

**Terms of Reference
Hiring of External
Auditor
For the Year 2022**

Issue Date: 29-Jan-2023
Closing Date: 12- Feb-2023

RFQ# UNION AID/2023/

About UNION AID:

Union Aid (UA) was established by a group of Afghan philanthropists and social activists in July 1979 in Peshawar, Pakistan. Union Aid was serving Afghan Refugees and host communities living in/around refugee camps through various projects in three main sectors; health, education and skill development. UA has been providing basic health services through hospitals, Basic Health Units (BHUs), labor rooms, provision of prosthetic limbs and first aid trainings. UA facilitated Afghan Refugees in education sector through providing formal basic and higher education, skill development programs for men and women, literacy centers and scholarships.

Union Aid is actively providing Regular support in humanitarian & development sectors such as, Healthcare, Nutrition, Education, Scholarships, Technical Vocational Education Trainings, Family Support Programs, Emergency Response and Support, Livelihoods, Food Security, Shelter, Construction/Rehabilitation of community level infrastructures, Environmental Protection, and WASH. The Union Aid is registered with following clusters:

- Emergency Health Cluster
- Global Shelter Cluster
- Earthquake Cluster

1. Vision:

Union Aid envisions a safe and just society where the human beings, regardless of ethnicity, language and religion, have access to equal opportunity from relief and development support and get together for favorable and sustainable living condition

2. Mission:

- To support the most vulnerable segment of the society meet their basic needs and play their role in upbringing of society with equality and justice.
- To support survivors of conflict, meet their basic needs with equality and dignity and provide a helping hand for prosperous and peaceful future.

Objective of Union Aid's Audit 2022

- 1- The objective of the audit of UNION AID financial statements is to enable the auditors to express an independent professional opinion on the financial Statements for the period 1-January-2022 to -31-Dec-2022
- 2- To ensure that the funds utilized to UNION AID activities have been used for their intended purposes.

3- The books of accounts of UNION AID provide the basis for preparation of the UNION AID Financial Statements.

Proper books of accounts as required by law have been maintained by UNION AID and also maintain adequate internal controls and supporting documentation for the transactions.

Scope of the Audit:

1. The audit will be carried out in accordance with the International Auditing Standards and will include tests and verification procedures, as the auditors deem necessary.
2. The scope of external audit work entails testing and evaluation the adequacy and effectiveness of management and financial information systems, internal control frameworks, and to make recommendations.
3. Review the effectiveness, efficiency of the financial, and human resources.
4. Verify all funds have been used in accordance with the established rules and regulations of UNION AID and only for the purposes for which the funds were provided.
5. Goods, works and services financed have been procured in accordance with the UNION AID established rules and procedures.
6. Appropriate supporting documents, records and books of accounts relating to all activities have been kept.
7. The financial statements have been prepared by UNION AID management in accordance with applicable accounting standards and give a true and fair view of the financial position of UNION AID and of its receipts and expenditures for the period ended on that date.
8. Comprehensive assessment of the adequacy and effectiveness of the accounting and overall internal control system to monitor expenditures and other financial transactions.
9. Express an opinion as to reasonableness of the financial statements in all material respects.
10. In addition to the audit report, the auditors will prepare a Management Letter on the following:
 - a. Give comments and observations on the accounting records, procedures, systems and controls that were examined during the course of the audit.
 - b. Identify specific deficiencies and areas of weakness in systems and controls and make recommendations for improvement.
 - c. Report on the implementation status of recommendations pertaining to previous period audit reports.
 - d. Communicate matters that have come to their attention during the audit which might have a significant impact on the sustainability of the organization.

Deliverables:

1. The Auditors on completion of the audit work will submit 3 (three) original hardcopies of the Audit Report appended to the Financial Statements along with the reports to the attention of director of UNION AID.
2. Management letter in accordance with the scope of work described here before.

Qualification of the Audit Firm:

The registered auditing firm who are interested to submit their Offer expected to employ adequate staff with appropriate professional qualifications and suitable experience, with related international standards, in particular the International Standards of Audit, and International Financial Reports Standard (IFRS), and with experience in performing assessments and/or audits of entities comparable in size and complexity to the Entity.

Standards & Ethics:

The auditor is expected to perform the assignment in accordance with the code of Ethics for professional Accountant and Audit, and notably in compliance with the principles of integrity, objectivity, independence, professional competences and due care, confidentiality, professional behavior and technical standard.

Audit Fees:

The audit fees will be fixed based on a competitive offer.

How to apply

Interested firms can submit their technical and financial proposals to Union Aid. All sealed Bids/Proposal should accomplish the above requirements may shall reached through courier service to Union Aid Office Address **House No.01, Street No.01, Sector No.02, Bagh Bala, Kabul-Afghanistan** not later than 12/Feb/2023.

For Further information please Contact.

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