**Terms of Reference 1**

**I. Introduction**

Ukrainian Helsinki Human Rights Union (hereinafter - the Organisation) wishes to engage the services of an audit firm for the purpose of auditing the Organisation for the period from 01.01.2015 to 31.12.2015. The audit shall be carried out in accordance with international audit standards issued by IAASB[[1]](#footnote-1). The audit shall be carried out by an external, independent and qualified auditor (Approved Public Accountant/Authorized Public Accountant or equivalent).

**II. Objectives and scope of audit**

* to **express an audit opinion** on whether the organisation’s financial statements, specifically, Balance Sheet, Statement of Expenditure, Statement of Cash Flows, present fairly in all material respects, the financial position of the Organization as of 31 December 2015 and its change in net assets for the year then ended;
* to **express an audit opinion** on the Report on the Receipt and Use of Funds for the period 1 January 2015 – 31 December 2015 under the Agreement with the Swedish International Development Cooperation Agency (SIDA), dated 23.04.2013, and the amendment dated 19.06.2014;
* on the above basis to summarise the findings on the Organisation’s internal control issues and assess control risk and identify significant deficiencies, including material weaknesses, to the extent of the auditing procedures necessary for expressing the opinion on the financial statements;
* to evaluate the compliance of the organisation with national tax laws and regulations;
* to evaluate compliance with the obligations in the Agreement between Sida and the Organisation. For this purpose, the auditor should be provided with a copy of the Agreement;
* provide information on all expenditures incurred during 1 January – 31 December 2015 with a monthly breakdown by the following categories:
* Permanently employed staff (based on the organization’s roster): first/last name/s, position held;
* Service providers/contractors (first/last name/s, types of services rendered);
* Physical persons, registered as private entrepreneurs (first/last name/s, types of services rendered);
* to state which measures have been taken as a result of previous audits and whether measures taken have been adequate to deal with reported shortcomings.

**II. The Reporting of the Auditor**

The Auditor should submit **a Management Letter** to the Organisation upon completion of the audit, which contains the auditor’s opinion and findings. The list of findings is not limited by the scope of work and the auditor is free to address further issues. The reporting shall contain details regarding used audit methodology and the scope of the audit. The auditor shall make recommendations to address any weaknesses identified. The recommendations should be presented in priority.

The reporting shall contain an assurance that the audit was performed in accordance with IAASB international audit standards and by a qualified auditor.

The reporting shall contain the responsible auditor’s signature, title and the name of the audit firm.

The reporting shall be written in Ukrainian and English and be presented to the Organisation in two hard copies and one digital by April 30, 2016.

**IV. Participation**

To participate in the tender a commercial proposal for conducting audit (in UAH, with the calculation of rate per hour) and copy of the registration in the Register of audit firms and auditors must be submitted.

**V. Criteria**

E.g.: - years in operation;

- number of conducted audits;

- number of qualified auditors;

- experience in auditing of Ukrainian non-profitable, non-governmental organizations;

- must be registered with the national, legally recognized institute of registered auditing companies.

**V. Time frame**

Contracting of selected audit firm will be done by 29 March 2016.

Contract implementation shall start not later than 11 April 2016.

The report shall be presented by 28 April 2016.

1. The International Auditing and Assurances Standards Board (IAASB) [↑](#footnote-ref-1)