



Terms of Reference (TOR) for Annual Audit of Girls Activist Youth Organisation (GAYO)

Background

Girls Activist Youth Organisation (GAYO) is a registered non-governmental organization in Malawi that works to promote girls' and young women's rights, youth leadership, gender equality, and social justice. GAYO implements programs focusing on education, sexual and reproductive health and rights, governance, climate justice, and youth empowerment, in collaboration with communities, government institutions, and development partners.

As part of its commitment to transparency, accountability, and good governance, GAYO is required to engage an independent external auditor to conduct an annual audit of its financial statements and donor-funded projects in compliance with statutory and donor requirements.

Objectives of the Audit

The objective of the audit is to provide an independent professional opinion on the annual financial statements and donor-funded project accounts of GAYO for a period of **three (3) years**, with a possibility of renewal subject to satisfactory performance.

The audit will confirm whether GAYO's financial statements present a true and fair view of the organization's financial position and performance, in accordance with **International Financial Reporting Standards (IFRS)** and the applicable laws, regulations, grant agreements, internal policies and regulations of Malawi.

Scope of the Audit

The scope of the audit shall include, but not be limited to, the following

- Examination of annual financial statements and underlying accounting records
- Assessment of internal control systems and risk management processes
- Review of compliance with donor agreements, statutory, and regulatory requirements
- Verification of the accuracy and completeness of income, expenditures, assets, and liabilities
- Review of procurement, payroll, asset management, and grant management systems
- Review of bank reconciliations and supporting documentation
- Provision of practical recommendations to strengthen financial management and internal controls



Audit Methodology

The audit shall be conducted in accordance with **International Standards on Auditing (ISA)** and shall include

- A risk-based audit planning approach
- Entry and exit meetings with management and finance staff
- Sampling and substantive testing of transactions and supporting documents
- Physical verification of assets and inventories where applicable
- Review of compliance with tax laws and other legal obligations

Deliverables

The appointed auditor shall submit the following deliverables

- Draft audit report for management review
- Final audit report including an independent auditor's opinion
- Management letter highlighting internal control weaknesses, risks identified, and recommendations for improvement

Auditor Qualifications and Experience

The audit firm must meet the following minimum requirements

- Be a registered and licensed audit firm in Malawi
- Have proven experience in auditing non-governmental organizations and donor-funded projects
- Have qualified personnel (CPA/ACCA or equivalent).
- Demonstrate independence from GAYO, its staff, and governance structures
- Possess strong technical expertise in IFRS, ISA, and relevant Malawian financial and tax regulations

Timeline and Reporting

- The audit is expected to commence in the second week of February each year
- Project audits, where applicable, shall be conducted prior to the institutional audit
- Draft audit reports shall be submitted **within two (2) weeks** after completion of fieldwork
- Final audit reports shall be submitted **within one (1) week** after receipt of management responses

Submission of Proposals

Interested audit firms are invited to submit proposals that include

- A detailed audit methodology and approach
- Firm profile and qualifications of key audit personnel
- Relevant experience with NGOs and donor-funded audits



- Proposed timeline and professional fees

Proposals should be submitted **by 29th January, 2026** via email to gayovacancies@gmail.com

Payment Terms and Conditions

Audit fees shall be agreed upon in advance and paid according to the contract terms upon satisfactory completion of deliverables.

Confidentiality

The auditor shall treat all information obtained during the audit with strict confidentiality and shall not disclose any information or audit findings to third parties without prior written consent from GAYO.

Girls Activist Youth Organisation (GAYO)

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