

ENGAGEMENT OF AN AUDIT FIRM FOR THE FINANCIAL STATUTORY AUDIT OF SELF-HELP AFRICA NIGERIA

BACKGROUND/INTRODUCTION

Self Help Africa is an international development and humanitarian organisation established in 1976 and has worked in Nigeria since 1999. It is a global development organisation with the vision of 'Sustainable livelihoods and healthy lives for all in a changing climate. The organisation is duly registered with the Federal Government of Nigeria (Ministry of Budget and National Planning).

Self Help Africa's work is to empower women and communities to voice their rights, promote good sanitation and hygiene practices to reduce water-borne diseases, and tackle environmental destruction in Nigeria's depleting mangrove forests. The organisation implements community-based development interventions in Benue and Cross River States; working closely and in partnership with the Federal, State and Local governments as well as civil society organisations.

Following a recent merger (in 2021) between United Purpose and Self-Help Africa, the organisation now operates in 17 countries across Africa, Asia and South America and receives funding from a range of donors; including the European Union, the United Nations and the governments of the United States, Australia, Ireland and the United Kingdom, as well as from other European countries and the private sector. More information is available on our website www.united-purpose.org.

PURPOSE

Self-Help Africa-Nigeria wishes to engage a Certified National Auditor in Nigeria to undertake the annual financial institutional audit of the financial records (of United Purpose and Self Help Africa) for the period January 2023 to December 2023 and onward.

AUDIT OBJECTIVE

The responsibility of the auditor will be to:

(1) Furnish Self-Help Africa with an objective proof of proper and correct use of the funds made available to the programme based on an examination of proper books of accounts, financial statements and related records/documents while ensuring that compliance with statutory laws and regulations as well as the grant(s) agreement(s) was adhered to.

(2) Establish whether the organisation's accounts and reports have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and give a true and fair view of the financial situation of the organisation.

(3) Audit the financial statements and express an opinion as to whether the financial statements present fairly, in all material aspects, the use of funds in accordance with planned budgets, and donor requirements and whether the income and expenditure statements are presented in conformity with the basis of the acceptable accounting practices and standards.

(4) Examine Self Help Africa's internal control structure/environment in order to determine the appropriate auditing procedures for the purpose of expressing an opinion on the financial statements and to report on significant internal control deficiencies and material weaknesses.

(5) Test the organisation's compliance with the relevant National laws of Nigeria, as part of obtaining reasonable assurance about whether the Financial Statements are free of material misstatement and to report on any identified material instances of non-compliance.

(6) Find out and report on the extent to which previous audit findings and recommendations have been implemented.

AUDIT SCOPE

The audit should be performed in accordance with Self Help Africa's express audit instructions, International Standards of Auditing (ISAs) for audits of historical financial information in the specific context of a statutory financial and compliance audit; IAASBs Engagement Standards (ISAs, ISREs, ISAEs and ISRs) set out in the "Guidelines for Auditors"; The IFAC Code of Ethics of Professional Accountants (issued by IFAC's

International Ethics Standards Board for Accountants, IESBA) which established fundamental ethical principles for auditors with regard to integrity, objectivity, independence, professional competence and due care, confidentiality, professional behaviour and technical standards and the IFAC international standards on Quality Control (ISQCs), which established standards provide guidance on an auditor's system for Quality Control.

The scope of audit services should cover the overall management of the organisation and selected projects' implementation, monitoring and supervision. The audit work should include the review of financial statements, work plans, progress reports, project resources, project budgets, project expenditure, project delivery, recruitment, operational and financial closing of projects and disposal or transfer of assets.

The audit will be conducted in accordance with generally accepted auditing standards and will include, as the auditors consider necessary, tests of transactions and of the existence, ownership and valuation of assets and liabilities. The auditors will obtain sufficient and appropriate evidence to enable an understanding of the accounting and internal controls system in order to assess their findings.

AUDIT APPROACH

In performing the assurance engagement, the Auditor is to establish that at least the following have been complied with:

- All expenses in the accounts are legitimate, i.e., they satisfy the criteria contained in the grant letter and the regulations for specific projects and the global office financial guidelines for Country office operations.
- The costs included in the statements of expenditure have actually been incurred for the country office operations and for programme activities for specific projects, and have been paid;
- Report on whether accruals and prepayments have been considered

- The financial statements are complete and correct in all aspects;
- The financial statements agree with the underlying financial records and other documents held by the Parties and/or those executing the Country Office operations;
- The costs in local or other currency are converted in accordance with the prevailing exchange rate of the date the costs were incurred;
- Confirm whether all income to Self Help Africa is properly and completely recognised in the books of accounts;
- Review a sample of vouchers and report on the accuracy of vouchers, accounts and cost centres;
- Perform an internal control evaluation of the organisation;
- The statutory obligations are met and all statutory deductions are remitted to the respective government body by the organisation;
- Ascertain whether the organisational operations complied with the relevant national laws and regulations;
- Report on physical spot checks (existence, conformity) of the Country Office and the specific projects managed by the country office;

DELIVERABLES

The following are the expected deliverables:

- (1) Conduct an entry meeting (to share expectations) and an exit meeting (to share findings and obtain management responses) with the contracting management.
- (2) Compile a complete and accurate audit report for the period January 2023 to December 2023; comprising of:

- Report of the Board of Trustees
- Report of Management Committee
- Statement of Accounting Policies
- Statement of Financial Position
- Statement of Income & Expenses
- Cashflow statement
- Statement of Changes in Equity
- Notes to the Financial Statements

(3) Prepare and present a Management Letter in which the auditor will:

- Give comments and observations on the accounting records, systems, and controls that were examined during the course of the audit;
- Identify specific deficiencies and areas of weakness in systems and controls. This will be shared with the organisation for corrective action.
- Report on the degree of compliance with the financing agreement and give comments, if any, on the internal and external matters affecting such compliance;
- Communicate matters that have come to auditors' attention during the audit which might have a significant impact on the implementation of activities; and
- Bring to the attention of the management any other matters that the auditors consider pertinent.

AUDIT TIME FRAME

The audit is expected to cover 5 weeks. This time includes the final report issuance to Self Help Africa's management. The audit draft audit report is expected 2 weeks after the commencement of the audit, to allow time for management responses and exit meetings before the final report is submitted to Self Help Africa's management. The 2023 audit is expected to start by the first week of March 2024.

AUDIT FIRM REQUIREMENTS

- The audit firms should be based in Abuja – Nigeria
- Registered under The Institute of Chartered Accountants of Nigeria (ICAN) and having affiliation with internationally reputed international accounting firms.

- Minimum 7 years' experience in Audit Practice and a team comprising of qualified Chartered Accountants having exposure to development agencies and INGOs/NGOs, will be eligible to apply.

HOW TO APPLY

The interested Firms should send their expression of interest along with a detailed profile, covering the eligibility criteria and experience, references professional fees with the subject field – “Expression of interest for undertaking External statutory audit” is to be submitted to nigeria@united-purpose.org on or before **30 November 2023**.

Selection Process

SHA will at no stage of this process request potential audit firms to make payments of any kind. Equal opportunity will be granted to all applicants without any kind of discrimination and the selection criteria will solely be guided by the eligibility of the audit firm to deliver audit services as per the listed terms of reference. Due to the large number of expected applications, only the shortlisted audit firms will be contacted for the next stages of the selection process.

Safeguarding -

Everyone has a role in creating and sustaining a safe and respectful working environment, where no one comes to any harm or is maltreated. At SHA we take our responsibilities very seriously and will act against wrongdoing. We will do everything we can to ensure that we do not engage people that pose a safeguarding risk and will undertake criminal record checks as needed. We welcome applications from all suitably qualified individuals or organisations. We encourage and ease a flexible working environment.