Version of September 2026

Annex D

RSF Sweden's Standard Terms of Reference for Annual Audit of Project/Programme Support including ISRS 4400 (Revised)

Introduction

The International Public Organisation "Institute for Regional Media and Information" (IRMI), hereafter referred to as the "Cooperation partner" wishes to engage the services of an audit firm for the purpose of auditing the project "GLOBAL, Institutional support" (RSF Sweden project reference 17817-IRMI-2026) as stipulated in the agreement between the Cooperation partner and RSF Sweden. The audit shall be carried out in accordance with international audit standards (ISA) issued by IAASB[1]. In addition, an assignment according to International Standards on Related Services (ISRS) 4400 (Revised) shall be carried out. The audit and the additional assignment shall be carried out by an external, independent and qualified auditor.

The assignment consists of two separate parts. The audit under ISA 800/805 provides an independent audit opinion on the Project's financial report. The assignment under ISRS 4400 (Revised) consists of the specific agreed-upon procedures listed in Section II. For these procedures, the auditor reports factual findings but does not provide an audit opinion or assurance.

I. Objectives and scope of the audit

The objective is to audit the financial report for the period from 1 January 2026 to 31 December 2026 as submitted to RSF Sweden and to express an audit opinion according to ISA, applying ISA 800/ISA 805, on whether the financial report of the project "GLOBAL, Institutional support" (RSF Sweden project reference 17817-IRMI-2026) is in accordance with the Cooperation partner´s accounting records and RSF Sweden's requirements for financial reporting as stipulated in the agreement including appendices between RSF Sweden and Cooperation partner (Agreement).

[1] The International Auditing and Assurance Standards Board (IAASB)

II. Additional assignment; according to agreed upon procedures ISRS 4400 (Revised), review the following areas in accordance with the Terms of Reference below

Mandatory procedures that must be included:

1. Observe whether the financial report is structured in a way that allows for direct comparison with the latest approved budget[2].
2. Observe and inspect whether the financial report provides information regarding:
   a) Financial outcome per budget line (both incomes and costs) for the reporting period and columns for cumulative information regarding earlier periods under current agreement.
   b) When applicable, compare if the opening fund balance[3] for the reporting period matches with what was stated as closing fund balance in the previous reporting period.
   c) A disclosure of exchange gains/losses. Inquire and confirm whether the disclosure includes the entire chain of currency exchange from RSF Sweden's disbursement to the handling of the project/programme within the organisation in local currency/ies, if applicable.
   d) Explanatory notes (such as, for instance, accounting principles applied for the financial report).
   e) Amount of funds that has been forwarded to implementing partners, when applicable.
3. a) Inquire and inspect with what frequency salary costs during the reporting period are debited to the project/programme.

   Choose a sample of three individuals for three different months and:

   b) Inquire and inspect whether there are supporting documentation[4] for debited salary costs.
   c) Inquire and inspect whether actual time worked is documented and verified by a manager. Inquire and inspect within which frequency reconciliations between debited time and actual worked time is performed.

[2] The budget is attached to the agreement with RSF Sweden as an annex and any updates should be supported by a written approval by RSF Sweden.
[3] I.e. funds remaining from disbursements made during previous reporting period/s
[4] Salary costs charged to the Project shall be verified by supporting documentation, including employment contracts or professional services contracts, payroll records or invoices, proof of payment, and regularly completed and approved timesheets showing time worked on the Project.

d) Inspect whether the Cooperation partner comply with applicable tax legislation with regard to personal income taxes (PAYE)[5] and social security fees.

4. Inquire and inspect whether the Cooperation partner screens implementing partners, suppliers, consultants, contractors and other recipients of Project funds against the European Union's financial sanctions list of persons, groups and organisations (EU Sanctions list). Inspect supporting documentation showing that the screening has been carried out.
   Inquire whether the screening has resulted in any matches or other findings and, if so, report those findings.
5. a) Inspect and confirm that the unspent fund balance (according to the financial report) at the end of the reporting period is in line with information provided in the accounting system and/or bank statements.

   b) Applicable the final year: Inspect and confirm the unspent fund balance (including exchange gains) in the financial report and confirm the amount that shall be repaid to RSF Sweden.
6. Inspect and confirm whether the funds are held in a bank account in the name of the Cooperation partner and whether the account is subject to joint authorisation by at least two authorised representatives.

7. Procurement

   a) Inquire and inspect whether the Cooperation partner has purchased goods, works or services above the thresholds stipulated in the Agreement. Obtain a list of purchases made during the reporting period and identify any transactions above the applicable threshold.

   b) If applicable, select two transactions above the threshold of SEK 50,000 and inspect whether at least three offers were obtained and documented, or whether the reason for not obtaining three offers was documented in accordance with the Agreement.

III. The reporting

All audit reporting shall be submitted in English.

The auditor's reporting shall state:

- the start and end dates of the audited period;

[5] Pay As You Earn

- the Project name and RSF Sweden project reference, where applicable;
- the total Project expenditure for the audited period according to the financial report.

The reporting shall be signed by the responsible auditor (not just the audit firm[6]) and shall include the title of the responsible auditor.

Reporting from the ISA assignment

The reporting from the auditor shall include an independent auditor's report in accordance with the format in standard ISA 800/805 and the auditor's opinion shall be clearly stated. The financial report that has been the subject of the audit shall be attached to the audit report.

The reporting shall also include a Management letter that discloses all audit findings, as well as weaknesses identified during the audit process. The auditor shall make recommendations to address the identified findings and weaknesses. The recommendations shall be presented in priority order and with a risk classification.

Measures taken by the Cooperation partner to address weaknesses identified in previous audits shall also be presented in the Management Letter. If the previous audit did not have any findings or weaknesses to be followed-up on, a clarification of this must be disclosed in the audit reporting.

If the auditor assesses that no findings or weaknesses have been identified during the audit that would result in a Management Letter, an explanation of this assessment must be disclosed in the audit reporting.

Reporting from the ISRS 4400 (Revised) assignment

The additional assignment according to agreed-upon procedures under ISRS 4400 (Revised) shall be reported separately in an "Agreed-upon Procedures Report".

The report shall follow the numbering in Section II. For each procedure, the auditor shall describe the work performed and report the corresponding findings.

Where applicable, the auditor shall also state the sample size and explain how the sample was selected.

[6] If the audit firm is obliged to sign, refer to relevant legislation. RSF Sweden still needs to know who has been responsible for the audit assignment.