

Terms of Reference

1 Background

Street Child is an international charity based in the United Kingdom and has been working in Nepal since 2015 under the name Street Child of Nepal (SCoN), with the objective of ensuring access to education for children from marginalized and disadvantaged communities. Currently, the organization operates actively in more than 20 countries across Asia, Africa, and Eastern Europe.

Street Child of Nepal (SCoN) began its work in Nepal following the 2015 earthquake. Starting with the reconstruction of school infrastructure and ensuring the continuity of students' learning, the organization has continuously supported access, retention, and improvement in learning outcomes for marginalized children, out-of-school children, and adolescent girls. Through student-centered and inclusive teaching approaches, the organization runs learning centers for children affected by emergencies and those from marginalized communities, supports school re-enrollment, promotes life skills along with livelihood opportunities, and emphasizes green schools and STEM concepts to enhance quality education. These programs are implemented in partnership with JWAS, Aasaman Nepal, and Karkhana Samuha.

2 Eligibility Criteria

Audit Firms meeting the following criteria shall be eligible to submit the proposal to Street Child of Nepal:

- a) Firms legally registered and licensed under the laws of Nepal.
- b) Having at least 5 years of audit experience in the international development sector
- c) Not involved in auditing of Street Child of Nepal in last three years
- d) Currently not involved in consulting services of any kind in Street Child of Nepal
- e) Not having any relatives working in Street Child of Nepal

3 Scope of the audit

- Audit must be carried out in accordance with International Standard on Auditing promulgated by the International Federation of Accountants (IFAC) and the relevant standards of the local accounting profession as well as the local legislation on accounting and reporting in force in Nepal.
- Period to be covered by audit is 1st April 2025 to 16th July 2026.
- The primary objective of the audit should seek to assess compliance with statutory laws, donor and internal accounting and management policies, including establishing and assessing the effectiveness of Street Child's systems of internal controls.
- Any expansion of the scope that may be deemed crucial should be discussed with Street Child's management representative and formally agreed upon in writing before such expansion takes place.

4 Specific Objective

- Assess and establish whether the financial statements present a true and fair view, i.e., whether they are without any significant errors or omissions.
- Establish compliance with donor policies and procedures and grant conditions and identify any non-compliance issues.
- Assess expenditure as being agreed and in line with agreed budget heads and are justifiable and verifiable from the available supportings and explanation obtained from the management.

- Determine the current internal control systems in place and identify their strengths and weaknesses.
- An examination of the organization structure to ensure proper authorization and internal controls.
- An assessment of compliance with national legislation in terms of reporting, taxation, and use of resources.
- Highlight the potential risks that the project is exposed to as a result of these identified conditions.

5 Responsibility of the Auditor

- Plan, organize and carry out the audit work in a most professional, efficient, and effective manner.
- Assign at least one qualified professional accountant to lead the audit work and assign sufficient team members to be able to complete the work in stipulated time.
- Try as much as possible to resolve the issues on ground and report only on those issues that were not resolved during the field work or desk review.
- Liaise with the management team frequently and as necessary to resolve any serious issues.
- All the findings/observation should be quantified where possible.
- Outline the risk associated with any findings/observation in a clear way and provide recommendations that are objective, clear and actionable. Recommendations provided are expected to add value to organizational objective of strengthening its internal control system.
- Provide an independent observation of the strong and weak areas of the organization and provide a recommendation on how it could be improved. Different areas include financial management, procurement, human resources, monitoring and evaluation, and program implementation.

6 Audit Timeline

The selected firm will be notified by 9th April 2026. Entry meeting will be held on 15th April 2026, and the assignment should start from 20th April 2026. The audit report and management letter for the period ending on 31st March 2026 should be submitted by **31st May 2026** and the audit report and management letter for the period ending on 16th July 2026 should be submitted by **15th September 2026**.

7 Deliverables

The selected firm should issue an audit report and the management letter for the period ending on 31st March 2026 covering transactions pertaining to 1st April 2025 to 31st March 2026. They should also issue another audit report and management letter for the period ending on 16th July 2026 covering transactions pertaining to 17th July 2025 to 16th July 2026. Final report should be submitted within the deadline outlined in clause 6 of this Terms of Reference. The report should be addressed to the Country Director of Street Child of Nepal.

8 Budget

The lumpsum estimated cost for the whole assignment is expected to be within the range of NPR 2,50,000 to NPR 300,000, exclusive of VAT. Per diem will be provided based on Street Child of Nepal's policy.

9 Submission of proposal

Bidders shall submit their proposals only via email and no later than **by 5:00 PM on 2nd April 2026**. Proposals received beyond this deadline will not be considered.

Technical and financial proposals shall be separate files and should be submitted by the above-mentioned time at the above-mentioned email address.

The proposals should be in pdf format, and the financial proposal should be protected. Financial proposals without password protection will not be considered for evaluation. The email subject line for technical and financial proposals should read **Audit Proposal- Name of your Firm** and the email subject line for the password of the financial proposal should read **Password-Name of your firm**. Both the Technical and Financial proposals should be submitted to Finance Manager at grishma.dhungana@street-child.org and password for the financial proposal should be emailed to Operations Manager at babita.yadav@street-child.org no later than **5:00 PM** on **2nd April 2026**.

10 Required Proposal Documents

10.1 Technical Proposal

The technical proposal should explicitly cover the following:

a) Cover Letter

The bidder's cover letter shall include the following information:

1. Name of the organization
 2. Type of organization
 3. Detailed postal address
 4. Telephone
 5. E-mail address
 6. Full names of members of the Partners (as appropriate)
 7. Taxpayer Identification Number (PAN)
 8. Official bank account information
 9. Other required documents shall be included as an attachment to the cover letter:
- b) Technical Approach, Methodology and Detailed Work Plan. (5-7 pages)
- c) Proposed team and profile of personnel proposed for the audit including qualification and prior experience in doing similar work (2 pages maximum)
- d) Corporate Capabilities, Experience, and Past Performance. This part may not exceed 2 pages.

The technical proposal should include following as mandatory documents:

- a) Copy of registration or equivalent document from the regulatory authorities where the bidder is registered.
- b) Copy of tax registration, or equivalent document.
- c) Copy of a renewed audit license, or equivalent document.
- d) Copy of tax clearance report for the last financial year
- e) Copy of audited accounts for the last two financial years
- f) Reference letters from other clients

10.2 Financial Proposal

- a) The cost proposal is used to determine which proposals represent the best value and serve as a basis of negotiation before the award of a contract.
- b) The price of the contract to be awarded will be an all-inclusive fixed price. Nevertheless, for the purpose of the proposal, bidders must provide a detailed budget showing major line items, e.g.,

per day rates, travel costs, stationery, other direct costs etc. Offers must show unit prices, quantities, and total price.

- c) All items, services, etc. must be clearly labeled and included in the total offered price. All cost information must be expressed in Nepalese Rupees.
- d) The cost proposal shall also include a budget narrative that explains the basis for the estimate of every cost element or line item.
- e) Street Child of Nepal reserves the right to request additional cost information if the evaluation committee has concerns on the reasonableness, realism, or completeness of the bidder's proposed cost.
- f) Under no circumstances may cost information be included in the technical proposal. Cost information must only be included in the financial proposal.

11 Evaluation and Basis for Award

An award will be made to the bidder whose proposal is determined to be responsive to this solicitation document, meets the eligibility criteria stated in this RFP, meets the technical, management/personnel, and corporate capability requirements, and is determined to represent the best value to the Street Child of Nepal.

This RFP will use the tradeoff process to determine the best value. That means each proposal will be evaluated and scored against the evaluation criteria and evaluation sub-criteria, which are stated in the table below. Cost proposals are assigned points, similar to technical evaluation factors.

In evaluating proposals, Street Child of Nepal will use the following evaluation criteria and sub-criteria:

Evaluation Criteria	Maximum Points
1. Does the proposal clearly explain, understand, and respond to the objectives of the audit as stated in the Scope of audit?	15 points
2. Does the proposed approach, activities and timeline fulfill the requirements of executing the stated work effectively in the given time frame?	15 points
Total Points – Technical Approach	30 points
Management team of the firm, Key Personnel to be involved in the assignment and their qualifications and experience – Do the proposed team members have necessary experience and expertise to carry out the stated work?	20 points
Total Points – Management	20 points
Corporate Capabilities, Experience, and Past Performance-Firm's Background and Experience – Does the firm have experience relevant to the proposed assignment? If so, how many such assignments of similar size and scope were implemented (References required)?	10 points
Total Points – Corporate Capabilities	10 points
Cost feasibility and reasonableness	
Is the proposed cost reasonable? (effective and efficient in the meantime)	40 points
Total Points – Cost feasibility or reasonableness.	40 points
Total Points – Technical and Financial	100 points

Street Child of Nepal will award a contract to the bidder whose proposal represents the best value for money. It may also award the contract to the bidder quoting a higher price if a determination is made that the higher technical evaluation of that bidder merits the additional cost.

12 Signing of Agreement

An agreement will be signed with the selected bidder.

13 Disclaimer

13.1 No Commitment:

All costs and expenses incurred by the bidders in anyway associated with the development, preparation, and submission of responses, including but not limited to attendance at meetings, discussions, demonstrations, etc. and providing any additional information required by Street Child of Nepal, will be borne entirely and exclusively by the bidder.

13.2 No Legal Relationship:

No binding legal relationship will exist between any of the bidders and Street Child of Nepal until execution of a contractual agreement.

13.3 Evaluation of Offers:

Each bidder acknowledges and accepts that Street Child of Nepal may, in its absolute discretion, apply whatever additional criteria it deems appropriate in the selection of organizations, not limited to those selection criteria set out in this RFP document.

13.4 Disqualification:

Any form of canvassing/lobbying/influence etc., by the bidder will result in disqualification of such bidder.

14 Chronological List of Proposal Events

The following calendar summarizes important dates in the solicitation process. Bidders must strictly follow these deadlines.

1. RFP announcement – 19th March 2026
2. Deadline for seeking written clarifications -23rd March 2026
3. Answers provided to questions/clarifications- 26th March 2026
4. Proposal due date- 2nd April 2026
5. Contract award (estimated)- 9th April 2026
6. Completion of audit and final reports due- 31st May 2026
7. Start date for 15th July end Audit-1st August 2026
8. Completion of audit and final reports due-15th September 2026

The dates above may be modified at the sole discretion of Street Child of Nepal. Any changes will be published in an amendment to this RFP.

15 Written Questions and Clarifications

All questions or clarifications regarding this RFP must be in writing and submitted at grishma.dhungana@street-child.org, no later than 23rd March 2026. Questions and requests for clarification, and the responses thereto, will be circulated to all RFP recipients who have indicated an interest in this RFP.