REQUEST FOR PROPOSAL

PROVISION OF EXTERNAL AUDIT SERVICES

NO. AWF/RFP 4/14-2021

AFRICAN WILDLIFE FOUNDATION AWF
CONSERVATION CENTER,
NGONG ROAD-KAREN
P.O. BOX 310 00502 KAREN
TEL: (+254 711 063000
EMAIL: procurement@awf.org

APRIL 2021

SECTION I - LETTER OF INVITATION

April 15, 2021
TENDER NUMBER: NO. AWF/RFP 4/14-2021

Dear Sir/Madam,

RE: PROVISION OF EXTERNAL AUDIT SERVICES

African Wildlife Foundation (AWF) is an international conservation organization formed in 1961. Together with the people of Africa, AWF works to ensure that the wildlife and wild lands of Africa will endure forever. Headquartered in Nairobi, Kenya, AWF has field
offices in nine African countries: (Kenya, Tanzania, Uganda, Cameroon, Zimbabwe, Ethiopia, Democratic Republic of Congo, Niger, and Rwanda) and is registered in the United Kingdom, Canada, Switzerland, and South Africa.

AWF intends to procure the services of a qualified and experienced professional external auditor to offer external audit services for the financial years ending 30th June 2021 for AWF operations in Kenya.

The objectives of the service required will be for the auditor to:

i. Confirm that the books of accounts provide the basis for preparation of the financial statements and that they are established to reflect the financial statements.
ii. That the AWF maintains adequate internal controls and supporting documentation for its transactions.
iii. Express a professional opinion on the financial statements of the AWF on whether the statements present fairly the financial position at the end of each financial year and.
iv. That the financial statements are prepared in accordance with accounting principles, standards and all relevant laws and regulations.

To be considered, a proposal in PDF format must be received by the Director of Finance, Costin Guvheya, by 5PM on 05/12/2021. Proposals should be emailed to: Costin Guvhaya at CGuvheya@awf.org with a copy to AWF procurement at procurement@awf.org.

AWF reserves the right, where it may serve the organization’s best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. It is anticipated the selection of a firm will be completed and an engagement letter executed by 05/31/2021. Late bids shall be rejected.

DIRECTOR OF FINANCE
SECTION II: INFORMATION TO AUDIT FIRMS

2.1 Introduction

2.1.1 Please note that (i) the costs of preparing the proposal and of negotiating the Contract, including any visit to AWF are not reimbursable as a direct cost of the assignment; and (ii) AWF is not bound to accept any of the proposals submitted.

2.1.2 AWF’s employees, committee members, board members and their relatives (spouse and children) are not eligible to participate.

2.2 Clarification and Amendment of RFP Documents

2.2.1 Audit firms may request a clarification of any of the RFP documents only up to
Three [3] days before the proposal submission date. Any request for clarification must be sent in writing by electronic mail to AWF’s address at procurement@awf.org copying CGuvheya@wf.org. AWF will respond by electronic mail to such requests and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all invited Audit firms who intend to submit proposals.

2.2.2 At any time before the submission of proposals, AWF may for any reason, whether at his own initiative or in response to a clarification requested by a potential bidder, amend the RFP. Any amendment shall be issued in writing through addenda. AWF may at his discretion extend the deadline for the submission of proposals.

2.3 Preparation of Technical Proposal

2.3.1 The Audit firm’s proposal shall be written in English language.

2.3.2 In preparing the Technical Proposal, Audit firms are expected to examine the documents constituting this RFP in detail. Material deficiencies in providing the information requested may result in rejection of a proposal.

2.3.3 The Technical Proposal shall provide the following information using the attached Standard Forms;

(i) A brief description of the firm’s organization and an outline of recent experience on assignments of a similar nature. For each assignment the outline should indicate inter alia, the profiles of the staff proposed, duration of the assignment, contract amount and firm’s involvement.

(ii) Any comments or suggestions on the Terms of Reference, a list of services and facilities to be provided by AWF.

(iii) A description of the methodology and work plan for performing the assignment.

(iv) The list of the proposed staff team by specialty, the tasks that would be assigned to each staff team member and their timing.

(v) CVs recently signed by the proposed professional staff and the authorized representative submitting the proposal. Key information should include number of years working for the firm/entity and degree of responsibility held in various assignments during the last ten (10) years.

(vi) Estimates of the total staff input (professional and support staff-time) needed to carry out the assignment supported by bar chart diagrams showing the time proposed for each professional staff team member.
2.3.4 The Technical Proposal shall not include any financial information.

2.4 Preparation of Financial Proposal

2.4.1 In preparing the Financial Proposal, Audit firms are expected to consider the requirements and conditions outlined in the RFP documents. The Financial Proposal should follow Standard Forms (Section D). It lists all costs associated with the assignment including; (a) remuneration for staff (in the field and at headquarters), and; (b) reimbursable expenses such as subsistence (per diem, housing), transportation (international and local, for mobilization and demobilization), services and equipment (vehicles, office equipment, furniture, and supplies), office rent, insurance, printing of documents, surveys, and training, if it is a major component of the assignment. If appropriate these costs should be broken down by activity.

2.4.2 The Financial Proposal should clearly identify as a separate amount, the local taxes, duties, fees, levies and other charges imposed under the law on the Audit firms, the sub-Audit firms and their personnel, unless Appendix “A” specifies otherwise.

2.4.3 Auditors shall express the price of their services in USD or a freely convertible currency.

2.4.4 The Proposal must remain valid for 90 days after the submission date. During this period, the Audit firm is expected to keep available, at his own cost, the professional staff proposed for the assignment. AWF will make his best effort to complete negotiations within this period. If AWF wishes to extend the validity period of the proposals, the Audit firms shall agree to the extension.

2.5 Submission, Receipt, and Opening of Proposals

2.5.1 The proposals shall be prepared in indelible ink. It shall contain no interlineation or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be initialed by the persons or person authorized to sign the proposals.

2.5.2 The completed Technical and Financial Proposals must be received at the submission address on or before deadline. Any proposal received after the closing time for submission of proposals shall be rejected.

2.6 Proposal Evaluation General
2.6.1 From the time the bids are opened to the time the Contract is awarded, if any Audit firm wishes to contact AWF on any matter related to his proposal, he should do so in writing at the address where the proposals were submitted. Any effort by the firm to influence AWF in the proposal evaluation, proposal comparison or Contract award decisions may result in the rejection of the Audit firm’s proposal.

2.6.2 Evaluation of Technical Proposal

2.6.3 The evaluation committee appointed by AWF shall evaluate the proposals on the basis of their responsiveness to the Terms of Reference and applying the evaluation criteria as outlined in this RFP.

2.8 Evaluation of Financial Proposal

2.8.1 The evaluation committee will determine whether the financial proposals are complete (i.e. whether the Audit firm has costed all the items of the corresponding Technical Proposal and correct any computational errors. The cost of any unpriced items shall be assumed to be included in other costs in the proposal. In all cases, the total price of the Financial Proposal as submitted shall prevail.

2.8.2 The formulae for determining the Financial Score (Sf) shall, unless an alternative formula is indicated in the Appendix “ITC”, be as follows: -

\[ S_f = 100 \times \frac{F_m}{F} \]

where Sf is the financial score; Fm is the lowest priced financial proposal and F is the price of the proposal under consideration. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T=the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; \( T + P = I \)) indicated in the Appendix. The combined technical and financial score, S, is calculated as follows: -

\[ S = S_t \times T \% + S_f \times P \% \]

The firm achieving the highest combined technical and financial score will be invited for negotiations.

2.8.3 The tender evaluation committee shall evaluate the tender within 30 days of deadline of submission.

2.8.4 Contract price variations shall not be allowed for contracts not exceeding one year (12 months).

2.8.5 Where contract price variation is allowed, the variation shall not exceed 10% of the original contract price

2.8.6 Price variation requests shall be processed by AWF within 30 days of receiving the request.

2.9 Negotiations
2.9.1 Negotiations will be held at the same address as “address to send information to AWF”. The aim is to reach agreement on all points and sign a contract.

2.9.2 Negotiations will include a discussion of the Technical Proposal, the proposed methodology (work plan), staffing and any suggestions made by the firm to improve the Terms of Reference. AWF and firm will then work out final Terms of Reference, staffing and bar charts indicating activities, staff periods in the field and in the head office, staff-months, logistics and reporting. The agreed work plan and final Terms of Reference will then be incorporated in the “Description of Services” and form part of the Contract. Special attention will be paid to getting the most the firm can offer within the available budget and to clearly defining the inputs required from AWF to ensure satisfactory implementation of the assignment.

2.9.3 Unless there are exceptional reasons, the financial negotiations will not involve the remuneration rates for staff (no breakdown of fees).

2.9.4 Having selected the firm on the basis of, among other things, an evaluation of proposed key professional staff, AWF expects to negotiate a contract on the basis of the experts named in the proposal. Before contract negotiations, AWF will require assurances that the experts will be actually available. AWF will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment. If this is not the case and if it is established that key staff were offered in the proposal without confirming their availability, the firm may be disqualified.

2.9.5 The negotiations will conclude with a review of the draft form of the Contract. To complete negotiations AWF and the selected firm will initial the agreed Contract. If negotiations fail, AWF will invite the firm whose proposal received the second highest score to negotiate a contract.

2.9.6 AWF shall appoint a team for the purpose of the negotiations.

2.10 Award of Contract

2.10.1 The Contract will be awarded following negotiations. After negotiations are completed, AWF will promptly notify other Audit firms on the shortlist that they were unsuccessful.

2.10.2 The parties to the contract shall have it signed within 30 days from the date of notification of contract award.

2.10.3 AWF may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.
2.10.4 AWF shall give prompt notice of the termination to the tenderers and on request give its reasons for termination within 14 days of receiving the request from any tenderer.

2.10.5 To qualify for contract awards, the tenderer shall have the following:
(a) Necessary qualifications, capability experience, services, equipment and facilities to provide what is being procured.
(b) Legal capacity to enter into a contract for procurement.
(c) Shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
(d) Shall not be debarred from participating in public procurement.
(e) Shall not be in any legal dispute with Capital Markets AWF, nor consulting for an entity which is being investigated or enforcement action taken by the AWF.

2.11 Confidentiality
2.11.1 Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the Audit firms who submitted the proposals or to other persons not officially concerned with the process, until the winning firm has been notified that it has been awarded the Contract.

2.12 Corrupt or fraudulent practices
2.12.1 AWF requires that the Audit firms observe the highest standards of ethics during the selection and award of the consultancy contract and also during the performance of the assignment. The tenderer shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.

APPENDIX TO INFORMATION TO AUDIT FIRMS

The name of AWF is: African Wildlife Foundation

The method of selection is: Quality and Cost Based Selection (QCBS)

Technical and Financial Proposals are requested: Yes

The name, objectives, and description of the assignment are:
PROVISION OF EXTERNAL AUDIT SERVICES

The name(s), address (es) and telephone numbers of AWF’s official(s) are;
AFRICAN WILDLIFE FOUNDATION AWF
CONSERVATION CENTER, NGONG ROAD-KAREN
P.O. BOX 310 00502 KAREN
TEL: (+254 711 063000

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CONSERVATION CENTER, NGONG ROAD-KAREN
P.O. BOX 310 00502 KAREN
TEL: (+254 711 063000
AWF will provide the following inputs:  **AWF will avail staff member(s) to provide the needed support including logistical arrangements where such support is requested.**

The estimated Duration for the assignment will be for **three years** as follows; the annual audit for the financial years ended 30th June 2021, 30th June 2022 and 30th June 2023.

Taxes: Inclusive of **VAT** and all **applicable taxes**

Proposals must be submitted no later than the following date and time: **May 12, 2021 at 5:00 p.m.**

The address to send information to AWF is: **As Provided Above**

The minimum technical score required to pass is: **70%**

The weights given to the Technical and Financial Proposals are:

\[
T = 0.8 \\
P = 0.2
\]

The assignment is expected to commence **immediately the appointment is done by the Auditor General.**

Ensure you **sequentially number** all the pages of your proposal before submitting.

**Evaluation Criteria:** The AWF will evaluate your proposal based on the following evaluation criteria: -

**a) Mandatory**

1. Valid Tax Compliance Certificate
2. Valid Business permit
3. Firm/Business Registration Certificate
4. The Firm’s relevant professional body Registration Certificate
5. The audit firm should have at least 3 (three) partners. Two of the Partners must have at least 10 years’ auditing experience (provide copies of practicing certificates)
6. Firm should have not less than 15(fifteen) employees with relevant professional certifications
7. A valid **current** professional indemnity insurance cover of **not less than USD 20,000.00** and provide a copy of the insurance certificate.
8. Audited financial statements for the last 3 years

b) Technical Evaluation

<table>
<thead>
<tr>
<th>A.</th>
<th>Technical Score</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td><strong>Specific firms experience</strong></td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>The firm must demonstrate experience in undertaking significant and similar assignments in audit for at least 3 large public or private organizations in the last 5 years (reference sites). Provide corresponding evidence of the three engagements by attaching proof of copy of contract/LPO/LSO/reference letter for the work done</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td><strong>Qualifications and competence of the key staff;</strong></td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>a. An Engagement Partner with over 10 (ten) years auditing experience.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. A Review Partner with over 10 (ten) years auditing experience.</td>
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<tr>
<td></td>
<td>c. A Manager with over 8 (eight) years auditing experience.</td>
<td></td>
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<tr>
<td></td>
<td>d. A Team Leader with at least 6 (six) years of experience in Auditing; and</td>
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<td></td>
<td>e. Experience in applying IAS and IFRS/IPSAS for all key staff.</td>
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<tr>
<td></td>
<td><strong>Provide CVs for the said personnel in the format provided and ensure you indicate your team composition</strong></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td><strong>Methodology and Work plan for carrying out the services;</strong> Detail how the assignment will be undertaken within the given timeframe</td>
<td>10</td>
</tr>
</tbody>
</table>

**Maximum Technical Score** 80

**Pass mark Score** 70 out of 80

c) **Financial Evaluation=20**

**Total Score=Technical Score +Financial Score**
SECTION III: - TECHNICAL PROPOSAL

Notes on the preparation of the Technical Proposals

3.1 In preparing the technical proposals the Audit firm is expected to examine all terms and information included in the RFP. Failure to provide all requested information shall be at the Auditor’s own risk and may result in rejection of the Auditor’s proposal.

3.2 The technical proposal shall provide all required information and any necessary additional information and shall be prepared using the standard forms provided in this Section.

3.3 The Technical proposal shall not include any financial information unless it is allowed in the Appendix to information to the Auditors or the Special Conditions of contract.

3.1

SECTION III - TECHNICAL PROPOSAL

Table of Contents

1. Technical proposal submission form
2. Firms references
3. Comments and suggestions of Audit firms on the Terms of reference and on data, services and facilities to be provided by AWF
4. Description of the methodology and work plan for performing the assignment
5. Team composition and Task assignments
6. Format of curriculum vitae (CV) for proposed Professional staff
7. Time schedule for professional personnel
8. Activity (work schedule)

1. TECHNICAL PROPOSAL SUBMISSION FORM

Date:
To:
AFRICAN WILDLIFE FOUNDATION (AWF)
AWF CONSERVATION CENTER, NGONG ROAD-KAREN
P.O. BOX 310 00502 KAREN

Dear Sir,

We, the undersigned, offer to provide external audit services in accordance with your Request for Proposal dated .

We are hereby submitting our Proposal, which includes this Technical Proposal and a Financial Proposal.

We understand you are not bound to accept any Proposal that you receive.

Yours sincerely,

[Authorized Signature]:

[Name and Title of Signatory]

[Name of Firm]

[Address:]

2. FIRM’S REFERENCES

Relevant Services Carried Out in the Last Five Years That Best Illustrate Qualifications

Using the format below, provide information on each assignment for which your firm either individually, as a corporate entity or in association, was legally contracted.

<table>
<thead>
<tr>
<th>Assignment Name:</th>
<th>Country:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location within Country:</td>
<td>Professional Staff provided by Your Firm/Entity(profiles):</td>
</tr>
<tr>
<td>Name of Client:</td>
<td>Clients contact person for the assignment:</td>
</tr>
<tr>
<td>Address:</td>
<td>No of Staff-Months; Duration of Assignment:</td>
</tr>
<tr>
<td>Start Date (Month/Year): Approx.</td>
<td>Completion Date (Month/Year):</td>
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<tr>
<td>Value of Services (USD)</td>
<td>..................................................</td>
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<tr>
<td>Name of Associated Audit firms, if any:</td>
<td>No of Months of Professional Staff provided by Associated Audit firms:</td>
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<td>--------------------------------------</td>
<td>---------------------------------------------------------------------</td>
</tr>
<tr>
<td>Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:</td>
<td></td>
</tr>
<tr>
<td>Narrative Description of project:</td>
<td></td>
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<tr>
<td>Description of Actual Services Provided by Your Staff:</td>
<td></td>
</tr>
</tbody>
</table>

Firm’s Name:

Name and title of signatory;

3. COMMENTS AND SUGGESTIONS OF AUDITORS ON THE TERMS OF REFERENCE AND ON DATA, SERVICES AND FACILITIES TO BE PROVIDED BY AWF

On the Terms of Reference:

1.

2.

3.

4.

5.

On the data, services and facilities to be provided by AWF:

1.

2.

3.

4.
4. DESCRIPTION OF THE METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT

5. TEAM COMPOSITION AND TASK ASSIGNMENTS

1. Technical/Managerial Staff

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Task</th>
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2. Support Staff

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<th>Name</th>
<th>Position</th>
<th>Task</th>
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</table>

6. FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

Proposed Position:

Name of Firm:

Name of Staff:

Profession:

Date of Birth:

Years with Firm: __________________ Nationality:

Membership in Professional Societies:
Detailed Tasks Assigned:

Key Qualifications:

Give an outline of staff member’s experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations.

Education:

[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended and degree[s] obtained.]

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments.]

Certification:

I, the undersigned, certify that these data correctly describe me, my qualifications, and my experience.

_ Date:

[Signature of staff member]

7. TIME SCHEDULE FOR PROFESSIONAL PERSONNEL

Months (in the Form of a Bar Chart)
<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Reports Due/Activities</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>Number of months</th>
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</tr>
</tbody>
</table>

Reports Due:

Activities Duration:

Signature:

(Authorized representative)

Full Name:

Title:

Address:

8. ACTIVITY (WORK) SCHEDULE

(a). Field Investigation and Study Items

\([1^{st}, 2^{nd}, etc, are months from the start of assignment]\)

| Activity (Work) | 1\({}^{st}\) | 2\({}^{nd}\) | 3\({}^{rd}\) | 4\({}^{th}\) | 5\({}^{th}\) | 6\({}^{th}\) | 7\({}^{th}\) | 8\({}^{th}\) | 9\({}^{th}\) | 10\({}^{th}\) | 11\({}^{th}\) | 12\({}^{th}\) |
|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                |             |             |             |             |             |             |             |             |             |             |             |             |             |

(b). Completion and Submission of Reports

<table>
<thead>
<tr>
<th>Reports</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Inception Report</td>
<td></td>
</tr>
</tbody>
</table>
### SECTION IV: FINANCIAL PROPOSAL

**Notes on preparation of Financial Proposal**

4.1 The Financial proposal prepared by the Auditor should list the costs associated with the assignment. These costs normally cover remuneration for staff, subsistence, transportation, services and equipment, printing of documents, surveys etc. as may be applicable. The costs should be broken done to be clearly understood by AWF.

4.2 The financial proposal shall be in USD or any other currency allowed in the request for proposal.

4.3 The financial proposal should be prepared using the Standard forms provided in this part.

#### 4.1 SECTION IV - FINANCIAL PROPOSAL STANDARD FORMS

**Table of Contents**

1. Financial proposal submission Form
2. Summary of costs
3. Breakdown of price/per activity
4. Breakdown of remuneration per activity
5. Reimbursables per activity

1. **1. FINANCIAL PROPOSAL SUBMISSION FORM**
Dear Sir,

We, the undersigned, offer to provide the consulting services for external audit Services in accordance with your Request for Proposal dated (__________). Our attached financial proposal is for the sum of (Amount in Figures) (Amount in words)

Yours sincerely,

[Authorized Signature]

[Name and Title of Signatory]:

[Name of Firm]

[Address]

2. SUMMARY OF COSTS

<table>
<thead>
<tr>
<th>Costs</th>
<th>Currency(ies)</th>
<th>Amount(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subtotal Tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Amount of Financial Proposal</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. BREAKDOWN OF PRICE PER ACTIVITY
### Activity NO.: Description:

<table>
<thead>
<tr>
<th>Price Component</th>
<th>Amount(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remuneration Reimbursables</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Expenses Subtotal</td>
<td></td>
</tr>
</tbody>
</table>

#### 4. BREAKDOWN OF REMUNERATION PER ACTIVITY

<table>
<thead>
<tr>
<th>Activity No.</th>
<th>Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Names</td>
<td>Position</td>
</tr>
<tr>
<td>Regular staff (i) (ii)</td>
<td></td>
</tr>
<tr>
<td>Audit firms</td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
</tr>
</tbody>
</table>

#### 5. REIMBURSABLES PER ACTIVITY

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Unit</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Total Amount</th>
</tr>
</thead>
</table>

Activity No:
Name:
SECTION V: TERMS OF REFERENCE FOR EXTERNAL AUDIT SERVICE

1. Background
African Wildlife Foundation is an international conservation organization formed in 1961. Together with the people of Africa, AWF works to ensure that the wildlife and wild lands of Africa will endure forever. Headquartered in Nairobi, Kenya, AWF has field offices in nine African countries: (Kenya, Tanzania, Uganda, Cameroon, Zimbabwe, Ethiopia, Democratic Republic of Congo, Niger, and Rwanda) and is registered in the United Kingdom, Canada, Switzerland, and South Africa. The external audits will be conducted in Kenya.

The AWF intends to procure the services of a qualified and experienced professional external auditor to offer external audit services for the financial years ending 30th June 2021. AWF's follows Generally Accepted Accounting Practices. The books are kept using a centralized accounting system, Serenic Navigator (based on Microsoft Dynamic NAV), which is accessible to all offices real-time. Transactions are initiated by staff through a web-based accounting portal based on the Microsoft SharePoint platform. Staff time records are kept using the Unanet system, which is also web-based. AWF's procurement, treasury, grants, and general ledger accounting functions are centralized in Nairobi and DC offices. While field offices all house local finance personnel to address day-to-day needs, the Nairobi and DC based staff transact whenever practicable. AWF’s banking, for the most part, is divided between two institutions - Bank of America in the United States, and Standard Chartered Bank in Africa. The organization will be migrating to a new accounting system in 2021, but the system will not be operational prior to FY 2022. AWF has selected UltiPro as its new Human Resources Information System (HRIS) which will eventually replace Unanet for time & attendance.

2. Objective of the Audit
The objectives of the service required will be for the auditor to:

   I. Confirm that the books of accounts provide the basis for preparation of the financial statements and that they are established to reflect the financial statements and

   II. That the AWF maintains adequate internal controls and supporting
documentation for its transactions.

III. Express a professional opinion on the financial statements of the AWF on whether the statements present fairly the financial position at the end of each financial year and

IV. That the financial statements were prepared in accordance with accounting principles, standards and all relevant laws and regulations.

i.

3. Preparation of Annual Financial Statements

a) AWF’s responsibility
The responsibility for the preparation of financial statements including adequate disclosure lies with the AWF. AWF is also responsible for the selection and application of accounting policies and preparing the Financial Statements in accordance with International Public Sector Accounting Standards (IPSAS) or other internationally recognized Accounting Standards.

b) Auditor’s responsibility
The Auditor’s responsibility is to form and express opinions on the financial statements. The Auditor will carry out the audit of the Financial Statements in accordance with the International Standards on Auditing (ISA) and as part of the audit process, the auditor may request from the AWF a written confirmation concerning representations made in connection with the audit.

4. Scope of Audit Work

i. The primary focus of the audit work is to examine the AWF’s financial records in accordance with International Standards of Auditing (ISA) and International Public Sector Accounting Standard (IPSAS) or any other relevant International Accounting Standards. Sufficient audit evidence should be gathered to substantiate in all material respects the accuracy of financial statements or any other findings.

These Terms of Reference address audit requirements for the audit of financial statements of the AWF covering the period from; 1st July 2020 to 30th June 2021;

ii. The auditor shall determine whether:

a. The AWF’s financial statements present fairly its financial position and the results of its financial operations in accordance with
generally accepted accounting principles;

b. The AWF has an internal control structure and other control systems to provide reasonable assurance that it is adequately managing its financial affairs.

c. The AWF has complied with applicable laws, regulations and contracts that may have a material impact on the financial statements.

5. Deliverables

a) Audit Report

An audit report will be issued at the completion of the audit and the report should state;

i. Whether the financial statements present fairly its financial position

ii. The results of its financial operations in accordance with generally accepted accounting principles and

iii. Whether the reports were in conformity with the relevant standards and any other statutory obligations and regulations.

b) Management Letter

The management letter must include the following;

i. A statement of audit findings and recommendations affecting the financial statements, internal controls, accounting & information systems, and

ii. Other instances of noncompliance with legal requirements and any other material matters.

The Auditor should shall;

a) Identify specific deficiencies or areas of weakness in systems and controls

b) Bring to the AWF’s attention any other matters that the auditor considers pertinent and

c) Make recommendations to resolve/eliminate the internal control weaknesses noted.

iii. The management letter should contain management comments/response to audit findings and recommendations.

iv. The management letter should be in compliance with IAS 701 (auditor’s responsibility to communicate key audit matters (KAM) in the auditor’s report) requirements.

c) A presentation of the draft audited financial statements and the Management
d) **Timelines**

Draft audited financial statements should be submitted to the AWF by 15th August every year. The financial statements for the financial year will be made available for audit by 25th July following the end of the financial year.

6. **Auditor Independence**

The auditor shall display total impartiality and independence from all aspects of management whether financial or any other vested interests in the AWF. The auditor shall not, during the period covered by the audit nor during the undertaking of the audit, be employed by, serve as director for, or have any financial or close business relationships with the management of AWF. The auditor shall disclose any relationship that might possibly compromise his/her independence in providing this service to the AWF.

7. **Auditor Experience & Qualifications**

The Audit Firm shall be registered with the Institute of Certified Public Accountants (RELEVANT PROFESSIONAL BODY), and each Partners shall have a practicing license from the RELEVANT PROFESSIONAL BODY. The firm shall have relevant experience in accounting & auditing of financial services related organizations and/or state corporations of the size of the AWF or larger. The audit firm shall have at least 3 (three) full time partners, have not less than 15 (fifteen) employees and either, should have been in existence for not less than 10(ten) years or at least two of the Partners must have not less than 10 years’ auditing experience.

The firm shall have professional indemnity insurance cover and give a confirmation that the cover is adequate. In addition to this, the firm as a requirement will submit a valid copy of its insurance certificate.

The assignment team shall comprise of:

a. An Engagement Partner with over 12 (twelve) years auditing experience.
b. A Review Partner with over 12 (twelve) years auditing experience.
c. A Manager with over 8 (eight) years’ experience in Auditing
d. A Team Leader with at least 6 (six) years of experience in Auditing; and
e. Sufficient Audit assistants with adequate experience & professional qualifications.

The auditor shall be expected to display and prove experience in applying
ISAs and IFRSs/IPSAs and experience in auditing financial service-related organizations and capability to audit state corporations.

The human capital resources employed by the auditor must have appropriate professional qualifications and suitable practical experience. The firm will be required

to demonstrate an understanding of the scope and intent of the audit, consistency with the overall objectives of the scope of services, comprehensiveness and adequacy of the audit work plan, and its availability and ability to meet the timeline.

The auditor shall provide the Curriculum vitae (CVs) of the Managing Partner of the audit institution, together with the CVs of managers, supervisors and key personnel proposed as part of the audit team. CVs shall include details of audits carried out by the applicable staff, including ongoing assignments indicating capability and capacity to undertake the audit and experience in auditing financial statements in compliance with the International Financial Reporting Standards and /or International Public Sector Accounting Standards.

The format and details of qualifications and experience are outlined in Appendix A.

The Audit Firm proposal shall indicate: -

a) A detailed work plan, including timeframes.
b) The names and CVs of resource persons proposed to carry out the exercise. Use the format attached as Appendix A.
c) A financial quotation based on the terms of reference listed at number 4.0. Use the format attached as Appendix C.
d) Fill in the enclosed Confidential Business Questionnaire form and attach Tax Compliance Certificate, trade licenses from Local AWF and documentation requested therein. Use the format attached as Appendix D.

Evaluation Criteria
The AWF will evaluate your proposal based on the following evaluation criteria:-

<table>
<thead>
<tr>
<th>A. TECHNICAL SCORE</th>
<th>SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Specific firms experience (Attach detailed References)</td>
<td>20</td>
</tr>
<tr>
<td>2. Qualifications and competence of the key staff</td>
<td>50</td>
</tr>
<tr>
<td>3. Work plan/timetable for carrying out the services</td>
<td>10</td>
</tr>
<tr>
<td>Maximum Technical Score</td>
<td>80</td>
</tr>
</tbody>
</table>

Minimum Score 56 scores out of 80

B. FINANCIAL SCORE

| 1. Lowest price/ Price quoted x 20 |  |
| Maximum Financial Score | 20 |

TOTAL = A + B 100
8. **Counterpart Resources**
   The AWF shall avail to the auditor the full and complete access at any time to all records and documents (including books of account, legal agreements, minutes of committee meetings, bank records, invoices and contracts etc.) and all employees of the entity.
   The auditor shall have a right of access to banks and depositories, Audit firms, contractors and other persons or firms engaged by the management over the period under the audit review.

9. **Performance Evaluation**
   The AWF, using a standardized tool, shall carry out an *annual evaluation* of the performance of the auditor to assess the delivery of the assignment in line with the scope, professionalism and timeline, and a score awarded out of 100%. The performance of the auditor is a critical indicator for continuation of service in subsequent year(s)