Terms of Reference for
Assurance Engagements following a given ISA or
ISAE Standard

WHH Project number	SDN 1267-24
Name of the project	Sustainable Food and Nutrition Security in Red Sea State (SFNS-RSS)
Co-financed by	Swedish International Development Cooperation Agency (Sida)
Name of Action (if applicable)	Sustainable Food and Nutrition Security in Red Sea State (SFNS-RSS) extension phase
Donor Contract number (if applicable)	14330
Contract amount	SEK 18,000,000
Periods subject to the engagement	01/11/2025 - 31/10/2026
SPR No	RSS-2026-092
Language of the contract and supporting documents	English

1. Background (Short description)

Donor information and Project Details:

The Swedish International Development Cooperation Agency (SIDA), represented by its Unit for Sudan, funds Sustainable Food and Nutrition Security in Red Sea State (SFNS-RSS), WHH project SDN 1267-24, under Sida Contribution No. 14330. Deutsche Welthungerhilfe e.V. (WHH) is the Cooperation Partner responsible for project implementation and accountability to SIDA. WHH implements the project in Agig and Sinkat localities, Red Sea State, Sudan, with the national partner Abuhadia Society for Women and Community Development (ASWCD). WHH commissions the independent audit

Donor Funding and Grant Contract with partners:
SIDA provides SEK 18,000,000, equivalent to the approved extension budget for the 24-month extension from November 2025 to October 2027. The funding supports integrated food and nutrition security, climate-resilient agriculture, women's economic empowerment, and water, sanitation and hygiene activities.

Project Objectives and Strengthening of Initiatives:
The action aims to sustainably improve food and nutrition security among smallholder agro-pastoralist households in Agig and Sinkat through two outcomes: (1) improved agricultural productivity, climate resilience and food and nutrition security; and (2) improved safe water supply and hygiene practices. Activities include land rehabilitation and rainwater harvesting, Farmer Field Schools, nutrition education and home gardens, women's income-generating activities, water infrastructure rehabilitation, school sanitation facilities and hygiene promotion.
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Implementing Partners:

Partner Name	Date of signature	Date End	Amount (EUR)	Location
ASWCD	10.02.2026	31.08.2027	210,648.76	RSS

Financial Details and Limitations:
SIDA's approved extension budget is SEK 18,000,000 (EUR 1,629,372.14), comprising SEK 11,356,026 for Year 1 and SEK 6,643,974 for Year 2. The co-financing amounts for WHH is SEK15,672,921 (EUR 1,418,723.38) and for ASWCD is SEK 2,327,079 (EUR 210,648.76). Under Amendment No. 5, Article 4.3, WHH is responsible for obtaining any additional resources required for implementation
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2. Objective

The objective of this ToR is to provide a audit the financial report for the period 2025-11-01 to 2026-10-30 as submitted to Sida and to express an audit opinion according to ISA, applying ISA 800/ISA 805, on whether the financial report of Sustainable Food and Nutrition Security in Red Sea State (SFNS-RSS) is in accordance with the Cooperation partner's accounting records and Sida's requirements for financial reporting as stipulated in the agreement including appendices between Sida and Cooperation partner (Agreement) for the period mentioned above in accordance with the International Standard on Assurance engagements. This Standard requires that the auditor plans and performs the assurance engagement to obtain reasonable assurance whether the Subject Matter complies in all material respects with the below Criteria. The engagement is to carry out the procedures stated in Article 6.1(c) of Amendment No. 5 to SIDA Contribution No. 14330, which refers to Article 8 of the agreement and Annex D, Terms of Reference for Annual Audit, version 1.3 of April 2023.

3. Audit Criteria

The following criteria specified in the above-mentioned contract form the basis of the engagement:

1. **Audit opinion and reporting — Annex D, sections I and III:**
   - The audit shall be carried out in accordance with international audit standards (ISA) issued by IAASB. The objective is to audit the financial report and to express an audit opinion according to ISA, applying ISA 800/ISA 805, on whether the financial report is in accordance with the Cooperation partner's accounting records and Sida's requirements for financial reporting as stipulated in the agreement including appendices. The financial report that has been the subject of the audit shall be attached to the audit report. Reporting shall include a Management Letter with findings, weaknesses, prioritized and risk-classified recommendations, and follow-up of previous audit findings. Absence of previous findings or of findings warranting a Management Letter must be explained. The ISRS 4400 (Revised) assignment shall be reported separately, describing performed procedures and findings and stating sample sizes where applicable. Reporting shall be signed by the responsible auditor and include their title.
2. **Budget comparison — Annex D, section II, procedure 1:**
   - Observe whether the financial report is structured in a way that allows for direct comparison with the latest approved budget
3. **Financial report disclosures — Annex D, section II, procedure 2:**

- Observe and inspect whether the financial report provides information regarding a) Financial outcome per budget line (both incomes and costs) for the reporting period and columns for cumulative information regarding earlier periods under current agreement. b) When applicable, compare if the opening fund balance for the reporting period matches with what was stated as closing fund balance in the previous reporting period. c) A disclosure of exchange gains/losses. Inquire and confirm whether the disclosure includes the entire chain of currency exchange from Sida's disbursement to the handling of the project/programme within the organization in local currency/ies, if applicable. d) Explanatory notes (such as, for instance, accounting principles applied for the financial report). e) Amount of funds that has been forwarded to implementing partners, when applicable.

4. **Salary costs — Annex D, section II, procedure 3:**
   - a) Inquire and inspect with what frequency salary costs during the reporting period are debited to the project/programme. Choose a sample of three individuals for three different months and: b) Inquire and inspect whether there are supporting documentation for debited salary costs. c) Inquire and inspect whether actual time worked is documented and verified by a manager. Inquire and inspect within which frequency reconciliations between debited time and actual worked time is performed. d) Inspect whether the Cooperation partner comply with applicable tax legislation with regard to personal income taxes (PAYE) and social security fees.
5. **Sanctions screening — Annex D, section II, procedure 4:**
   - Review and confirm that the Cooperation partner screens IP's and/or suppliers to ensure that such parties are not subject to the European Union's financial sanctions list of persons, groups and organizations (EU Sanctions list). Enquire whether there has been any reported findings from the screening process and if so, report on such findings.
6. **Unspent fund balance — Annex D, section II, procedure 5:**
   - a) Inspect and confirm that the unspent fund balance (according to the financial report) at the end of the financial year is in line with information provided in the accounting system and/or bank account. b) Applicable in the final year: Inspect and confirm the unspent fund balance (including exchange gains) in the financial report and confirm the amount that shall be repaid to Sida
7. **Authority staff per diem — Annex D, section II, procedure 6:**
   - Inspect and confirm that no per diem have been paid to staff of national/regional/local authorities without prior consultation with Sida
8. **Implementing partner agreements — Annex D, section II, procedure 7:**
   - Inspect and confirm whether the Cooperation partner has signed agreements with the selected IP's
9. **Implementing partner audits — Annex D, section II, procedure 8:**
   - Inspect and confirm whether the Cooperation partner, in all agreements entered with IP's, included the requirement to carry out annual audits. The requirement shall specify that these audits shall be carried out with application of ISA (reporting according to ISA 800/805) and a separate assignment according to ISRS 4400 (Revised) should be included for project/programme support. If agreements regarding core support are entered into with IP's, the audit shall be conducted in accordance with ISA 700 or National standards on auditing.
10. **Partner reports and follow-up — Annex D, section II, procedure 9:**

- Inquire and inspect whether the Cooperation partner has received financial reports and auditor reports from all IP's included in the selected sample: a) Inquire and inspect whether the Cooperation partner has verified if reports from IP's are in line with the requirements in the Agreement. b) Inquire and inspect whether the Cooperation partner has documented its assessment of the submitted financial reports and reporting from auditors including management responses and action plans from selected IP's. c) Inquire and inspect whether the Cooperation partner has documented its follow-up actions based on the information provided in the financial reports and the reporting from the auditor of the selected IP's. d) Inquire and inspect whether the Cooperation partner has reported substantial observations from selected IP's audit reports in its communication with Sida. List observations from IP's audit reports which have been part of this sample

4. Standards

The Auditor shall undertake this engagement in accordance with

- ☒ the ISA 800/805, as required by signed Annex D..
- ☐ the ISAE standard is not applicable to this assignment; Annex D requires a separate agreed-upon procedures assignment under ISRS 4400 (Revised), which does not provide assurance.
- the IFAC Code of Ethics for Professional Accountants, developed and issued by IFAC's International Ethics Standards Board for Accountants (IESBA).

5. Reference Documents

The following documents will be provided or given access to:

1. The Donor contract N° 14330 between SIDA and WHH and implementing partner if applicable Abuhadia Society for Women and Community Development (ASWCD), under a separate WHH–ASWCD agreement containing:

Amendment (if applicable)	**Date**
Agreement No.5	08.12.2025
Annex N°	**Annex Description**
Annex A	General Conditions applicable to Grants from Sida to NGO:s, regarding project/programme support and core support
Annex B	Extension Project Narrative
Annex B2	Budget
Annex B3	Project Villages
Annex B4	Target group
Annex B5	Log frame
Annex B6	Work Plan
Annex D	Sida's Standard Terms of Reference for Annual Audit of Project/Programme Support including ISRS 4400 (Revised)

2. Financial report for the mentioned period
3. List of vouchers related to the financial part of the report

4. Management Declaration for the reporting period/ period of the engagement
5. Country specific Procurement Policy/Rules
6. Own Partner Procurement Rules (applicable? Yes ☐ No ☐)
7. Organizational Chart
8. Any further information the auditor needs to fulfil the objective of the contract.

6. Scope of the engagement

The periods to be audited are:

Start Date	End Date
01.11.2025	31.10.2026

It contains total expenditure/costs of max. EUR 314,402.15, to be confirmed by final financial report EUR and max. 653 vouchers, to be confirmed by final financial report vouchers (= transactions) in this period 01.11.2025–31.10.2026 .

Vouchers with large amounts (e.g. expatriate personnel costs, procurements of goods, ser- vice contracts, grant agreements, et.al.) are located in:

Budget Line	Description
2.2	Office rent, January–December 2026
2.5	Internet for RSS office
3.10.1	Veterinary kits for CAHW training
5.1	Baseline survey

The largest quantity of vouchers is in Budget Line 4.11, to be confirmed by final financial report

Timeframe and place(s) of the engagements

The timeline of the engagement should be agreed between WHH and the Auditor three months before the planned starting date of the performance of the engagement.

The engagement is carried out between the financial reporting date and the deadline for sub-mission to the donor and needs to be done:

a) as a single engagement starting on Not applicable — annual audit
b) on an annual basis for 01 years
    1. First engagement To be agreed by WHH and the auditor
    2. Second engagement Not included in the stated audit period
    3. Third and final engagement Not applicable

The procedures will be performed as

- Fieldwork ☐
- Remote ☒

at the following locations:

- WHH country office ☐ in [please specify]
- WHH Project Office ☐ in [please specify]
- Partner Offices ☐ in [please specify]

7. Deliverables by the Auditor

The Auditor shall prepare and submit the following deliverables for the first engagement:

1. Draft of the Report until [10.12.2026]
2. WHH comments the draft until [20.12.2026]
3. The final version is to be submitted to WHH until [24.12.2026]

Information under the preceding articles will be confirmed by WHH each year and may be subject to change if required on either side if necessary.

The Auditor agrees to the disclosure of the final report to SIDA, represented by [the Unit for Sudan in connection with Sida Contribution No. 14330, Amendment No. 5, Article 6.1(c), and Annex D.

8. Currency, language of the deliverables

The financial information contained in the deliverables is to be expressed in SEK. All documents shall be in English.

9. WHH contact persons

The WHH contact persons are:

Function	**Name**
Country Director, Country Office	Jeroen Stol
Head of Project	Antenanie Enyew Goshu
Head of Finance, Country Office	Ferdinand Zuze
Contact Person at HO Bonn (if applicable)	Andrea Thomas

Signatures

WHH date Auditor date