



Invitation for an Offer

Humanitarian Initiative Relief Afghanistan (HIRA) invites Firms to submit a proposal for the preparation of its yearly audited financial statements and related filings for the year 2023 ending March 2024. The annual audit of our non-governmental organization (NGO) must be performed in accordance with generally accepted auditing standards.

HIRA requires the following services:

- Review and verification of HIRA financial transactions, including budget and cost report
- Review of projects plan and progress reports
- Evaluation of the project management process and procedures
- Assessment of projects risks management strategies
- Verification of project compliance with relevant laws, regulations and policies
- Identification of any irregularities, fraud, or financial risks and providing recommendations for mitigating such risks.
- Preparation of an audit report detailing the findings, conclusions, and recommendations.

All of the above must be completed within 10 working days. in order for our Board to review each document prior to its submission to the appropriate recipients. In addition, our NGO requires that a meeting of the auditors and selected our NGO board and staff members be held to discuss a draft version of the financial statements and that the auditors meet with the Board of Directors.

All proposals must include:

- a) Evidence of the firm's qualifications to provide the above services;
- b) Background and experience in auditing nonprofit clients;
- c) The size and organizational structure of the auditor's firm;
- d) Statement of the firm's understanding of work to be performed, including tax and non-audit services;
- e) A proposed timeline for fieldwork and final reporting;
- f) Proposed fee structure for the proposal period, including whatever guarantees can be given regarding increases in future years, and the maximum fee that would be charged;
- g) Names of the partner, audit manager, and field staff who will be assigned to our audit and provide biographies.
- h) References and contact information from at least 2 comparable nonprofit audit clients.

Your proposal must be received by March 7, 2024. Send your proposal to procurement@hira.org.af, address. The Audit Recruitment Committee will review all proposals at their meeting and make a recommendation regarding the choice of auditors to the full board of directors in March 08, 2024. If you have any questions or would like further clarification of any aspect of this request for bid, please contact Mr. Milad Noori Finance Manager at finance@hira.org.af days before the deadline submission.

I look forward to receiving your proposal.

Sincerely

Mohammad Asif Safi

Executive Director



Annex 1

Terms of Reference (TOR)

1. Background:

Humanitarian Initiative Relief Afghanistan (HIRA) is a non-governmental and nonprofit operating in Afghanistan. HIRA works towards empowering women, children, and marginalized communities through various development projects focused on education, healthcare, water and sanitation, livelihood support, and human rights. As part of good governance and financial transparency practices, HIRA is seeking the services of an external audit firm to conduct an independent audit of its financial statements for the fiscal year 2023.

2. Objective:

HIRA intends to engage an external audit firm to provide comprehensive audit services to ensure the accuracy, reliability, and compliance of its financial records and statements. The objective is to obtain an independent assessment of HIRA's financial operations, internal controls, and compliance with applicable laws, regulations, and donor requirements.

3. Scope of Work:

The external audit firm's scope of work will include, but not be limited to, the following:

- Review and verification of HIRA's financial transactions, including budget and cost report
- Review of projects plan and progress reports
- Evaluation of the project management process and procedures
- Assessment of projects risks management strategies
- Verification of project compliance with relevant laws, regulations and policies
- Identification of any irregularities, fraud, or financial risks and providing recommendations for mitigating such risks.
- Preparation of an audit report detailing the findings, conclusions, and recommendations.

4. Deliverables:

The external audit firm will be expected to deliver the following:

- Detailed audit plan outlining the methodology, procedures, and timeline for the audit.
- Interim audit findings and progress updates to HIRA's management during the audit process.
- Final audit report, including an opinion on the fairness of HIRA's financial statements, management letter with recommendations for improvement, and any other required annexes or schedules.

5. Qualifications:

The external audit firm should possess the following qualifications:

- A certified public accounting (CPA) or equivalent qualification.
- Proven experience in conducting external audits for non-governmental organizations and familiarity with the regulations and reporting requirements applicable to NGOs.
- Expertise in financial accounting, auditing standards, and best practices.
- Familiarity with the Afghan legal and regulatory framework for NGOs.
- Independence, objectivity, and ethical conduct in carrying out audit engagements.
- Ability to communicate effectively in English and provide clear and concise reports.



6. Timeline and Reporting:

The external audit firm will be expected to conduct the audit for the fiscal year 2023, with the following timeline:

- Audit planning and commencement: March 9, 2024
- On-site fieldwork and data verification: March 11, 2024
- Completion of audit report: March 12, 2024

The audit report should be submitted to HIRA's management within 2 weeks from the completion of fieldwork.

7. Proposal Submission:

Interested audit firms are requested to submit their proposals, including relevant experience, methodology, team composition, timeline, and fee structure, to procurement@hira.org.af no later than March 07, 2024. Please include "External Audit Proposal – HIRA" in the subject line.

8. Evaluation and Selection:

HIRA will evaluate the submitted proposals based on criteria such as experience, qualifications, methodology, and cost-effectiveness. Shortlisted firms may be invited for an interview or clarification session. The final selection decision will be communicated to the selected audit firm directly.

Note: HIRA reserves the right to accept or reject any proposal received without providing reasons for its decision.



ANNEX-II

Draft CONTRACT FOR EXTERNAL AUDIT SERVICES

This Contract for External Audit Services ("Contract") is entered into between Humanitarian Initiative Relief Afghanistan (HIRA), hereinafter referred to as "Client," and [External Audit Firm Name], hereinafter referred to as "Vendor," collectively referred to as the "Firm" for the purpose of conducting an independent audit of the financial statements of the Humanitarian Initiative Relief Afghanistan (HIRA) for the fiscal year 2023 ("Audit")

1. Scope of Services:

The Firm shall perform the following services in accordance with the agreed-upon Terms of Reference (TOR):

- Review and verification of HIRA's financial transactions, including budget and cost report
- Review of projects plan and progress reports
- Evaluation of the project management process and procedures
- Assessment of projects risks management strategies
- Verification of project compliance with relevant laws, regulations and policies
- Identification of any irregularities, fraud, or financial risks and providing recommendations for mitigating such risks.
- Preparation of an audit report detailing the findings, conclusions, and recommendations.

2. Contract Duration:

The Contract shall commence on March 09, 2023 and shall continue until the completion and submission of the final audit report, expected no later than March 13, 2023.

3. Audit Fees and Payment Terms:

The Client shall pay the Firm a total fee of [Amount in Currency] for the Audit services rendered. The payment shall be made in the following installments:

- a) 10% of the total fee upon signing this Contract as an advance payment.
- b) 50% of the total fee upon completion of the fieldwork and submission of the interim audit findings.
- c) 40% of the total fee upon submission of the final audit report.

Payment shall be made via Bank Transfer to the Vendor's designated bank account as provided in the invoice. All applicable taxes and bank charges shall be borne by the Client.



4. Confidentiality:

Vendor acknowledges that during the course of the Audit, they may have access to confidential information of the Client. Vendor agrees to maintain strict confidentiality regarding any confidential information obtained and shall not disclose or use such information for any purpose other than performing the Audit, except with the prior written consent of the Client or as required by law.

5. Ownership of Audit Report:

Upon completion and submission of the final audit report, all rights, title, and interest in the report, including any annexes or schedules, shall belong to the Client. The Vendor shall not use the report or its contents for any purpose other than fulfilling the obligations under this Contract without the written consent of the Client.

6. Governing Law and Jurisdiction:

This Contract shall be governed by and construed in accordance with the laws of Afghanistan. Any disputes arising out of or in connection with this Contract shall be subject to the exclusive jurisdiction of the courts of Afghanistan.

7. Termination:

Either Party may terminate this Contract by providing written notice to the other Party in the event of a material breach by the other Party. Termination shall not relieve the Parties of any obligations incurred prior to the effective date of termination.

8. Entire Agreement:

This Contract, along with its attachments, constitutes the entire agreement between the Parties, supersedes any prior agreements or understandings, and may only be amended in writing by both Parties.

on Behalf of HIRA

on Behalf of Firm

Name:

Name:

Signature:

Signature:

Date:

Date :