

Project No. P10315

Project Title: Enhancing the Rights of Persons with Disabilities and their Access to Services in Jordan - ERAS

Reporting Entity: Higher Council for the Rights of Persons with Disabilities

Contracting Authority: CBM International (Eastern Mediterranean Program)

## CONTENT

1. Introduction .....	1
2. About the Project.....	1
3. Background and Objective .....	2
4. Standard and Ethics .....	2
5. Qualifications of the Auditor.....	2
6. Duties of the Reporting Entity.....	3
7. Task of the Auditor.....	3
8. Audit report .....	4

### 1. Introduction

The present document are the terms of reference ('ToR') on which CBM Eastern Mediterranean Program (hereafter named Contracting Authority) agrees to engage 'the Auditor' to perform an audit of the funds received and payments made by the Reporting Entity (Higher Council for the Rights of Persons with Disabilities) incurred under the project named on the first page of these ToR. These ToR will become an integral part of the contract concluded between the Contracting Authority and the Auditor.

### 2. About the Project

Project #:	P10315	
Title:	Enhancing the Rights of Persons with Disabilities and their Access to Services in Jordan - ERAS	
Period:	01.11.2022 – 31.10.2025	
Location:	Mafraq, Karak and Tafileh	
Implementing Partner:	Higher Council for the Rights of Persons with Disabilities	
Objectives:	The overall goal of the project is "The rights of people with disabilities are strengthened by mainstreaming the concept of CBID in service-delivery through the active participation of OPDs, CBOs, families of people with disabilities, and the relevant governmental entities in the development of CBID standards and services".  The specific objective is: People with disabilities have increased access to quality inclusive services as well as strong community-based networks in Mafraq, Karak and Tafileh governorates through promoting and implementing the concept of CBID	
	Period	Budget

Budget (Implementing Partner):	01.11.2022 – 31.12.2022	<b>60,462.40 JD</b>
	01.01.2023 – 31.12.2023	<b>258,139.00 JD</b>
	01.01.2024 – 31.12.2024	<b>132,796.12 JD</b>
	01.01.2025 – 31.10.2025	<b>70,131.60 JD</b>
Donors:	CBM	

### 3. Background and Objective

The Reporting Entity has received funds from CBM to implement the project named on the first page of these ToR.

The objective of this audit is

- to express an opinion on the project financial statement for the following reporting period:

Annual audits for the years 2022 (01 November – 31 December) and 2023, 2024, 2025 and a final audit covering the entire project duration (01 November 2022 – 31 October 2025).

- to issue reports as stipulated in Section 8

### 4. Standard and Ethics

The Auditor shall undertake this engagement in accordance with the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants, developed and issued by IFAC's International Ethics Standards Board for Accountants (IESBA), which establishes fundamental ethical principles for Auditors about integrity, objectivity, independence, professional competence and due care, confidentiality, professional behaviour and technical standards.

The Contracting Authority requires that the Auditor is independent from the Reporting Entity and complies with the independence requirements of the IFAC Code of Ethics for Professional Accountants.

### 5. Qualifications of the Auditor

#### General requirements

By agreeing these ToR, the Auditor confirms meeting at least one of the following conditions and provides written proof (CERTIFICATE):

- The Auditor is a member of a national/international accounting or auditing body or institution which in turn is a member of the International Federation of Accountants (IFAC).
- The Auditor is a member of a national/international accounting or auditing body or institution. Although this organisation is not member of the IFAC, the Auditor commits to undertake this expenditure audit in accordance with the IFAC standards and ethics.

A confirmation of the German Embassy or a recognised national/international institution (e.g. Chamber of Commerce or official Association of Auditors) is required in order to prove the qualification of the Auditor.

#### Qualifications

The Auditor has appropriate professional qualifications and suitable experience with IFAC standards and in verifying financial information of projects comparable in size and complexity to the project subject to this audit. In addition, the Auditor should

- have experience with projects related to development cooperation funded by national and/or international donors and institutions.
- hold a relevant university degree or professional qualification. S/he should have at least 6 years of experience as a professional Auditor or accountant in public audit practice including relevant managerial experience of leading audit teams.

## 6. Duties of the Reporting Entity

The duties of the Reporting Entity include the following:

- a. To provide the Auditor with all project documentation as well as the annual CBM End-of-Year Report which has been prechecked by the Contracting Authority for the preparation of the audit.
- b. To provide access to all legal documents, correspondence, bank statements and any other information associated with the project during the auditing period. This includes the following documents:
  1. Project Full Proposal
  2. Project Contract with approved Budget
  3. Revised Budgets (if any)
  4. Guidelines for Procurement
  5. All project-related vouchers (for income, expenditures, transfers, currency exchange, etc.)
  6. All project-related contracts (staff and consultant contracts, rent contracts, contracts with constructors etc.)
  7. All project-related procurement documents including procurement award notices
  8. All further project-related documents necessary for the auditor
- c. To coordinate the Auditors field visit to ensure that he can inspect all equipment/activities agreed during the preparatory meeting.
- b. To provide a management response to the Auditor's observations that were made during the audit

## 7. Task of the Auditor

The audit shall be conducted at the project location, in particular at the place where the project bookkeeping is done. The auditor's assignment includes the following tasks:

- a. To examine whether all project funds have been used in accordance with the conditions stipulated in the project documents listed above under **5. c. 1. – 4.** with due attention to principles of economy and efficiency, and only for purposes for which financing was granted.

- b. To examine whether internal administrative and financial control measures are adequate and compliant with local laws and donor's requirements as stipulated in the documents listed under **5.c. 1 - 4.**
- c. To examine whether the project accounts have been prepared in accordance with consistently applied International Accounting Standards and whether they give a true and fair view of the financial situation of the project and its resources and expenditures.
- d. To examine the bank account for the project and any further bank accounts on which the project funds are administered.
- e. To examine whether the project bookkeeping accounts with all vouchers, supporting documents, records and accounts have been properly kept and correctly filed on **cash book basis**. It is expected that the auditor examines 100% of all supporting documents.
- f. To examine whether expenditures are correctly booked in conformity with the corresponding budget lines and all vouchers are clearly stamped with the project number.
- g. To examine whether the expenditures documented by vouchers are identical to the annual expenditures reported in the Lists of Expenditure of the CBM End-of-Year Report.
- h. To examine whether goods and services financed by the project have been procured in accordance with the relevant procurement guidelines as stipulated in the documents listed under **5.c. 1-4.**
- i. To examine whether contracts of project staff financed by the project are in accordance with national law and taxation with regard to social security payment and whether part-time work is recorded with correctly filled timesheets.
- j. To examine whether the inventory list is complete and correctly filled.
- k. To carry out a physical inspection of the project location, equipment procured, and activities as agreed during the preparatory meeting.

## 8. Audit report

The Audit Report shall include the following:

- a. The following three signed and stamped worksheets which are part of the CBM End-of-Year Report:
  - 1. Y-E-C (CBM transfers) which contains all CBM transfers and Exchange Rate Calculations
  - 2. Y-E-C (summary income & expenditure) that corresponds to the data reported in the PPR Finance Report worksheet
  - 3. Y-E-C (additional CBM funds) for reporting extra CBM funds (if any) and interest earned/exchange rate gains on CBM funds
- b. Complete voucher lists signed and certified by the Auditor.
- c. A stamped and signed inventory list.
- d. An Auditor's certificate which shall contain the following:

We hereby certify that we have audited the Financial Statement of (Higher Council for the Rights of Persons with Disabilities) with reference to the financing of the project (Enhancing the Rights of Persons with Disabilities and their Access to Services in Jordan - ERAS) on the basis of the following documents made available to us (please list the documents). To this end, we have inspected the books and vouchers and report that:

- (1) Income and expenditure are properly proved in the form of vouchers.
- (2) The proved expenditures are in line with the appointed purpose as set out in the Project Contract.
- (3) The amount and origin of documented income, which is accounted for as contributions made by CBM, the executing agency, the target group and/or other agencies in the project country have been specified.
- (4) The conditions for project implementation set by the donor have been observed/have not been observed in the following points.
- (5) Any particularities which need to be mentioned.

The Audit Report shall contain notes providing details as deemed necessary by the Auditor.

In addition to the audit report, the Auditor will prepare a management letter including the following:

- a. Identified deficiencies and areas of weakness in the financial systems and controls and recommendations for improvement as well as comments and observations on the accounting records that were examined during the audit.

The report shall also include the management response of the reporting entity for each observation raised by the Auditor. Any following audit shall verify whether the recommendation was implemented by the reporting entity.

- b. A report on the degree of the reporting entity compliance with the financing conditions contained in the project documents listed under **5.c. 1-4.**, and comments – if any – on the internal and external matters affecting such compliance.
- c. Matters that have come to attention during the audit which might have a significant impact on the implementation of the project.