

TERMS OF REFERENCE

FOR THE PROVISION OF EXTERNAL AUDIT SERVICES FOR THE FINANCIAL YEAR 2023

I. INTRODUCTION

The People's Action for Learning (PAL) Network is a south-south partnership of 17 member organizations working to promote children's foundational learning across Africa, Asia, and America. PAL Network members conduct citizen-led assessments (CLAs) and learning intervention programs (Action) aimed at improving learning outcomes.

II. BACKGROUND

The PAL Network's Board of Directors maintains accurate accounting records in compliance with the International Financial Reporting Standard and the NGO Coordination Act. They ensure that the financial statements provide an accurate and fair representation of the organization's financial position. To achieve this, the organization has established a set of internal controls to mitigate the risks of significant errors in the financial statements. Considering this context, the objective of the external audit is to provide reasonable assurance that the financial statements are free from material misstatements. The goal is to provide an independent opinion on the accuracy and reliability of the financial statements.

III. SCOPE OF WORK OF THE EXTERNAL AUDITOR OR AUDIT FIRM

PAL Network hereby invites proposals for the provision of statutory external audit services for the financial year 2024.

The selected auditor or audit firm will be responsible for the following:

1. Conducting an independent audit of PAL Network's operations in accordance with International Standards on Auditing, applicable laws, and Financial Reporting Standards.
2. Expressing an opinion on the preparation of financial statements, including whether they are in accordance with the applicable financial reporting standards and frameworks, whether proper books of accounts have been maintained, and whether the accompanying financial statements present a true and fair view of the organization's financial position.
3. Reviewing and evaluating the organization's internal control and risk management systems, providing advice to management and the Board on their adequacy and effectiveness, and proposing improvements.
4. Reviewing the adequacy and robustness of the organization's financial systems and related infrastructure.

IV. REQUIRED PROFILE OF THE AUDIT OR AUDIT FIRM

Bidding auditors or audit firms must meet the following criteria:

1. Registration with the Institute of Certified Public Accountants of Kenya (ICPAK), and the partners must hold a current Practicing Certificate.
2. Partners of the audit firm should have a good standing record with ICPAK.
3. The firm should have been in operation for a minimum of four years, and those that have undergone a Quality Assurance Review by ICPAK will have an advantage.
4. Demonstrated capacity, capability, and experience to undertake the audit within the required timelines.
5. Experience in auditing similar organizations and donor funded programs

V. TENDER SUBMISSION

The auditor or audit firms that meet the above criteria are requested to submit their proposals as follows:

1. Confirmation of the firm's understanding of the Terms of Reference (TOR), along with its capacity and capability to deliver on the TOR.
2. Methodology, work plan, timelines for undertaking and completing the assignment, and the expected deliverables.
3. Appropriate references to demonstrate the experience specified in the TOR.
4. CVs of key staff proposed to carry out the assignment.
5. Financial Proposal indicating the proposed fees and expenses.

The bidding auditor or audit firms should also include the following documents with their proposals:

1. Proof of registration with ICPAK and Partners' Practicing Certificates.
2. Confirmation of having undergone a Quality Assurance Review by ICPAK if available.
3. Confirmation that the firm, partners, and key staff are not aware of any conflicts of interest with respect to PAL Network.

Proposals should be submitted to jobs@palnetwork.org by the close of business on **Friday, 30th August 2023**.