



AGA KHAN FOUNDATION

The Aga Khan Foundation Tajikistan (AKF) herewith tenders to secure external audit services of reputable audit companies in country for audit of **“Safe Drinking Water and Sanitation Management Project in Tajikistan, Phase II”** funded by **the Swiss Federal Department of Foreign Affairs**. Auditors should be Tajik, Russian and English speaking. All reports must be prepared in English. The audit organization must be registered and have a valid license issued by the Ministry of Finance of Republic of Tajikistan. It should have recorded experience of audit work with recognized international donors.

Audit must be conducted in accordance with Swiss FDFA Terms of Reference

Audit Objectives

The overall audit objective is to provide the AKF and the Swiss FDFA with reasonable assurances that the funds provided have been used for the intended purposes and in accordance with the International Accounting Standards and requirements set out in Grant agreement. The Financial Information of the project/program shall be audited in accordance with International Standards on Auditing (ISA 805) “Special Considerations Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement”.

Audit Scope

Total project period – start from 1st March 2022 to 28th February 2026.

The audit will cover the period from 1st March 2023 to 28th February 2024 (Year2).

The grant recipient is AKF Tajikistan and implementing partners are AKF Tajikistan, MSDSP, AKHS and AKAH. This will include, on test basis with reasonable sample size, the following of each:

- Examination of financial statements for accuracy, prepared on the basis of the accounting records maintained by the AKF (in Dushanbe), the AKF’s Mountain Societies Development Support Programme (in Dushanbe, Khorog, Kulob), Aga Khan Health Services (in Khorog) and the Aga Khan Agency for Habitat (in Dushanbe, Khorog).
- Examination of compliance with donor rules and conditions specified in the grant agreement, verification that funds are expended, goods, works and services are procured in accordance with this agreement and for project purposes, and expenditures are backed by evidence and supporting documents.
- Evaluation of internal control system, and identification of deficiencies and areas of weakness.
- Selectively on-site visits to project areas to check progress, make physical verification of purchased assets, meet with beneficiaries on awareness of donor project activities in project areas (GBAO: Shughnon, Roshqala, Murghob; Khatlon: Shamsiddini Shohin, Khovaling, Baljuvon).
- Conducting engineering review of water and sanitation projects in Khatlon.

Expected Output

AKF expects the auditors to issue an opinion on whether:

- Funds have been used for the purposes stated in the grant agreement;
- Income and expenditures are accounted for;
- Expenditure was incurred in accordance with the funding terms and conditions;
- The transactions were in accordance with the relevant legislative authority including the organization’s financial regulations and rules in all material aspects;
- The systems and controls have been adequate regarding the withdrawal, procurement, storage and payment transactions; and,
- The audit statements of expenditures can be relied upon to support the related withdrawal applications.

The following reports to be issued and delivered to AKF management:

- Audit report;
- Field visit report;
- Engineering audit report.

If considered pertinent, the auditor will also prepare a management letter to provide comments and observations on accounting records, systems and controls, actions taken by management to make improvements with respect to areas of weaknesses, other matters the auditor considers pertinent.

Quality of Audit staff

AKF is very particular about the quality of staff sent for its audits and therefore would prefer staff with appropriate qualifications and experience.

The minimum requirements are:

- The most senior member should have at least seven years of experience with NGOs and/or developing agencies and should hold at least a CAP certificate;
- The support staff should have at least two to three years' experience and preferably with NGOs and/or developing agencies;
- Field teams should include at least one senior staff
- The list of auditors directly and indirectly involved in audit to be provided (sample table will be provided upon request).
- The audit team should include qualified engineer to assess the quality of water and sanitation projects.

Audit Timing

- The audit is expected to start from **3rd April 2024**;
- Debrief meeting is to be held with the field staff to discuss preliminary findings;
- Draft report will be expected within one week from departing AKF offices;
- Final audit report along with the observations is due within one week after the draft is confirmed by the management, but no later than **20th May 2024**.

Audit Fee

- Discount offers should be indicated separately.

Audit companies that meet the above-mentioned requirements, should send their offer in **sealed envelopes** to the Procurement Officer of AKF Tajikistan to the following post address: 137 Rudaki Avenue, 734003, Tojikmatlubot Building 4th floor Aga Khan Foundation Tajikistan or electronic **password protected** version to email address: **serviceprocurement.tj@akdn.org**

The deadline for submitting the application is 17:30 25th January 2024

Attention! Bidders are invited to attend the opening (possibly online, via Skype) of bids at **16:00 on 26th January 2024**, at the office of the Aga Khan Foundation at the above address in Dushanbe.