

**Terms of Reference**

**Postcode Lottery Audit**

**Emergency aid Sudan - Aid for refugees”**

**Contract number: FV-4834; FA-10722**

**Fund Code:** **DEA51, Project Code SDN3788**

**CARE SUDAN OVERVIEW**

**CARE International is an International NGO working in Sudan together with its partners and projects participants in vulnerable communities to address the underlying causes of poverty and promote peace and development, through its strategic goal to reduce poverty by empowering women, enhancing access to resources and services, and improving governance.**

**BACKGROUND AND SCOPE**

CARE is an international Non-Governmental humanitarian organization (NGO) whose mission is to save lives, defeat poverty, and achieve social justice. With the country office Head Office in Khartoum CARE’s programs operations cover six states (East Darfur, South Darfur, South Kordofan, Kassala, Gedaref and Khartoum States) and have reached almost 2 million people directly in 2021.

CARE International in Sudan received funding from the ***Deutsche Postcode Lotterie*** for the implementation of **“Emergency aid Sudan - Aid for refugees”** project in Gedaref State**.** The project activities were:

1. Provision of WASH facilities
2. Provision of safe Hygiene kits and trainings of community members on safe hygiene practices
3. Construction and rehabilitation of latrines and water points

CARE International is seeking professional services for an Expenditure Verification (EV) for the project “Emergency Aid Sudan - Aid for Refugees in Gedaref State”. This EV will cover the entire budget of €355,449.54, funded by Deutsche Postcode Lotterie (donor) through CARE Deutschland and including the match fund of CARE Deutschland for the implementation of “Emergency Aid Sudan - Aid for refugees” project during the implementation period 10.02.2022 – 31.10.2022.

All project financial and other information are available in Gedaref Field Office, but would be made available to the EV Firm, as the audit will be conducted in CI office in Khartoum.

Expected start date of the audit is December 1st, 2022, and final report should be issued by December 23rd, 2022.

**DELIVERABLES**

* This expenditure verification is an engagement to perform certain agreed-upon procedures regarding the Financial Report for the Grant Contract. The objective of this expenditure verification is for the Auditor to carry out the specific procedures listed in Annex A to this ToR and to submit to the donor a report of factual findings with regard to the specific verification procedures performed. Verification means that the Auditor examines the factual information in the Financial Report of the project and compares it with the terms and conditions of the Grant Contract. As this engagement is not an assurance engagement, the Auditor does not provide an audit opinion and expresses no assurance. The donor assesses for itself the factual findings reported by the Auditor and draws its own conclusions from these factual findings.
* The Expenditure Verification (EV) will involve a review of a large number of supporting documents related to the financial report that is submitted to Deutsche Postcode Lotterie (donor) through CARE Deutschland covering the period set out in the IPIA for the project “Emergency Aid Sudan - Aid for Refugees”.
* The scope of the EV will be all expenses incurred from funds provided by Deutsche Postcode Lotterie (donor) through CARE Deutschland and all match funds provided by CARE Deutschland which includes: (1) all expenses listed in the financial statement submitted by CARE Sudan, and (2) the direct payments processed by CARE Germany (if any).
* The auditor will be required to verify that:
  + All expenses are incurred in accordance with the provisions of the IPIA
  + all expenses are correct and supported by original vouchers
  + all expenses were incurred during the project period
  + all expenses have been approved and complied with donor regulations and the approved budget
  + the applied method of exchange rate complies with general accounting standards.
* The auditor will be required to produce a management letter to be submitted as a first draft report with the findings of the expenditure verification and their recommendations to the CARE Sudan (and the relevant CARE member organization to be specified)
* The Auditor will submit an Expenditure Verification report to CARE International in Sudan (and CARE Germany) which shall include the following items:
  + Detected irregularities or fraud (e.g. private use of donor funds, falsification of documents such as falsified reports or invoices)
  + Unwillingness to cooperate on the part of CARE Sudan
  + Problems with the financial monitoring of the projects
  + Further aspects of major importance for the donor.
* Expenditure Verification report will be submitted in ENGLISH and on or before the agreed timelines.
* The auditor will issue the EV/financial reports donor specific format as per **attached additional audit protocols**.
* Auditor is expected to provide a reasonable expenditure verification coverage based on risk but not less than 65%.
* The auditor will comply with other donor specific requirements as per attached audit protocols.

**TERMS OF PAYMENT**

* 50% of the fees on signing of the engagement letter; and
* 50% of the fees after the submission of the final report.

**Focal points for this audit in CARE Sudan are:**

1. **Leo Probyns- Deputy Country Director, Operations**
2. **Yasmin Osman- Senior Enterprise and**
3. **Timothy Nguyai- Emergency Response Manager/Head of Field Office, Gedaref**