

Annex O: Terms of Reference for Independent Verifier

1.1. Responsibilities of the Parties to the Engagement

The term “Beneficiary(ies)” refers collectively to all Beneficiaries, including the Coordinator, of the Action. When there is only one Beneficiary of the Action, the terms Beneficiary(ies) and Coordinator should both be understood as referring to the only Beneficiary of the Action. Where applicable the term 'Beneficiary(ies) includes its affiliated entity(ies).

- The Coordinator is responsible for providing a Financial Report for the action financed by the Grant Contract which complies with the terms and conditions of the Grant Contract and for ensuring that this Financial Report reconciles to the Beneficiary’s accounting and bookkeeping system, and to the underlying accounts and records. The Beneficiary is responsible for providing sufficient and adequate information, both financial and non-financial, in support of the Financial Report.
- The Coordinator accepts that the ability of the Auditor to perform the procedures required by this engagement effectively depends upon the Beneficiary(ies), and as the case may be its affiliated entity(ies), providing full and free access to its staff and its accounting and bookkeeping system and underlying accounts and records.
- The “Auditor” is responsible for performing the agreed-upon procedures as specified in these ToR. The term “Auditor” refers to the audit firm contracted for performing this engagement and for submitting a report of factual findings to the Beneficiary. “Auditor” can refer to the person or persons conducting the verification, usually the engagement partner or other members of the engagement team.

The engagement partner is the partner or other person in the audit firm who is responsible for the engagement and for the report that is issued on behalf of the firm, and who has the appropriate authority from a professional, legal or regulatory body.

By agreeing to these ToR the Auditor confirms that he/she meets at least one of the following conditions:

- The Auditor and/or the firm is a member of a national accounting or auditing body or institution which in turn is member of the International Federation of Accountants (IFAC).

Period of the Engagement

Half-yearly:

Checks at Inception

1. The amount awarded corresponds to the correct category in terms of acreage.
2. The budget proposal of the beneficiary only includes costs that are eligible for support.
3. The location of the Action falls within one of the 126 coffee and/or cocoa growing districts in Uganda located among the agro-ecological regions as prescribed by Ministry of Agriculture, Animal Industries and Fisheries (MAAIF)

60% 1st Reimbursement

1. Implementation of activities was within the period of the action;
2. The expenditure included in the beneficiary's interim financial report was indicated in the budget;
3. The expenditure has been allocated to the correct heading of the Financial Report;
4. All milestones to trigger the payment of the instalment have been met/achieved;
5. The expenditure was necessary for the implementation of the foreseen contractual activities, is reasonable and justified and respects the principle of sound financial management;
6. The expenditure identifiable and verifiable, i.e. the expenditure is backed up by sufficient supporting documentation and proof of payment.

40% Final Reimbursement

1. Implementation of activities was within the period of the action;
2. The expenditure included in the beneficiary's final financial report was indicated in the budget;
3. The expenditure has been allocated to the correct heading of the Financial Report;
4. All milestones to trigger the payment of the instalment have been met/achieved;
5. The expenditure was necessary for the implementation of the foreseen contractual activities, is reasonable and justified and respects the principle of sound financial management;
6. The expenditure identifiable and verifiable, i.e. the expenditure is backed up by sufficient supporting documentation and proof of payment.

Reporting

The report on this independent verification should describe the purpose, the agreed procedures and the factual findings of the engagement.