

**TERMS OF REFERENCE**  
**Save the Children UK Pakistan, Islamabad**  
**Audit of DFID Funded Emergency Grants**

**Introduction**

Save the Children (SC) fights for children in the UK and around the world who suffer from poverty, disease, injustice and violence. SC UK works with children to find lifelong answers to the problems they face.

**Role of Save the Children in Pakistan**

Save the Children started its programme in Pakistan in 1979. In the first 16 years, a national programme of projects working in health, education and rural development, as well as providing emergency relief operations was established. The approach of SC UK changed in 1995, to focus less on delivering services and more on building partnerships with local organisations and government institutions. The current five-year strategy emphasises advocacy work to bring about long-term changes in policy.

SC UK participates in policy forums and debates in education, child labour and child protection. The work focuses primarily on education, children in emergencies and child protection. Areas of work geographically include; Punjab, Sindh, North West Frontier Province and Federally Administered Tribal Areas.

**SUMMARY OF THE PROJECTS TO BE AUDITED**

S. No.	Name of the Project	Funding Source	Start Date	End Date	Amount £	Implementing Organization
1	Health Services and Livelihoods Support for IDPs in Host Communities in NWFP	6778	July 15th 2009	January 14 <sup>th</sup> 2010	536,288	Save the Children US
2	Economic Relief and farming based livelihood support for conflict-affected households of Swat, Buner and FATA to restore and revive their income sources	6926	01 November 2009	31 March 2010	3,000,000	Save the Children US
3	Emergency Health Services and Protection Support for IDPs in Host Communities in NWFP	6927	01 November 2009	31 March 2010	300,000	Save the Children US

## **Audit Objectives**

To carry out a grant specific financial audit of DFID Funded Emergency Grant implemented by Save by Children US in Conflicted affected areas of NWFP province in Pakistan.

(Funding Source Codes: (6778, 6926, 6927))

## **Scope of Work**

The scope of the assignment would, for the period from 1<sup>st</sup> July, 2009 to 31<sup>st</sup> March, 2010, interalia, include:

The auditor will, in coordination with Save the Children UK and Save the Children US Offices, undertake a comprehensive audit of the project in Save the Children Islamabad office and field offices of Save the Children US in Mardan, Swabi, Swat, Buner and Dera Ismael Khan Districts of NWFP. The audit to cover but not limited to the following areas:

- Accuracy of Project expenditures reported to Save the Children UK and DFID.
- Compliance on contractual agreements with reference to SC-UK and SCUS sub grant agreement.
- Systems for procurement for goods/services and compliance with policies and guidelines of SC US.
- Verification of beneficiaries and selection process
- Valuation and Ownership, Existence (Incase of Assets), Completeness, Presentation and disclosure in Financial Statement, Adequacy and accuracy of inventories, stocks and assets.
- Accuracy of cash and bankbook and bank balances reconciled to monthly bank statements
- Compliance with regard to local or national taxes, relevant laws and other relevant financial and reporting requirements of the Government of Pakistan.
- Status of accrued liabilities.
- Overall control environment and related risks with recommendations for further strengthening

## **Methodology**

To be determined by auditor.

## **Pre audit briefing:**

- Sheeraz Ahmed Khan (Country Finance Manager)
- Zaheer Ahmed (Grants Manager) - financial set-up, systems and record keeping.
- Hassan Noor Saadi (Emergency team Leader Save the Children US)
- Mr. Muhammad Qamar Alam (Grants and Finance Manager Save the Children US)

### Access

- To all materials relating to the project related transactions, planning and management at on site
- SC UK and SC US Financial Guidelines
- Partnership agreements with SCUS
- Stock and documentation, including quality control mechanisms
- All the financial, programmatic and administration records relating to the project.

### Final Report

The auditor shall document the details of the audit in a final report, which shall be completed in English, by the final day of the assignment. The report shall include:

1. A preamble giving;
  - a) the principle features of the audit
  - b) the objectives, approach followed and plans of work of the assignment
2. Executive Summary
3. Details of the audit findings
4. Conclusions and Recommendations – management notes
5. Annexes:

### Time Schedule

Audit reports are required at the dates mentioned in front of each grant.

S. No.	Name of the Project	Funding Source	Start Date	End Date	Amount £	Audit Report Required
1	Health Services and Livelihoods Support for IDPs in Host Communities in NWFP	6778	July 15th 2009	January 14 <sup>th</sup> 2010	536,288	April 20 <sup>th</sup> , 2010
2	Economic Relief and farming based livelihood support for conflict-affected households of Swat, Buner and FATA to restore and revive their income sources	6926	01 November 2009	31 March 2010	3,000,000	June 30 <sup>th</sup> , 2010
3	Emergency Health Services and	6927	01 November	31 March 2010	300,000	June 30 <sup>th</sup> , 2010

	Protection Support for IDPs in Host Communities in NWFP		2009			
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