



Terms of Reference for Provision of External Audit Services

1. About Usawa Agenda

Usawa Agenda is a not-for-profit organization registered and working in Kenya, with a vision of a Kenya where all children have equitable access to quality learning opportunities. This is a vision that Usawa, previously existing as Uwezo program, has pursued since its inception 11 years ago. The name 'Usawa' is Swahili for 'Equity' and it underlies the strong belief that we can make it possible for ALL children to access and benefit from quality education. We work in all the 47 counties of Kenya, with a vision of a world where all children have equitable access to quality learning opportunities.

Our mission is to promote equitable access to quality learning opportunities by ALL children in Kenya. We do this through research, innovation and engagements with stakeholders at multiple levels. Usawa is organized around three core departments: Research and Evidence, Learning and Strategy and Communication and Engagement. These core departments are supported by Usawa's Operations, Finance and Governance department.

2.0 Overall objective of the assignment

Usawa Agenda is seeking to procure external audit services in order to obtain an independent and objective assurance as to whether its financial statements present fairly, and in all material respects, the financial position of the Organization in accordance with the International Financial Reporting Standards (IFRS)

2.1 Specific objectives:

- Perform statutory audits as required by Kenyan law and International Financial Reporting Standards.
- Plan and organize the audit on the basis of risk assessment to provide satisfactory assurance that the financial statements are free of misstatement due to fraud and errors.
- Ascertain that multi donor 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 by Usawa Agenda, have been acknowledged and reflected in the financial reports/statements submitted to the users/donors.
- Review and report on effectiveness of the organizations internal control systems in accordance with the International Auditing standards (IAS).
- Review and report on the effectiveness of the finance system, human resource management, procurement system as well as the funding structure.
- Undertake any other tasks as may be necessary to fulfill the professional obligation of rendering a sound opinion on the financial statements of the contracting entity.

3. Requirements

3.1 Eligibility criteria

A firm seeking to apply should be registered in Kenya and must have been in operation for at least five years providing both audit and tax services. Additionally, the firm must demonstrate experience in auditing of not-for-profit entities and organizations with similar registration to Usawa Agenda.

The following information should be provided:

- Copy of certificate of incorporation/registration
- PIN Certificate
- Valid certificate of tax compliance
- Valid certificate of good standing from the Institute of Certified Public Accountants Kenya (ICPAK).
- List of at least three clients with registration similar to Usawa's i.e. Companies limited by guarantee in Kenya.

3.2 Capability

- Provide a brief profile of the company (maximum 500 words). This must include a profile on past work done.
- Provide a profile of the audit services team likely to be involved in the audit process and proof of their qualification.

3.3 Methodology

The firm should state the methodology/approach of conducting the audits. Upon selection, the firm will be expected to provide a letter of engagement which will also highlight the basis of the auditor's work.

3.4 Proposed Fees

The firm should provide a quote for the provision of audit services as highlighted above. This should include projected fees for the subsequent two years. The fees proposed may be subjected to negotiations if the proposal meets all the other selection criteria and satisfies Usawa Agenda AGM that the firm is the best suited for the assignment.

NOTE: *Usawa Agenda is not obligated to select the bid with the lowest quoted fees, but rather, the highest value for money.*

3.5 Proposed task completion timeline

The proposal must provide the timeline within which the applicant expects to complete the assignment. The timeline proposed may be subjected to negotiations if the proposal meets all the other selection criteria and satisfies Usawa Agenda AGM that the firm is the best suited for the assignment.

4. Instructions for submission

All proposals should be submitted by email and delivered the email addresses shown here below by **1 p.m. Kenyan time, Friday December 11, 2020** ED@usawaagenda.org cc cbarasa@usawaagenda.org

NOTE: Every proposal must meet all the requirements as indicated in this TORs document. Incomplete proposals will not be considered.