



REQUEST FOR PROPOSAL FOR A PROJECT SPECIFIC INDEPENDENT FINANCIAL AUDIT

AUDITEE	Pact
PROJECT NAME	Women Leading Response and Recovery in Ukraine
TYPE OF AWARD	Accountable Grant
AWARD NUMBER	3-05/22
PERIOD OF PERFORMANCE	June 15th, 2022 -March 31st, 2023
AWARD AMOUNT	£749,251.27
ESTIMATED EXPENDITURE TO BE AUDITED	£749,251.27

Background

Pact is an International Non-Governmental Organization with its corporate headquarters in the United States, operating in Ukraine since 2018. Pact Ukraine is currently implementing six projects. Pact started the Women Leading Response and Recovery in Ukraine project (WLRR) funded by Foreign, Commonwealth & Development Office (“FCDO”) in June 15th 2022 and will continue operations until the end of March 2023.

Pact’s financial statements are prepared under U.S. Generally Accepted Accounting Principles, utilizing the accrual basis of accounting, whereby, revenue is recognized when earned and expenses are recognized when incurred. The majority of project expenses are incurred in Ukraine, however, both direct and indirect costs are also recorded from its corporate office in Washington, DC.

About the Project

Women Leading Response and Recovery in Ukraine project (WLRR) goal is to enhance the organizational, technical and adaptive capacity and capacity of local women's organizations to influence and take a leading role in coordinating and providing a gender-sensitive response to the needs of women and girls affected by military conflict, as well as implement the United Nations Security Council Resolution 1325 "Women. Peace. Security". Project is operating in 26 territorial communities of Ivano-Frankivsk, Lviv, Ternopil, Rivne, Kirovohrad and Poltava regions, as well as throughout Ukraine as part of measures to support victims of sexual violence related to the conflict.

Project beneficiaries are:

- Local women's organizations will receive grant support and technical assistance to respond to the needs of temporarily displaced women and girls in communities, ensuring coordination in providing assistance between different stakeholders.
- Women and girls, including internally displaced persons, who have suffered from violence related to military conflict, as well as those at risk of human trafficking, sexual violence, rape and torture; women with disabilities and people with reduced mobility; elderly women.
- Organizations providing psychosocial, medical and legal services.

Indirectly through information campaigns and events, the project will also involve men and family members of project beneficiaries, stakeholders and residents of territorial communities.

Implementation partners: NGO "Chaika", NGO "D.O.M.48.24", NGO "Gender Creative Space", NGO "Oleksandriia Gender Information Center", NGO "Vidrodzhennia Natsii", NGO "Divchata", NGO “Association of Women Lawyers of Ukraine "JurFem", One Health Consulting Agency.

Pact’s financial statements are prepared under U.S. Generally Accepted Accounting Principles, utilizing the accrual basis of accounting, whereby, revenue is recognized when earned and expenses are recognized when

incurred. The majority of project expenses are incurred in the field; however, both direct and indirect costs are also recorded from its corporate office in Washington, DC. Pact’s fiscal year cycle is from October to September each year.

In order to fulfill funder requirements, Pact Ukraine is seeking an appropriate proposal for rendering an independent financial audit on the accounts of the WLRR project under the below conditions:

Terms of Reference

Description of Requested Services:

- Certify project financial accounting accuracy and appropriateness utilizing applicable audit standards and guidelines.
- Certify audited Statement of Project Expenses, Statement of Fixed Assets and Statement of Cash Position.
- Certify Receipt and Payment account for operational funds used by Pact Ukraine in implementing of the project.

Requirement of Services:

- I. Auditor will conduct audit in conformance with International Standards on Auditing (ISA). These standards require that the auditor comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.
- II. Evaluate and obtain a sufficient understanding of the internal control structure of Pact Ukraine’s financial operations and its accounting of the funded activity for this project, assess control risks, and identify reportable conditions, including material internal control weaknesses.
- III. Perform tests to determine whether Pact Ukraine complied, in all material respects, with donor terms and conditions and applicable laws and regulations. Any material instances of non-compliance and all indications of illegal acts should be identified.
- IV. Determine if expenditures were allowable as per the award document and in accordance with the approved budget.
- V. Express an opinion on whether the project financial statements present fairly, in all material respects, the funds received and costs incurred for the period under audit in conformity with generally accepted accounting principles.

Additional information for financial audit of accounts for fiscal year 2023:

- Total amount spent during the audit period: **£749,251.27**
- Major expense categories: Management, Advisory staff, Consultants; HQ personnel; Sub-Awards (70% of funding); other Direct costs; Indirect costs.
- Documents availability locally: all financial documents pertinent to local transactions are readily available in Kyiv;
- Documents that would need to be requested from DC: all expenses incurred by DC office;