

TERMS OF REFERENCE (ToRs)

EXTERNAL AUDIT ON ACCOUNTING AND FINANCIAL MANAGEMENT OF SINDH EDUCATION FOUNDATION

2. OVERALL PURPOSE

The overall purpose of the external audit is to review the effectiveness of the operations of Sindh Education Foundation and of the accounting process & operation of the Foundation, as well as the correct use of funds received from donors and the transparency of the disclosed accounting and financial information.

3. SCOPE

The audit is expected to cover all aspects related to finance and accounting, including – but not limited to – the following aspects:

- Cash and Bank accounts management and reconciliations; cash management procedures and their validity in terms of control
- Client loans and savings accounting processes, monthly reconciliation procedures;
- Control over late payments, loan loss provisioning, loan write offs
- Staff payroll preparation, accounting and control
- Booking of funds received from donors, and compliance of fund use with the terms agreed by the donors
- The accounting ledgers, vouchers and other supporting documents
- The financial statements (balance sheet, profit and loss statement
- Budget control

And more generally speaking, the audit will aim at controlling the compliance of the Foundation's practices with the procedure manuals, as well as the quality of these manuals & as per applicable rules of government.

4. EXPECTED OUTPUT

A comprehensive financial audit report comprising detailed financial statements, all notes to the statements and a proper management letter, has to be submitted to the Managing Director of Sindh Education Foundation.

The report has to be well-structured, including an in-depth analysis on all the aspects of accounting and financial management as listed above and evidence-based recommendations for consolidation and improvement of Sindh Education Foundation financial management. The final version of the management letter will include the institution's management's response to the listed findings and to the recommendations.

5. METHODOLOGY:

Desk study and field visits as per requirement are must. The audit is expected to take a risk-based approach.

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6. TIMING

The job is expected to be carried and completed within two (02) months (Sixty days) after signature of the contract/Engagement letter.

7. PROPOSALS

The proposals must include a description of the scope of work, timing of conduction of audit, as well as detailed composition of the team, breakdown of the fees and charge