



**Actions for Integrated Nutrition, Health and Home Economics Organization (AINHE-O)**  
**AND**  
**Afghanistan Institute of Nutrition and Home Economics (AINHE)**

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**Terms of Reference for External Audit**

**RFQ # AINHE/2024/01**

**Issue Date:** 12-March-2024

**Closing Date:** 24-March-2024

**Audits Requested**

1: AINHE-O (Year 2023)

2: AINHE (Year 2023)

3: AINHE (Year 2022)

**About AINHE-O and AINHE:**

Actions for Integrated Nutrition, Health and Home Economics Organization (AINHE-O) is a national non-governmental organization (NGO) registered in Afghanistan. AINHE-O was founded with the vision to achieve optimal nutrition, health and economic status for the people of Afghanistan through well-coordinated, innovative and context-based programs and interventions. Its mission is to streamline efforts to develop and implement integrated programs and projects to eradicate malnutrition, improve health outcomes and create opportunities for inclusive and sustainable economic growth. AINHE-O operates project-based activities in areas of health, nutrition and economic empowerment as an affiliate of the Afghanistan Institute of Nutrition and Home Economics (AINHE).

Afghanistan Institute of Nutrition and Home Economics (AINHE) is a national organization which was established to respond to the country's need for human and institutional capacity and evidence-based research in nutrition-specific and nutrition-sensitive sectors, and to support the government and its partners' efforts to prioritize integrated multi-sectoral interventions to achieve the country's Sustainable Development Goals (SDGs) 2030 agenda. AINHE's mission is to create a skilled workforce for Afghanistan both within and outside the institute that is capable to guide policy and programming needed to better understand, analyze, plan and implement interventions to address hunger and malnutrition in the country.

**Objectives of the Audit:**

- 1- To express an independent professional opinion on the Financial Statements for the year 2023 for AINHE-O and for the years 2022 and 2023 for AINHE.
- 2- To assess that the funds utilized by the organization have been used for its intended purposes.

- 3- To examine that the books of accounts of the organization provide the basis for the preparation of its financial statements, and to assess that appropriate books of accounts as required by the law have been maintained by the organization with adequate internal controls and supporting documentation for the transactions.

### **Scope of the Audit:**

The auditor should assess the adequacy of AINHE/-O's financial management systems, including internal controls to assess whether:

- 1- management and financial information systems, internal control frameworks are used adequately and effectively, and provide recommendations based on findings.
- 2- verify if all funds are used in accordance with the established rules and regulations of AINHE/-O's and only for the purpose for which the funds were provided.
- 3- goods and services financed are procured in accordance with the established rules and regulations of AINHE/-O.
- 4- appropriate supporting documents, records and books of accounts relating to all activities are kept properly and show a clear linkage between the books of accounts and the financial statements presented to.
- 5- proper authorizations are obtained and documented before transactions are entered.
- 6- accuracy and consistency are achieved in recording, classifying, summarizing, and reporting transactions.
- 7- reconciliations with internal and external evidence are performed on a timely basis by the appropriate level of management.
- 8- balances are confirmed with external parties.
- 9- errors and omissions are detected and corrected by AINHE/-O's personnel and management is informed of recurring problems or weaknesses.
- 10- management does not override the normal procedures and the internal control structure.
- 11- assets are properly accounted for, safeguarded and can be physically inspected.
- 12- assessing risk management approaches.

The audit should be carried out in accordance with generally accepted standards of auditing followed in Afghanistan and will include such test and procedures as the auditor considers necessary under the circumstances. The auditors should express an independent opinion as to reasonableness of the financial statements in all material respects.

In addition to the audit report, the auditors will prepare a management letter on the following:

- a- Give comments and observations on the accounting records, procedures, systems and controls that were examined during the audit.
- b- Identify specific deficiencies and areas of weakness in systems and controls and make recommendations for improvement.
- c- Report on the implementation status of recommendations pertaining to previous audit reports.
- d- Communicate matters that have come to their attention during the audit which might have a significant impact on the sustainability of the organization.

**Deliverables:**

On completion of the assignment the firm shall submit the following.

- 1- Submit 3 sets of original hard copies of the Audit report appended to the financial statements along with the reports to the attention of the Director of AINHE/-O, signed and stamped by the Managing Partner/Engagement Partner.
- 2- A formal management letter in accordance with the scope of work detailed above highlighting areas that require attention.

The draft final report (should be sent through email) will be submitted to the Office of AINHE on or before 15 April 2024. An invoice with details of the audit firm's bank account should also be sent alongside the report.

**Requirements for the Audit Firm:**

- 1- Be an official organization registered in Afghanistan.
- 2- Have previous experience in auditing of NGOs in Afghanistan following the International Standards of Audit and the International Financial Reports Standard (IFRS).
- 3- Have adequate staff with relevant qualifications (master's degree in financial audit or relevant areas) and extensive experience (more than 5 years) in financial auditing.
- 4- Excellent attention to detail and evidence of quality outputs from previous assignments.
- 5- Good qualitative and quantitative analytical skills.
- 6- Good financial and accounting reporting and presenting skills.
- 7- Punctuality and availability to complete the work on time.
- 8- Fluency in Pashto, Dari and English.

**Standards & Ethics:**

The auditor is expected to perform the assignment in accordance with the code of ethics for professional Accountant and Audit, and notably in compliance with the principles of integrity, objectivity, independence, professional competencies and due care, confidentiality, professional behavior, and technical standards.

**Audit Fee and Payment Schedule:**

The audit fee will be fixed on a competitive offer (local currency AFN only). Payment will be done through the bank to the audit firms' official bank account after the completion of the auditing period and upon finalization of the audit report.

**Submission of Proposals:**

Interested service providers are invited to submit their technical proposal, financial proposal, and legal certificate accompanied by a cover letter via email at: [marwall@ainhe.org.af](mailto:marwall@ainhe.org.af) and [finance@ainhe.org.af](mailto:finance@ainhe.org.af). **The deadline for submission is March 24, 2024, at 04:00 pm Afghan Time.**