



ToRs for Audit Company (BTASP)

WWF- Pakistan

Reporting to:	Senior Finance Manager (BTASP PIC)
Duty Station:	Peshawar
Type of contract:	Service Contract
Duration:	6 months with up to 6 days a month

BACKGROUND:

WWF is seeking for an Audit Firm to conduct an in-depth internal audit of the German Disposition Fund to **the Billion Tree Afforestation Support Project (BTASP)**. This project (BTASP) is financed through the Pakistani-German Cooperation with Pakistani funds and a German government grant of 13.5 million EUR. The Climate Change, Forestry, Environment and Wildlife Department (CCFEWD) of Khyber Pakhtunkhwa (KP) Province is the Project Executing Department (PED). In joint-venture with DFS GmbH, a German consulting company, WWF Pakistan forms the Project Implementation Consultant (PIC) and in this role provides technical, financial and administrative support to the PED.

OBJECTIVES:

The auditor shall verify all transactions related to and in connection with the disposition fund of the BTASP project in Pakistan. The Internal Audit is an independent objective assurance and consulting activity designed to add value and improve an organization's operations. Internal Audit helps an organization accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The "independence" of Internal Auditor means that its activities are conducted in a manner free from conditions that threaten its ability to carry out its responsibilities in an unbiased manner.

The management perceives that the Internal Auditor shall:

- provide assurance that financial and operational risks are understood and appropriately managed;
- identify gaps and promote the establishment of best practices with respect to Project Funds Management;
- identify opportunities for pragmatic efficiency and effectiveness improvements, primarily in internal controls and risk analysis;
- advise on matters regarding internal controls and risk management;
- evaluate risk management procedures and internal controls;
- provide comprehensive process assurance services.

ACTIVITIES:

Internal audit firm will audit the fund flow and expenditure of the German Disposition Fund on a monthly basis based on the Financial Management Guidelines (FMG) or other temporarily KfW agreed documents.

1. Develop internal audit scope and workplans,
2. Check monthly summary financial report from LSA#2 provided and pe-checked by the BTASP PMU, including bookkeeping and vouchers, against national rules, KfW's rules and Financial Management Guideline (FMG) and any other applicable documents governing the transparent flow of funds,
3. Check the expenditure and fund flow of the Disposition Fund LSA#1 made for the BTASP project according to FMG and other agreed supporting documents.
4. Identify incomplete, faulty or ineligible vouchers/claim documents to be rejected for submission and re-submission in the following month for SLA#1 and SLA#2,
5. Audit the KfW funds of LSA#2 in Peshawar fully for the forest divisions and Directorates in KP,
6. Check on a monthly basis consolidated financial reports according to the approved KfW's rules/Financial Management Guidelines (FMG), and other BTASP related support documents.
7. Check all vouchers (original or copies or digital) compiled at the PMU in Peshawar,
8. Obtain, analyse and evaluate accounting documentation including vouchers, reports and supporting documents,
9. Share recommendations on internal controls,
10. Support the Project consultant to build up a solid verification procedure for BTASP.

KEY RESULTS:

- Internal BTASP audit plan,
- Delivery of monthly audit reports with findings and recommendations to PIC,
- Deliver a monthly certificate for the expenditure for SLA #1 and SLA#2,
- Description of the status of the accounts,
- Description of significant limitations; e.g., non-eligible payments, voucher quality, missing documents etc.

QUALIFICATIONS AND SKILLS.

- Audit firms with a license from the Institute of Chartered Accountants of Pakistan (ICAP) having QCR rating,
- Category A firm as per State Bank of Pakistan,
- Experience with externally aided projects,
- Experience with KfW or German funded projects would be an asset,
- Excellent written / spoken English and Urdu; other local languages will be an advantage,
- The audit firm shall assign the same person(s) for the subsequent monthly assignment.