



TERMS OF REFERENCE

AUDITING SERVICE FOR PG20-019 BIG PROJECT

I. Background

1.1. General information on ADRA in Vietnam

The Adventist Development and Relief Agency (ADRA) is a global humanitarian. ADRA deliver relief and development assistance to individuals in more than 118 countries regardless of their ethnicity, political affiliation, gender, or religious association.

By partnering with local communities, organizations, and governments, ADRA are able to deliver culturally relevant programs and build local capacity for sustainable change.

In 1989, ADRA began operations in Vietnam with the shipment of medicines from U.S.A. through ADRA Indochina, the former regional office based in Bangkok, Thailand. ADRA Vietnam's office has been located in Hanoi since 1993 and in the last three decades, the organization has implemented more than 200 projects in over 50 of provinces in Vietnam. Current ADRA is implementing projects across the provinces of Cao Bang, Hanoi, Thai Binh, Tay Ninh and its major areas of involvement are divided into the following core portfolios:

- Community and grassroots development and Good governance
- Livelihoods improvement
- Climate change adaptation and mitigation
- Disaster risk reduction and Emergency response
- Health education
- Vocational training

1.2. General information about project

Project name: Bao Lac Income Generation (BIG) project

Project Objective: It is expected that the ethnic minority, woman led and mixed ability households selected by the project will break away from the poverty cycle by receiving a loan of breeding goats through the goat bank initiative. 5 breeding female goats will be offered to the first selected households and within 2 years the household will return 5 breeding goats to the project bank which will lend to the second household. It is expected, due to the gestation period and maturity age of goats, that 1 or 2 goats will be handed over before the end of the projects 18 months. ADRA can help model the handover process and this will continue for the second, third and following cycles until the community reaches the market limit for goats. As this will be a project that is one and a half years long, we will do the goat purchase and delivery and technical trainings and set up the cooperative management system with proactive involvement of the local government and agricultural authorities from the beginning so we will have external support from them after the year and a half. ADRA Vietnam has an ongoing agriculture and

climate change adaption project in the same district so will follow up on the goats as part of the overall investment by ADRA into these communities.

This project strategy will be elaborated in more detail in the following sections.

Project Activity Description:

Outcome 1: Enhance capacity on goat raising for selected households in target communities

Output 1.1: Households in target communities selected and formed in Goat raising groups for experience sharing

Output 1.2: The technical training on goat husbandry provided

Outcome 2: Promote Goat Bank Model and goat product business for selected households in target communities

Output 2.1: Goats delivered to selected households

Output 2.2: Goat raising group operated, meet and share experience

Output 2.3: Goat market studied and linked, product business initiated and project lessons learnt shared

Project timeline:

From April 01st 2020 to December 31st 2021.

Total project budget: USD 100,000.00

II. Term of Reference for the external audit of BIG project

2.1. As documented in the independent auditor's report, the objective of the audit is to ensure that:

- a) Stated project objective(s) have been achieved;
- b) All project income is properly sourced and identified;
- c) Project income was used solely for its intended purpose;
- d) The financial report of the project is fairly stated and reliable;
- e) Expenditures were legitimate and correspond to adequate supporting documentation;
- f) Expenditures were in accordance with approved budget;
- g) The intention for any deviation in the budget line items was disclosed transparently and without reservation prior to its implementation;
- h) All modifications to the approved budget are approved by the authorized individuals at ADRA International, prior to their implementation;
- i) Accounting records and documentation are at acceptable levels and are prepared in accordance with internationally accepted accounting standards; and
- j) These Financial Guidelines have been properly followed.

2.2. Scope of work

The scope of an audit includes an examination of all underlying records and access to information without limitation imposed by the office being audited. Auditor shall perform procedures required to provide donors with reasonable assurance and confirmation whether or not monies received as income to this project were used in accordance with the intended purpose, donor agreement, and applicable policies, procedures, and regulations. The professional service provider will audit financial statements of BIG project year from April 01st 2020 to December 31st 2021. The professional service provider is expected to complete the following tasks:

- Audit accounting records and financial reports of the project with time frame from April 01st 2020 to December 31st 2021. This task will mainly be done at ADRA in Vietnam's office in Hanoi in 2 days. The tentative schedule for this task is **December 23rd and 24th, 2021**.
- The auditing report should follow the auditing guidelines from the donor – ADRA International as stated in Annex 1.
- Final auditing report written in English is to submit to ADRA in Vietnam by **January 10th, 2022**.

2.3. Expected outcome:

The results of the audit shall be communicated in audit's report which shall include a description of the scope and procedures performed, significant findings and conclusion.

The audit report must also disclose any instances of funds being misused, any costs that are questioned, and any infraction from the agreement signed with ADRA International, or these guidelines in **Annex 1**.

2.4. Auditor qualifications:

The auditor must be a certified or chartered accountant and must be licensed to conduct the audit in Vietnam and in accordance with the International Standards on Auditing (ISA) and standards issued by the International Organization of Supreme Audit Institutions (INTOSAI) or similar international standards.

III. Application for submission

- Deadline for application: December 17th, 2021
- Please provide us with your proposals (technical & financial) in soft copy to email address: tuyendung@adravietnam.org (quoting the position title in the subject line of the email).

NOTE:

Due to the high volume of proposals received, we will only contact auditors who are qualified and will be invited for further interview. Thank you for your understanding.