, invoices, attendance list and beneficiary list etc.). Appropriate supporting documents, records and books of account relating to all project activities have been kept;
- C. Verify the personnel costs by examining employment agreements, staff payrolls and vouchers;
- D. Verify whether the administration costs are consistent with Project budget agreed by the donor;
- E. Examine whether fund transfers and payments are supported by appropriate documents, in particular by examining the complete documentation of transactions from USD into local currency.
- F. Verify comprehensive assessment of the adequacy and effectiveness of the accounting to monitor expenditures;
- G. Ineligible expenditures identified during the audit will be identified and reported on and should be taken into account in the Auditor's opinion.

#### **IV. Auditor independence**

The Auditor must be completely impartial and independent from all aspects of management or financial interest or any other interest that may potentially affect or be seen to affect the auditor's opinion prior and during the execution of the audit assignment.

#### **V. Auditor's qualification**

To apply, the Auditor should meet the following requirements:

- A. The audit firm is a member of a national accounting or auditing body or institution which in turn is member of the International Federation of Accountants (IFA).
- B. The audit firm is a member of a national accounting or auditing body or institution and commits itself to undertake this engagement in accordance with the IFAC standards and ethics.
- C. The audit firm is registered as a statutory audit firm in the public register of a public oversight authority in South Sudan and holds good records in performing





credible financial audits among national and international non-governmental organizations

## **VI. Auditors Report**

The audit report shall be in English and include the following items:

- Programme/Project number and name
- Date of the co-operation agreement
- Reporting period and currency
- Exchange rate used in the Financial Programme/Project Report
- Total amount of budgeted income and expenditures (including balance from previous year) if any
- Total amount of actual income and expenditures (including balance from previous year) if any
- Auditor's name, position, address, phone and e-mail the report shall contain the responsible auditor's signature (not just the audit firm) and title
- Opinion on the specific checks to be performed (listed above).

Other considerations include:

- The report shall contain details regarding used audit methodology and the scope of the audit, details of locations visited, and the relative size of samples tested.
- It should also state the basis of the auditor's opinion. If the auditors give a qualified opinion the factors leading to the qualification should be given.
- The report shall contain an assurance that the audit was performed in accordance with international standards and by a qualified auditor.
- The audit report should provide a clear expression of opinion on the management of the CRSO and on compliance with the funding agency requirements
- The report from the auditor shall contain the audit findings made during the audit process explained above.
- The auditor shall make recommendations to address any weaknesses identified. The recommendations should be presented in priority.
- The audit report shall be presented to CRSO in two signed hardcopies

## **VII. General**

The responsibility for preparation of the annual financial statements lies with Head of Finance of **CRSO**



The audit shall be carried out in the **CRSO** office where the project's accounting documents are kept

The Auditor should become familiar with the Project, and with the relevant policies of **CRSO** (including those relating to disbursements, procurement and financial management and reporting).

The Auditor would be given access to all legal documents, correspondence, and any other information associated with the Project and deemed necessary by the Auditor.

#### **VIII. Audit fees**

Audit Fees will be based on quotations received and qualifications of the selected firm.

#### **IX. Reporting**

In the Report to Management, the external auditor is requested to give his professional judgment of the organization's financial management, including the potential risks for the continuity of the organization, the accounting system, the internal control procedures, and the organization's financial reporting. A draft report, upon completion of fieldwork, should be submitted to **CRSO**. A final report should be submitted after all matters arising from the audit have been concluded.

#### **X. Financial Audit Deliverables**

The audit report of the auditor shall provide an opinion on the financial information of **CRSO**

The answers to the Questionnaire and recommendations to the management (Management Letter) as well as the management representation letter shall be provided as separate deliverables together with the audit report.

#### **XI. Signature**

The financial audit report is to be signed by the leader of the audit team. The financial reporting subject to audit shall be signed by a representative of the management of **CRSO**.

#### **XII. Proposal delivery**

Both Technical and Financial proposals are required. These should be addressed to the Chairperson Board of Directors and submitted by email to the following address: [christin.crso@gmail.com](mailto:christin.crso@gmail.com), copying [crsosouthsudan@gmail.com](mailto:crsosouthsudan@gmail.com)

#### **XIII. Submission deadline**

The deadline for the submission of the proposals is latest 5.00 pm August 8, 2024

#### **XIV. Information required on tender documents**

1. Background Information of the firm
  - a. Name and address of Firm, Telephone numbers
  - b. Name and Title of Principal Contact



- c. Brief History of the Firm including years in operation and nature of its practice
2. Professional Competence
3. Independence -state factors that could limit your independence to perform an objective audit.
4. Approach: Proposal outlines an audit approach that is tailored based on obtaining an understanding of the project activities, operating system, personnel, and donor requirement
5. Period of Audit, state when the Final Audit Report will be submitted to CRSO
6. Audit fees
7. List of your clients or references

**XV. Terms of payment**

100% after completion and submission of the final report

