

Terms of Reference (TOR)

Provision of Accounting and Auditing service for preparation of annual financial report and annual financial statements report **BORDA/KRI-2024**

1 Introduction to BORDA

Bremen Overseas Research and Development Association [**BORDA**]

People. Innovating. Sanitation.

Since 1977, The Bremen Overseas Research and Development Association [BORDA], a non-profit civil society expert organization headquartered in Bremen [Germany], provides innovative, demand-oriented support in urban development, and in the provision of essential public services. The country office, BORDA KRI, contributes to improve the living conditions of socially disadvantaged groups by creating and facilitating access to basic needs services such as, sanitation, management of urban waters, and water provision while maintaining a safe environment.

Please see: <https://borda-wesca.org/>

2 Objective the service:

Bremen Overseas Research and Development Association (BORDA), seeking proposals from qualified accounting and auditing companies or individuals to prepare the annual financial report and financial statements for the fiscal year 2024. The selected service provider will be responsible for ensuring compliance with both the Directorate of Non-Government Organizations in Kurdistan Region of Iraq (DNGO KRI) reporting requirements and international accounting standards.

The scope includes preparing and delivering the 2024 annual financial report and financial statements in Arabic as per the DNGO KRI template, aligned with International Financial Reporting Standards (IFRS) and Generally Accepted Accounting Principles (GAAP). These documents must be approved by a certified accounting organization and certified chartered accountant/auditor and further certified by the Scientific Association of Certified Accountants and the Accounting and Auditors Association in KRI. As a consultant for BORDA-KRI, you will have access at all reasonable times to all records and documents you consider necessary to complete your report as requested.

3 Scope of Work:

3.1 Annual Financial Report

- Comply with DNGO KRI reporting requirements and templates.
- Include:
 - Bank account information.
 - Resources (funds) and expenditures.
 - Salaries and staff salary tax tables.
 - Fixed asset lists and movements for 2024.
 - Changes in financial assets and liabilities for 2024.
 - Overview of organizational activities for 2024.
- Prepare the report in Arabic templet.
- Address any additional DNGO KRI requirements for 2024.

3.2 Financial Statements

- Prepare as per GAAP and IFRS, including:
 - Balance sheet (overview of assets, liabilities, and equity).
 - Income statement (funds and expenses).
 - Cash flow statement (tracking of cash uses, debt obligations, and operating expenses).
 - Statement of Activities.
- Prepare the financial statements in Arabic templet.
- Incorporate additional DNGO KRI reporting requirements for 2024.

4 Reporting and Deliverables

The selected service provider will deliver the following:

- Draft Reports: Submission of draft financial reports and statements for review.
- Final Reports: Submission of finalized reports incorporating feedback.
- Certification of the annual financial report and statements by:
 - The Scientific Association of Certified Accountants/KRI.
 - The Accounting and Auditors Association/KRI.
- Adherence to all deadlines as outlined in the timeline section.

5 Qualifications and Experience

The selected service provider must demonstrate:

- Proven experience in preparing financial reports and statements for nonprofit organizations.
- Familiarity with DNGO KRI financial reporting requirements.
- Expertise in IFRS and GAAP.
- Membership in:

- The Scientific Association of Certified Accountants (membership ID).
- The Accounting and Auditors Association (membership ID).
- Licensed to operate in KRI, with a valid tax clearance letter from the Kurdistan Regional Government (KRG).
- A strong track record of working with NGOs.
- Extensive knowledge of local and international tax laws and regulations.
- Relevant certifications or licenses as required by local authorities.
- Minimum of [5] years of experience in accounting and organizing financial statements preferably within the Kurdistan region of Iraq.

6 Timeline

The service provider must adhere to the following timeline:

- **Proposal Submission Deadline:** December 10, 2024, by 23:59 (Iraq local time).
- **Delivery of Draft Reports:** March 15, 2025, by 12:00 (Iraq local time).
- **Final Submission Deadline:** April 15, 2025, by 12:00 (Iraq local time).

Timely delivery is critical to ensure compliance with DNGO KRI reporting requirements, and might change accordingly due to DNGO KRI announcements

7 Confidentiality

The service provider shall maintain strict confidentiality regarding all financial information and organizational data provided during the engagement. Disclosure of any information to third parties without prior written consent will lead to immediate termination of the agreement and possible legal action.

8 Service Fees and Payment Terms

- **Currency:** All fees must be quoted in IQD.
- **Payment Terms:**
 - 100% of the service fees will be paid upon the successful completion and acceptance of all deliverables.
- **Cost Breakdown:**

Service providers must include a detailed cost breakdown as follows:

 1. Preparation and delivery of the 2024 annual financial report.
 2. Preparation and delivery of the 2024 financial statement.
 3. Certification of both documents by the Syndicate of Chartered Accountants/KRI and the Scientific Association of Certified Accountants/KRI.

9 Validity of Proposals

Proposals must remain valid for a period of **8 weeks** from the submission deadline.