



The Colombo Plan

Colombo Plan Gender Affairs Programme Audit

2015 - 2018

Objective:

To undertake an audit of Colombo Plan Gender Affairs Programme for the accounting period June 2015 to May 2018 to ensure compliance with Colombo Plan's policy, procedures and guidelines, to assess the adequacy and effectiveness of internal controls, and to establish that systems and procedures are managed with due regard for economy, efficiency, and effectiveness.

Scope of Work:

The audit will be carried out in accordance with International Standards of Auditing. Audit will include examination of all financial components of the Colombo Plan Gender Affairs Programme. The concerned auditor will specifically audit the finance, human resources, procurement and asset management, internal control aspects of the projects as mentioned below. The concerned auditor will also ensure that the releases and expenditures are duly separately reflected in the program financial statements.

Finance:

1. Check the adequacy of the accounting and financial operations and reporting systems. These include budget control, cash management, certification and approving authority, receipt of funds, and disbursement of funds.
2. Check the recording of all financial transactions in expenditure reports, records maintenance and control.
3. Check that all disbursed funds have been used in accordance with the approved budget and signed MoUs, with due attention to budget value, and only for the purposes for which the financing was provided, including goods, equipment, staff and all services.
4. Check that the expenditure for the project was actually incurred by and for the project only. For this purpose auditor should examine supporting documents.
5. Check that all necessary supporting documents, financial records, invoices, and accounts are properly documented and available as per reported project expenditures.
6. Clear linkages should exist between the accounts and reports submitted to the Donor.

Human Resources:

1. Review the HR policies for recruiting project personnel/consultants and assess whether it was transparent and competitive (specifically checking on nepotism, ethnic biases, whether direct management line is hiring relatives, etc.) and include performance management, attendance control, calculation of salaries and entitlements, payroll preparation and timely payment, employee retention, compensation, employee benefits and management of personnel records and training and development.

The expenditures related to project staff have been paid within the approved budget and there are no ghost employees within the project payroll. For this purpose the auditor needs to match records of Finance and HR.

Procurement and Asset Management:

1. Review the process for procurement/contracting activities and assess whether it was transparent and competitive.
2. Check the effectiveness of the procurement activities of the project in order to ensure that the equipment and services purchased meet the requirements.
3. Check that all procurement documents are signed by designated authorities and that procurement thresholds, call for bids and proposals, evaluation of bids and proposals and approval/signature of contracts and purchase orders are all available.
4. Review the process for asset management and whether there is record and documentation of all assets and inventory.
5. Check that the agency has receiving and inspection procedures, inventory, asset control and management (typically for vehicles and office equipment) purchased for use of the project. The procedures for receipt, storage, and disposal shall also be reviewed.

Internal Controls

1. The review of progress and internal controls should also include the following:
 - a) Review quarterly financial report/work undertaken, expenditure/payments and their timeliness and their compliance with the project documents (proposal, MOU and budget). Review available annual report as relevant.
 - b) The assessment should be according to established internal control standards.
 - c) Review and check that proper measures are in place for all cash funds held by the project and review existing procedures for safeguarding of cash.
 - d) Review the accounting records and assess their adequacy for maintaining accurate and complete records of receipts and disbursements of cash; and for supporting the preparation of the monthly and quarterly financial reports.
 - e) The audit shall also cover travel activities, vehicle management, office premises and lease management, office communications, and records maintenance.
 - f) The audit shall also cover the information and communication systems and the control and security of equipment and data.

Audit Deliverables:

The audit is expected to take place between 15 September 2018 to 30 October 2018.

1. An auditor opinion as to the overall financial situation of the project for the period June 2015 to May 2018. (Annex of projects are given).
2. Certifying Statement of Use of Funds showing expenditures of the project under HQ office.
3. The auditor should prepare a reconciliation between the amounts shown as received and spent by the Colombo Plan and that reported to the Donor.

Consultations with Concerned Parties

Prior to the start of audit work, the auditors will be required to consult with the Colombo Plan HQ Officials. Upon completion of the draft audit report and management letter, the auditor will be required to meet and debrief the Colombo Plan Officials and Donor on its major findings from the audit and its recommendations for future improvements.

The auditor will have full and complete access at any time to all records and documents (including books of account, MOUs, bank records, invoices and contracts etc. from the implementing agency and all

employees of the entity. The auditor will have a right of access to bank, contractors, vendors, agencies and other persons engaged by the agency for the project.

Key Qualifications for the Auditor/Agency:

1. Should have staff with appropriate professional qualifications and suitable senior experience with international auditing standards, including minimum 5 years' experience in auditing the accounts of entities comparable in complexity to the entity being audited. Auditing team should be led by a chartered accountant with minimum 8 years' experience in audits.
2. The auditor must be completely impartial and independent from all aspects of management or financial interests in the entity being audited.
3. The audit company should be registered with Sri Lankan Government.
4. The audit company should have a previous background in auditing gender, children protection, or other sensitive projects.
5. The auditor should not, during the period covered by the audit nor during the undertaking of the audit, be employed by, serve as director for, or have any financial or close business relationships with any participant in the management of the implementing agency entity.
6. Any staff/team member involved in the audit should disclose a Conflict of Interest statement showing they are not related/engaged in any manner with the entity being audited.

Application Procedure:

The application should be one attached document. It should include the profile of the auditing firm indicating details on audits carried out by the applicable staff, including ongoing assignments indicating capability and capacity to undertake the audit; CV of the principal of the firm of auditors who would be responsible for signing the Audit report/Management letter, together with the CVs of managers, supervisors and key personnel proposed as part of the audit; work plan and proposed budget.

Last date of Application: **30 August 2018**. Title of Application: **Internal Audit Application for CPGAP**
Applications to be sent to: cpgaproposal@colomboplan.org