# Appendix C: STATUTORY AUDIT

**Terms OF REFERENCE for IRC Sudan operations for the Fiscal year xxxx**

1. **Introduction and Objectives:**

The International Rescue Committee (IRC) responds to the world’s worst humanitarian crises and helps people to survive and rebuild their lives. Founded in 1933 at the request of Albert Einstein, the IRC offers lifesaving care and life-changing assistance to refugees forced to flee from war or disaster. At work today work in over 40 countries and 22 U.S. cities, we restore safety, dignity and hope to millions who are uprooted and struggling to endure. The IRC leads the way from harm to home.

The International Rescue Committee (IRC) wishes to obtain auditing services for its operations for the fiscal year 2020. This Audit's purpose is to be in line with the statutory obligation provided by law and the Humanitarian Aid Commission of Sudan (HAC) to renew the IRC license/registration.

1. **Scope of the audit:**
* To audit the financial statements of INTERNATIONAL RESCUE COMMITTEE- Sudan for the period (xxxxxxx)
* The audit aims to provide an audit opinion on IRC's overall financial statements in line with the statutory requirements and conduct an independent assessment of key financial and operational controls
* The audit will examine the Income statement, Balance Sheet, and Trial Balance records for the IRC. The IRC statements will be generated from Microsoft Excel backed with a trial balance report from the Sunsystem accounting software in USD for the audit period xxxxxxx.

The audit Scope will include but will not be limited to:

* Obtain sufficient audit evidence to substantiate, in all material respects, the accuracy of the information contained in the Balance Sheet reports.
* Obtain an understanding of internal controls and perform tests of internal control
* Perform procedures to determine whether IRC has complied with laws, rules, and regulations.
1. **The Auditor’s report & Management Letter**
* Audit opinion stating whether the Income & Expenditure Statement and supporting schedules present fairly in all material aspects that the funds were utilized for the purposes intended.
* The Accounting Standards that have been applied and indicate the effect of any deviations from those standards
* Audited financial statements in USD currency.
* The report must be signed by and bear the title of the auditor in charge (not simply the audit firm).

The Auditor will submit a separate Management Letter after the audit. The Management Letter shall include but not limited to the following:

* An assessment of the Internal Control System with equal emphasis on the general effectiveness of the Internal Control System in protecting the assets and resources of the organization.
* A description of any specific weaknesses noted, the audit procedures followed to address or compensate for the weaknesses, risk exposure, and recommendations to resolve/eliminate the weaknesses noted should also be included.
* The report preferred not to exceed 20 pages. It must be written in English languages and (Arabic if required by the local authorities) and submitted to IRC in triplicate with one digital copy in 7 working days following the last visit.