



REQUEST FOR PROPOSAL FOR EXTERNAL AUDIT SERVICES

1. INTRODUCTION

AFRALTI is desirous of engaging a firm of Registered Auditors to provide external audit services for a period of three years beginning with its financial year 2018/19 to 2020/21. Its financial year starts from 1st of March.

2. BACKGROUND

2.1. Nature of Business

The African Advanced Level Telecommunications Institute is an Intergovernmental Organisation established in 1993 with an aim of developing human capacity in ICT. It has a membership of eight (8) active Member States drawn from Eastern and Southern Africa. The Institute is hosted by the Government of Kenya through Communications Authority in Nairobi.

The Institute conducts ICT training with focus on ICT Technology, Engineering, Management, Policy and Regulation. Its clientele is drawn from ICT Regulators, Government Ministries or Agencies, Private Sector, ICT operators, Non-Governmental Organisations and individuals among others.

Apart from conducting training, consultancy and Research, the Institute also offers accommodation, conferencing and canteen services.

AFRALTI is a tax-exempt Organisation.

2.2. Governance Structure

The Institute's policy making and oversight organ is called a Governing Council which is composed of Representatives from Member States. The Organisation's principal officer is called Director who oversees all the operations and is supported by four heads of department.

2.3. Financial and operating Statistics

Financial Year	Total Annual Turnover (USD)	Total Assets (USD)	No. of Employees
2017/18	1,176,024	646,019	30
2016/17	1,168,273	597,040	30
2015/16	1,504,584	536,045	28

The Institute's Income sources are distributed as follows:

- 80% from business activities
- 20% Contributions from Member States

2.4. Financial reporting framework and systems

The Institute prepares its financial statements using International Financial Reporting Standards (IFRSs) and the presentation currency is United States Dollar (USD).

It currently uses Sage Evolution Accounting Software to process and maintain its accounting records. The payroll is processed using an Automated Data Processing Solution.

The Institute's accounting transactions are not complex.

3. SCOPE OF THE PROPOSED EXTERNAL AUDITOR'S WORK

The scope of the External Auditors work shall include the following:

1. Conducting an Independent annual audit of AFRALTI's activities / operations in accordance with International Auditing Standards and International Financial Reporting Standards.
2. Expressing an Opinion on whether the financial statements are prepared in all material respects, in accordance with the applicable financial reporting standards and frameworks, whether the Institute has maintained proper accounting records, and whether the accompanying financial statements show a true and fair view of the Institute's financial position
3. Reviewing and evaluating the Institute's Internal control and risk management systems and advising Management and the Governing Council on adequacy and effectiveness of the systems

4. Providing any value addition services consistent with a statutory audit of this nature of an Organisation.

4. MANDATORY CRITERIA

Bidding firms will be required to meet the following criteria

1. Be registered with the Institute of Certified Public Accountants' of Kenya (ICPAK) and its Partner's must hold a valid practicing certificate
2. Must have a minimum of two Partners who must be in good standing with ICPAK while the Firm and its Partners' should not have been subjected to any disciplinary action by ICPAK and / or any similar professional body
3. The Firm has been operational for not less than five years and gone through Quality Control review by ICPAK and/or any similar body
4. Should demonstrate that it has the capacity, capability and experience required for this kind of an engagement

5. PROPOSAL SUBMISSION

5.1. Timelines

All proposals should be submitted by Tuesday, 14th August 2018 not later 4.00 pm.

5.2. Format

The proposal must contain both Technical and Financial proposals as follows:

5.2.1. Technical Proposal

1. Confirmation of the Firm's understanding of the Terms of Reference and its capacity and capability to deliver on the Terms of Reference
2. Capability of the proposed engagement Partner and Audit team (Include CVs)
3. Proposed Audit Strategy and Methodology
4. Proposed Audit work plan, timelines for undertaking the assignment and the deliverables

5.2.2. Financial Proposal

1. Audit Fees in USDs clearly indicating the charge out rate for the Engagement Partner and the Audit team (Indicate any possible price escalation over the three-year period)
2. An estimate of all disbursements
3. Audit Fee payment terms

5.2.3. Other Information

1. Proof of Registration with ICPAK and copies of the Partner's Practicing Certificates
2. Confirmation that neither the Firm, Partners' and key staff have faced disciplinary action by ICPAK or any similar professional body
3. References from three reputable clients with contact details of the Client officers providing the references
4. Declaration that there is no Conflict of Interest by the Firm or any member of the proposed Audit team to carry out the engagement
5. Include any affiliations with other International or regional networks

5.3. EVALUATION

Proposals meeting all the Mandatory criteria will be evaluated by a Tender Committee and in order to receive full consideration, Proposals must meet the desired criteria

5.4. METHOD OF SUBMISSION

Proposals must be submitted in two bound hard copies to the following:

The Chairman of the Tender Committee
African Advanced Level Telecommunications Institute (AFRALTI)
Adjacent to Communications Authority of Kenya
Waiyaki Way, Westlands
P.O. Box 58902 -00200
City Square
Nairobi

For any further enquiries write to: info@afralti.org

You can also visit our website: www.afralti.org