

**CARE Bangladesh**

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**General Scope of Work (SOW)**

For

External Audit (FD-4) on a project of CARE Bangladesh

**1. Background:**

CARE Bangladesh (Registered under Foreign Donation (Voluntary Activities) Regulations Ordinance 1978 Vide No. 004 dated 22.04.1981 and renewed on 25.06.2020 by the NGO Affairs Bureau, is the part of CARE International, works with more than 70 countries around the world.

**Our Vision**

We seek a world of hope, tolerance and social justice, where poverty has been overcome and people live in dignity and security.

**Our Mission**

CARE Bangladesh amplifies **the voices of the poor** and the marginalized in ways that **influence** public opinion, development practice, and policy at all levels. This happens as **knowledge** drawn from our grass roots and global **experience** is channeled through purposeful **relationships** with civil society, government, and the private sector.

CARE Bangladesh has been working in Bangladesh since 1949 and now implementing 19 projects/programs around the country under Head Office and seven field offices. These programs are focused on Women Empowerment, Private Sector Development, Education, Health, Water and Sanitation, Nutrition, Emergency Response, Infrastructure and Agriculture and Natural Resources.

**2. Scope of the Audit:**

External audit (FD-4) of the accounts of Bangladesh for different projects will become due for the period of [to be mentioned] to [to be mentioned].

- a) The period of the different projects will vary per FD6/FD7 approvals and have to be conducted per NGOAB requirements within the project's due date following PA for an individual project.

b) Establishing an audit plan which indicates:

- Consult Sr. Director Finance and Head of Budget and Awards and have a clear conception about the strategy of the proposed work.
- The types of transactions to be checked and the methods/techniques used;
- Detail schedule of audit at CARE Bangladesh Headquarters (CBDO) with one field office level.
- Review the existing Internal Control System;
- Consult the other concerned persons at CBDO, field office level.

c) Prepare an audit report based on financial statement concerning the relevant points including certification of FD-4 and other related information required by NGO Affairs Bureau and applicable Rules and regulations and BAS/BFRS.

e) The auditors will audit at least the books of accounts of the mentioned project cost center. However, the auditor reserves the right to audit the other cost centers, if they feel necessary.

d) Discussion with Director Finance and Head of Budget and Awards on the findings of the auditors.

### **3. Principles of the Audit:**

The audit includes the following audit operations:

- a) Check the correctness and completeness of the financial transactions from its origin.
- b) Check whether the accounts, records, systems, documents and statements are maintained in accordance with the policies and procedures of CARE Bangladesh.
- c) Check whether the funds are utilized efficiently and effectively.
- d) Detect any irregularities in terms of cost, quality and documentation related to this fund.
- e) Any other material thing, which the Auditor feels to report.

### **4. Professional Secrecy:**

a) Any document, information or data entrusted to or produced by the Auditor in connection with this assignment shall be strictly confidential and cannot be used by the Auditor for any other purpose without the written consent of CARE. This provision shall remain valid even after the completion of this assignment.

b) The Auditor shall be liable for and ensure a careful and professional performance of the tasks on behalf of CARE.

c) The Auditor shall immediately inform CARE of any event, which could have a negative influence or endanger the successful completion of the assignment.

## **5. Obligation to Testify:**

If during the course of the audit any frauds/misappropriations are detected, the Auditor shall have to provide evidence of the incidence so that CARE can take necessary/legal actions, if necessary. In any confusion and need the auditor shall thoroughly investigate the utilization of fund by talking with concerned people like vendors, staff and participants. The Auditor shall also immediately inform CARE of such incidence besides including it in their report.

## **6. Qualification of the Personnel Executing the Audit:**

The auditor must be a Chartered Accountant and the audit team should comprise of qualified and skilled personnel those are acquainted with the foreign donations rules and NGOAB guidelines. The Auditor shall follow the Bangladesh Standards on Auditing (BSA), Bangladesh Accounting Standards (BAS) / BFRS and relevant Laws, Rules and Regulations in Bangladesh. In addition to the above, auditors require enough experience with audits of external aid operations financed by the donor agencies/ missions/commissions.

## **7. Team Composition**

The audit company is obliged to describe in detail the team composition and provide the profile of the team members.

## **8. Documentation:**

The following documents are considered to be the basis for this audit:

- Financial manual of CARE
- Budget approved by NGO Affairs Bureau (FD-6/FD-7)
- Other related documents and formats (if any).

## **9. Duration and reporting of the Audit:**

- The audit work will take place in CARE Bangladesh Dhaka located at RAOWA Complex (Level: 7), VIP Road, Mohakhali, Dhaka & Regional Offices/field offices. Project audit to be done according to the agreed time line between CARE and the Auditor.
- Draft report within 3 days and final report within 7 days from the completion of the audit.
- The Auditor shall submit 1 copies of the draft audit reports for the project to CARE accordingly. After discussion and acceptance of the draft audit report by CARE, the Auditor shall submit 4 copies of the final audit report to CARE within the schedule time. The auditor will attach the relevant financial statements as per requirement of NGOAB with report.
- **Audit Firm will ensure the submission of Audit Report (FD4) to NGOAB by providing an acknowledgement receipt (Photocopy) to CARE Bangladesh. Copy of said receipt will be attached with the invoice of the Audit Firm.**

The auditor should also prepare separate report, if feel on the following matters relating to:

- Procedures, process and documentation;
- Compliance with guideline principles;
- Specification, standards in respective grants/contracts;
- Risk associated with that matter; and
- Make recommendations for improvements.

**10. Payment Clause:**

Fees will be stated on Purchase Order. CARE will pay the fees after receiving the final audit report from the Auditor through account payee cheque in favor of the audit firm. However, payment will be made after satisfactory completion of the assignment.

**11. Volume of Estimated Expenditure:** The estimated expenditure is under (to be mentioned) during this audit period.