

# Integrated Community Development Campaign (ICDC) Nepal

## Terms of Reference of ICDC Project Audit

1. The Project Audit is to be done for Karl Kuebel Stiftung (KKS) Germany, for its P4138, Rebuilding and improving the living conditions of the inhabitants of 4 villages in Jwalamukhi, Nepal project being implemented by the Nepal partner Integrated Community Development Campaign (ICDC) Nepal, Dhading
2. The Project Audit should be performed in accordance with this Terms of Reference (ToR) following the standards and practices applicable to Project Audit
3. Project audit shall cover the areas of financial management, systems and processes and transactions which includes inter alia:
  - Incomes, expenditures, assets and liabilities
  - Expenditure authorization and procurement system and procedure
  - Compliance of prevailing laws, agreement terms, Project partners Rules and Regulations, and procedures
  - Compliance of applicable Financial Reporting Standards
  - Bank reconciliation
  - Review of Project Control System and practices including safeguarding of assets
  - Review of budget and plans vs actual results
  - Any other relevant matter as determined by the project
4. The Project audit should cover the checking system, process and procedures, transactions are also to be checked on sample basis.
5. Project sites are to be visited and audited for financial control and compliances.
6. An Audit Plan on how the above will be carried out shall be prepared and submitted to ICDC Nepal for approval before starting Project audit. The audit plan should be based on the assessment of the risks in all the areas of the project to be covered by the project audit. Such a plan should state, among others, audit areas to be covered, time frame, audit team members involved to carry out specific activities.
7. One yearly Project Audit is required to be performed after the end of every English calendar covering period of January to December 2023.
8. The Project audit first draft report shall be shared with the management for comments and responses which then shall be shared with the KKS for comments & finalization.
9. The Project audit will attempt to resolve any audit related issues immediately and mention in notes to management as part of the report.
10. The Project audit must ensure all observed audit related issues are addressed and/or resolved by the Management with a time-bound action plan.
11. The scope of activities can be altered or changed as felt necessary by the KKS and ICDC in consultation with the Project Auditor.
12. Total budget of the project for the year 2023 is estimated at NPR 2.2 million
13. The selected Audit firm is responsible to send hard copies of the final audit report to the headquarters of Karl Kuebel Stifting, Germany, and therefore requires to cover required currier charge for the same.
14. The project sites are located at Ward – 1, Jwalamukhi Rural Municipality of Dhading District, Bagmati Province Nepal

### Note:

Please submit a signed and stamped self-declaration form that company doesn't have any conflict of interest and independent with any other firms/company/group and employee of ICDC Nepal.