

KENYA CONFERENCE OF CATHOLIC BISHOPS



KENYA CATHOLIC SECRETARIAT

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Our Ref:

Your Ref:

REQUEST FOR EXPRESSION OF INTEREST FOR THE APPOINTMENT OF AN EXTERNAL AUDITOR

1.0. INTRODUCTION

The Kenya Conference of Catholic Bishops (KCCB), a Permanent Institution, is the assembly of the Catholic Bishops in Kenya united and exercising together their pastoral offices over Christ's faithful, as shepherds of the Catholic Church in Kenya which they together promote by forms and means of Apostolate suitable to the circumstances of place and time, in accordance with the Law, to promote the greater good which the Church offers to all Mankind (CIC 447).

The Kenya Conference of Catholic Bishops – General Secretariat (KCCB-GS) is the National administrative, facilitative and coordinative arm through which the KCCB implements and co-ordinates various pastoral programs at the National level and undertakes all those responsibilities which express the mission of the Catholic Church in Kenya. The majority of Commissions and Departments of KCCB are housed at the General Secretariat.

KCCB programs and activities are implemented through different Commissions, departments and National Offices each with clear mandate from the Plenary Assembly. The auditable units are therefore:

- a) 15 Commissions/Departments
- b) 4 Seminaries
- c) 5 Commercial rental properties

2.0 TERMS OF REFERENCE

KCCB is seeking services of a professional accounting/auditing firm for the provision of Annual External Auditing services for the period ending 31st December 2023.

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INCORPORATING: THE GENERAL SECRETARY'S OFFICE

1. Commission for Doctrine, 2. Commission for Liturgy, 3. Commission for Missions, 4. Commission for Pastoral and Lay Apostolate (Family Life National Office, National Youth Officer) 5. Commission for Inter-Religious Dialogue and Ecumenism (CIDRE), 6. Seminary Episcopal Commission, 7. Commission for Clergy and Religious (Liaison Committee), 8. Commission for Education and Religious Education (CIRE), 9. Commission for Promoting Integral Human Development-CPIHD (Catholic Justice and Peace Department, Catholic Health Department of Kenya, Caritas Department of Kenya, Refugees, Migrants and Seafarers Department), 10. Commission for Social Communications, 11. Council for Economy 12. Ad-Hoc Commission for AIDS Relief (KARP), 13. Canon Law National Office

"You shall be my Witnesses", (Acts 1:8) for the Sanctification and Salvation of all People.

The overall objective is to audit the financial report for the period 1st January to 31st December 2023 and to express an audit opinion on whether the financial report represents a true and fair view.

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

In detail the TORs are detailed as below:

- a) The audit assignment shall be carried in accordance with the International Standards of Auditing.
- b) The auditor shall plan and organize the audit on the basis of risk assessment to provide satisfactory assurance that the financial statements are free of material misstatements due to fraud and error.

3.0. SCOPE OF WORK

The audit shall cover the adequacy of the accounting and financial operations and reporting systems of KCCB. These includes; budget control, cash management, certification and approving authority, receipts of funds, recording of financial transaction in expenditure report, record maintenance and control.

Other areas to cover in the audit are Human Resources, Procurement, Asset Management, General Administration and ICT System.

4.0. OBJECTIVES

- a) To Conduct General End of Year Audit of all KCCB accounts based on the International Financial Reporting Standards (IFRS) on Auditing.
- b) To express and provide an opinion as to whether the financial statements of KCCB in all material respects, reflect a true and fair view of the financial position, performance, and cash flows of the organization.
- c) Prepare audited financial reports.
- d) This fulfillment of the above objectives will include but not limited to:
 - i) Conducting of the audit services in accordance with the International Standards of Auditing (ISAs).
 - ii) Preparation of such other income and expenditure schedules as KCCB shall deem necessary as constituting part of the annual report and financial statements.



- iii) Assessment of the KCCB's compliance to provisions of applicable laws, organizational policies, contracts, grant agreements and relevant regulatory authorities.
- iv) Evaluation of the multiple grants to ascertain that the financial statements fairly present the income received, costs incurred, assets purchased, and in-kind donations and technical assistance received for each grant during the applicable financial year.
- v) Review of the appropriateness, adequacy, and operational effectiveness of the internal control systems of KCCB and highlight any deficiencies.
- vi) Provision of an audit management letter setting out findings, implications and recommendations for improvements whilst accommodating management comments and conducting follow up of status of implementation of prior year audit recommendations and corrective action plans.

5.0. DELIVERABLES

The expected deliverables from the external audit engagement shall be:

- a) Audited financial statements including an audit report reflecting opinion on whether the financial statements reflect a true and fair view of the financial position of KCCB
- b) Management letter with audit findings the auditor deems necessary for management attention and action

6.0. AUDIT METHODOLOGY

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

(It should be noted that the successful firm is expected to commence audit of the 2023 financials not later than 19th February 2024 and complete the assignment within four weeks from commencement).

7.0. REPORTING

- a) Audited financial report with an opinion
- b) The reporting shall contain an assurance that the audit was performed in accordance with applicable IAS and by a qualified auditor



- c) The reporting shall contain the responsible auditors' signature (not just the audit firm) and title
- d) The auditor shall submit a statement of how each of the audit requirements detailed in the TORs was achieved during the audit process
- e) The reporting shall contain details regarding used audit methodology and the scope of audit
- f) 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 and their adequacy to deal with reported shortcomings
- g) The auditor shall make recommendations to address any weaknesses identified. The recommendations should be presented in priority

8.0. CAPABILITY OF THE AUDIT FIRM

- a) The audit firm should provide a brief capability statement justifying its suitability for the assignment.
- b) The audit firm should state its understanding of the TORs, operations and the services of the organization
- c) The firm should provide a profile of the proposed team, covering the partner, audit manager and support staff.
- d) The audit firm to provide their most current audited financial accounts for the last two years. •
- e) Should demonstrate that it has the capacity, capability and experience required to undertake the audit within required timelines and agreed timeframes.

Mandatory requirements

To submit an Expression of Interest, firms interested should meet the following basic criteria:

- a) Must be a firm, not and individual
- b) The firm should be registered with the Institute of Certified Public Accounting of Kenya and have a valid practicing certificate
- c) Must have at least two partners who are in good standing record with ICPAK and be full time practitioners.
- d) Should have a high-level understanding of the International Financial Reporting Standards (IFRSs) and the International Standards on



Auditing (ISAs) and their practical application to financial reporting and auditing for Not for Profit organizations.

- e) Should have been in operation for not less than 10 years.
- f) Should have at least 4 charitable organizations or Not for Profit references among its client base and be willing to introduce their clients for reference checks.
- g) Should demonstrate experience in auditing international and local donor funded projects
- h) Any possible conflict of interest should be clearly indicated in details for guidance in decision making

9.0. SUBMISSION OF EXPRESSION OF INTEREST (EOI)

The proposal for provision of audit services shall include a technical proposal and a financial proposal.

i. Technical proposal

All applicants must provide the following as part of the audit proposal:

- a) Confirmation of the firms' understanding of the standard terms of reference for a statutory audit and its capacity and capability to deliver on them.
- b) Company Structure - The company structure, including staffing numbers, positions, functions and responsibilities.
- c) Personnel - CVs of key staff proposed to undertake the assignment (including partners, managers & supervisors practicing certificates where applicable).
- d) Work History and Performance - A list of at least five past & current clients with appropriate referees/references familiar with your work in donor funded projects audits,
- e) Statutory Compliance - Show proof of compliance with all the applicable statutory and professional regulatory bodies e.g., valid tax compliance certificate, current business permits, current quality assurance and practicing certificates by ICPAK. A copy of the current certificate should be attached

ii. Financial proposal

All responsive technical proposals shall proceed to financial proposal evaluation

The financial proposal should be itemized to indicate the audit fees applicable to each of the three auditable units, applicable taxes and estimated disbursements and should be denominated in Kenya Shillings

The financial proposal shall set out the proposed fees for the provision of external audit services for the year ending 31st December 2023, and an estimate for the subsequent two years.

iii. Response to the EOI

Independent Audit Firms meeting the above criteria are requested to submit their proposals of not more than 15 pages technical (excluding all attachments) and financial proposal

One (1 no) original and four (4 nos) copies of Expression of Interest (EOI) documents should be submitted in a sealed envelope indicating the EOI name, appropriately marked as **“APPOINTMENT OF EXTERNAL AUDITORS 2023”** at the top right corner of the envelope.

EOI to be Hand Delivered should be addressed to;

**The General Secretary
Kenya Conference of Catholic Bishops
Waumini House Westlands
Eastern Wing, 4th floor
P. O. Box 13475 -00800
Nairobi**

A soft copy of the above to be sent to the following email

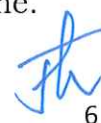
secgeneral@catholicchurch.or.ke

For enquiries, please contact us on the following number 0722470706

Canvassing will lead to automatic disqualification

KCCB is not liable for any costs incurred in relation to application.

Consent: By applying for provision of this service, I hereby consent KCCB to collect, process and store my data in accordance with the privacy policy. I understand I may withdraw my consent by writing back to the email address provided in this consultancy advert to withdraw my application at any time.



(The above clause to be included in the application and signed off)

Submission Closing Date:

The closing date for the submission of EOI shall be 5.00pm on Monday 8, 2024 at the address stated above. Any document submitted after this deadline shall be rejected.



Thaika
18/12/2023