

CAFOD and Trocaire in Partnership (CTP) Financial Audit

Terms of Reference (ToR) for Provision of External Audit Service for the financial Year Ending 31st March 2025 and Projects Audit.

1. BACKGROUND

Catholic Agency for Overseas Development (CAFOD) is the official aid and development agency of Catholic Churches in England and Wales. Trocaire is the official aid and development agency of Catholic Churches in Ireland. In April 2015, CAFOD South Sudan merged with its Irish sister agency, Trocaire South Sudan, integrating their programmes under CAFOD and Trocaire in Partnership (CTP). This merger allowed for pooling of knowledge and resources, reducing programmatic overlap and overhead costs. As members of the Caritas network, CTP champions localisation and works exclusively through partnership with church and non-church national organisations. CTP provide funding as well as ongoing technical support, capacity building and accompaniment to partners, to ensure sustainable delivery of programmes as well as adherence to quality standards.

CAFOD remains the lead agency, maintaining its programmatic approach, as well as its financial and administrative systems and procedures.

Our financial year ends on the 31st of March. We anticipate having an audit engagement of two (2) years from the year 2024/2025 to the year 2025/26 as required by our CAFOD London Office. The audit engagement will be subject to annual confirmation.

2. OBJECTIVES

The auditors should seek to express an opinion on the financial statements of the CAFOD and Trocaire in Partnership South Sudan Programme. The audit should be conducted in accordance with International Standards on Auditing and that the audit should be performed in such a way to obtain reasonable assurance about whether the financial statements are free of material misstatements.

The audit should include examining on test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, compliance with local regulations and any significant estimates made by management and evaluating the overall financial statement presentation.

While the audit should not be designed to identify all significant weaknesses in CTP's systems of internal control, these systems should be reviewed to the extent required to express an opinion on the financial statements.

3. SCOPE OF THE AUDIT

Auditor Qualifications: The external auditors should be registered auditors (either in country or internationally). Their reports should follow International Standards on Auditing. The auditor should have a good understanding of and comply with the principles of the International Framework for Assurance Engagements and the Code of Ethics for Professional Accountants issued by IFAC (the International Federation of Accountants). We need experienced auditors in the sector and with a proven track record.

Timing: The audit should be carried out from the month of May, and it's envisaged that the audit work should be done within a period of two weeks. The audit report and report to management is required by CAFOD London by 30th June of every year and for the projects Audit, it will be conducted when the project ended.

Estimated Annual Office Budget

- South Sudan office - £ 2,500,000

Deliverables:

- Audited Financial statements and Audit report.
- Management Report

Audited Financial Statement and Audit report: Audited Financial Statement should be reported in accordance with the International Accounting Standard. The audit report should include an income and expenditure account, balance sheet, statement of changes in equity, cashflow statement and notes to support the principal items. A clear audit opinion should be provided by the external auditor as to the integrity, completeness, validity, and timeliness of the office accounts.

Management Letter: This should report on the key internal control issues arising, key risks (e.g.: fraud, cash misappropriations) and implications for the local office and impact on CTP resulting from the external auditor review of the system of internal control and compliance with CAFOD's policies and procedures; and relevant local regulations. The external auditor should prioritize and grade the recommendations made into High, Medium, and Low risks categories in the management letter and include the local management response as to action taken or intended to be taken to address the recommendations made and an agreed time scale for their implementation.

Meetings: The CAFOD and Trocaire in Partnership anticipates that there will be meetings held with the auditor prior to starting the audit, during the audit if any issues arise and at closure of the audit work to formally discuss the audit finding. These meetings will be held at the CAFOD and Trocaire in partnership Office in Juba or online.

Communication and feedback: The auditors should provide regular feedback to the CTP Country Representative on the progress of the audit and any significant findings must be communicated to him during normal working hours.

Language: The reports should be presented in English.

Reporting Schedule:

We expect the audit to start on the 2nd week of May each year and field work to be completed end of May. The final report is expected on the 1st of June. The office requires 3 signed bound copies of the audited financial statements and one Management letter Report.

The auditor may at times be requested to carry out specific project financial audits. For such audits specific TOR will be given to which the auditors will provide a separate quotation.

4. PROPOSAL FOR TENDER

Registered Audit and Accounting firms are invited to submit a written proposal for the external financial audit. **This should be submitted no later than the 10th May 2024**

The written proposal should outline:

- i. The auditors' profile and registration status- (Please provide valid copy of Certificate of incorporation as Certified Public Accountant (CPA).
- ii. The auditors understanding of the work to be performed and their firm's ability to perform the work within the timeframe given.
- iii. The proposed methodology and audit plan
- iv. Outline of your professional experience: How and why your firm is the best to deliver this work.
- v. The relevant experience of the firm in the NGO sector with similar turnover including number of years of experience.
- vi. Relevant South Sudan experience if any
- vii. The profiles (CVs) of the team to be assigned to the audit,
- viii. The proposed audit fees and general fee structure including all relevant costs and taxes, the audit schedule.
- ix. Client references: List of three relevant non-profit clients the firm has served within the past three years.

After submitting written proposals, firms will be advised whether they will be invited to a meeting to present their proposal with CAFOD and Trocaire in Partnership tender panel at CTP South Sudan office in Juba or scheduled online meetings at an agreed date and time. Please note only shortlisted companies will be contacted.

Please submit your bids with the subject as "INVITATION TO TENDER FOR EXTERNAL AUDIT SERVICES" to : CTPSupply@cafod.org.uk, copy to Emails; tmashodo@cafod.org.uk, mmikre@cafod.org.uk, gabina@cafod.org.uk, bcharles@cafod.org.uk, and syiey-puol@cafod.org.uk

In case you have to submit several emails with your tender documents please number your emails sequentially in the subject.

In case you want to physically deliver your tender documents please deliver these to:
CAFOD Office Plot 19, Block XIII, P.O. Box 7, Hai Malakal
Next to Save the Children International
Juba, South Sudan