



HAND IN HAND
EASTERN AFRICA

TERMS OF REFERENCE CALL FOR EXPRESSION OF INTEREST ON PROVISION OF AUDIT SERVICES

Background Information on Hand in Hand Eastern Africa-Tanzania

Hand In Hand Eastern Africa-Tanzania (HiH EA-TZ) is a registered NGO by the Ministry of Community Development, Gender and Children with a mandate to operate within the United Republic of Tanzania.

The HiH EA (TZ) is part of the global Hand in Hand international network, with independent operations in **Arusha and Moshi** regions with a mission to work for the economic and social empowerment of marginalized women, youth and men and therefore the society by supporting the creation of sustainable enterprises and jobs. The HIH global footprint is already in; India, Cambodia, Myanmar, South Africa, Afghanistan, Kenya, Rwanda and Zimbabwe with support offices in UK, Sweden and USA.

HiH EA has designed and developed a step-by-step training process, guaranteeing the sustainability of our program outcomes. HiH EA (TZ) also seeks to enlist the support of like-minded partners and collaborators who complement our enterprise development training. Our integrated training approach is structured into the following six modules to guarantee a uniform and standardized delivery by our trainers (Business Relationship Officers), with each module building on the subsequent one:

- Group mobilization and formation training
- Savings and resource mobilization training
- Enterprise development training
- Financial management training and access to credit approaches
- Value addition and market linkages training
- Environmental concern training

The enterprise development training helps understand the support structures needed in order to create and develop sustainable enterprises within various sectors.

Partnerships and collaborations are critical for this process given that HiH EA (TZ)'s core competence is enterprise development training.

Thus partners complement HiH EA (TZ) with skills to help achieve an inclusive solution to promote both micro- and small enterprises. In our fifth year of operation, we have mastered the art of training for enterprise and job creation.

TERMS OF REFERENCE

Specific terms of reference for each of the above audits will be provided upon engagement but generally they include:

- The audit assignments shall be carried out in accordance with International Standards of Auditing (ISA) issued by the International Audit and Assurance Standards Board and adopted by International Federation of Accountants (IFAC).
- Plan and organize the audit on the basis of risk assessment to provide satisfactory assurance that the financial statements are free of material misstatement due to fraud and errors.
- Ascertain that funds received by the organization have been applied for the intended purpose and have been accounted for in accordance with funding agreement.

- Verify that funds received, have been acknowledged and reflected in the financial reports/statements submitted to the users/donors.
- Verify and report on whether or not funds have been re-granted by the organization. In case of re-grant follow up to ascertain that the funds have been reported and audited to assure that these have been applied for the intended purpose.
- Review and report on effectiveness or in adequacy including possible remedies where applicable of the finance and administration system with regard to the following areas:
 - ✓ Internal Control System
 - ✓ Financial and Management Reporting Systems
 - ✓ Procurement System
 - ✓ Human Resource Management
 - ✓ Fixed Assets and Inventory Management
 - ✓ The funding base
 - ✓ Follow up to verify and report on the extent to which issues raised in the previous audits are adequately addressed by management.
 - ✓ Review and report on the effectiveness of the Programme management system.

REPORTING

The reporting shall contain an assurance that the audit was performed in accordance with applicable International Auditing Standards and by a qualified auditor.

- The reporting shall contain the responsible auditor's signature (not just the audit firm) and title.
- The reporting shall contain details regarding used audit methodology and the scope of the audit.
- The auditor shall submit a statement of how each of the audit requirements detailed in the Terms of Reference was achieved during the audit process.
- The auditor shall submit an audit memorandum/management letter, which shall contain the audit findings made during the audit process. It shall state the measures that have been taken as a result of previous audits and whether measures taken have been adequate to deal with reported shortcomings.
- The auditor shall make recommendations to address any weaknesses identified. The recommendations should be presented in priority.

MANDATORY REQUIREMENTS

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- Eligible firms should not have conducted audit relating to hand in Hand Eastern Africa Tanzania for the last 5 years.
 - The firm should have physical presence in Arusha.
 - The Partner(s) of the audit firm should be practicing member(s) of National Board of Auditors and Accountants (NBAA) in good Standing.
 - The firm should give a written undertaking that it has been in operation for at least five years continuously backwards from 2018.
 - The partners of the firm should have professional indemnity. A copy of the current certificate should be attached.
 - The firm should have a valid practicing certificate
 - Any possible conflict of interest should be clearly indicated in details for guidance in decision making

The capability of the audit firm

- The audit firm should provide a brief capability statement justifying its suitability for the assignment. Global network or International affiliation advantages if any should be disclosed.
- The audit firm should state its understanding of the Terms of Reference, operations and the services of the Organization
- The audit firm should provide a profile of the proposed team, covering the Partner, Audit Manager and support staff.
- The audit firm should provide a profile of three (3) major clients (in Tanzania) with operations comparable to those being required under the Terms of reference.
- The firm to state its experience in providing audit services to clients with operations in Tanzania.
- The audit firm should provide the most current audited financial accounts for the last two years.

Audit Methodology

- The firm should include the methodology that will be applied to carry out the audit assignments including the estimated audit completion time.

Financial Proposal

- The audit firm should state the charging rates proposed for these Terms of reference. Note that the award will not solely be determined on grounds of cost indicated.

Additional Services Provided

- Details of additional or complementary products and or service offered if any.

SCOPE OF TENURE

The proposed engagement covers the areas specified in the terms of reference and will be for five years with annual appraisal of performance with the prospect of renewal pegged to satisfactory performance.

APPLICATION PROCESS

Duly completed tender documents and quotation should be submitted on or before **13th December 2018** to procurement@handinhandea.org or in hard copy in a sealed envelope addressed to;

Hard copies tender documents are to be deposited in the Tender Box at Hand in Hand Eastern Africa Tanzania Arusha office situated at Building: Summit Center, 4th Floor, West Wing, Block A, along Sokoine Road Arusha Tanzania.