



TAITA TAVETA
WILDLIFE
CONSERVANCIES
ASSOCIATION

TERMS OF REFERENCE FOR THE EXTERNAL AUDIT SERVICES

Background:

The Taita Taveta Wildlife Conservancies Association (TTWCA) is a registered society in the republic of Kenya under the registration certificate number R.41857. TTWCA is an umbrella organization that is a constellation of a total of 33 conservancies located within the Tsavo landscape to improve livelihoods through the effective and sustainable management and utilization of natural resources through conservation.

The objective of the Audit:

1. To enable the auditors to provide their professional opinion on the financial statements of TTWCA for the year 2022 as to whether they comply with the generally accepted accounting principles and whether there are systems in place to enable the production of reliable and accurate accounting information
2. To obtain reasonable assurance that the financial statements reflect a true and fair view of the financial position. The audit will be performed following the International Financial Reporting Standards (“IFRS”) and International Standards of Auditing (“ISA”). The audit report will include an Independent Auditors Report (Opinion) on the financial statements.
3. To enable the auditors to express an independent professional opinion on the financial position of TTWCA and to ensure that the funds utilized for TTWCA activities have been used for their intended purposes.
4. To ensure the books of accounts of TTWCA provide the basis for the preparation of the TTWCA’s Financial Statements as required by law have been maintained and adequate internal controls and supporting documentation for the transactions are maintained.
5. To assess the organization’s compliance with the provisions of the Kenyan Laws Act and the relevant applicable regulatory authorities

Scope of the audit

- a. Carry out tests of transactions as necessary, to obtain an understanding of the

accounting system, assess its adequacy as a basis for the preparation of the financial statements, and establish whether adequate records have been maintained as required by the Financial Manual and applicable rules of the donors;

- b. Conduct a review of the internal control systems to have sufficient knowledge of the procedures underpinning the systems, as contained in the Financial Manual and other applicable organizational policies and rules of the concerned donors.
- c. Confirm that although responsibility for preventing irregularity and fraud remains with TTWCA, the audit has been planned to have a reasonable expectation of detecting material misstatements in the financial statements.
- d. Confirm that funds have been used in accordance with the applicable rules and policies
- e. Confirm that goods and services financed have been procured in accordance with sound procurement procedures spelled out in the Procurement Manuals.
- f. Confirm that all necessary supporting documents, records, and accounts have been kept in respect of all activities.
- g. Confirm that the Financial Statements have been prepared in accordance with acceptable accounting practice and give a true and fair view of the financial position of TTWCA at the end of the financial year.

The above-defined scope does not in any way restrict the audit procedures or the techniques that the auditor may wish to use in forming an opinion on the Financial Statements being audited

FINANCIAL STATEMENTS

The Financial Statements to be audited, among others, include:

- a. A Statement of surplus or deficits.
- b. A Statement of Financial Position.
- c. A Statement of Changes in funds.
- d. A Statement of Cash Flow.

The auditor is expected to present two types of reports: An opinion on the Financial Statements and a Management Letter

The Management Letter, among others, shall contain:

- a. Comments and observations on the accounting records, systems, and controls that were examined during the audit.
- b. Specific deficiencies and areas of weakness in systems and controls and make recommendations for improvement.

- c. Matters that have come to their attention during the audit might have a significant impact on the implementation and sustainability of the funding.
- d. Report on the implementation status of recommendations pertaining to previous period audit reports.
- e. Areas of risk that need to be flagged out to management; and
- f. Any other matters that the auditors consider pertinent to be brought to the attention of TTWCA.

AUDITOR'S QUALIFICATION AND EXPERIENCE

- a. The auditor must be completely impartial and independent from all aspects of the management or financial interests of TTWCA.
- b. The auditor shall not, during the period covered by the audit nor during the undertaking of the audit, be employed by, serve as advisers or mentors for, or have any financial or business relationships with TTWCA; and
- c. The auditor shall be registered with the Institute of Certified Public Accountants of Kenya (ICPAK) and must demonstrate that he employs adequate staff with appropriate professional qualifications and suitable experience in accounting and auditing.
- d. The Auditor will employ adequate staff with appropriate professional qualifications and suitable experience in international Standards of Auditing.

LETTER OF ENGAGEMENT

A formal letter of engagement specifying the scope of the audit shall be prepared and signed between TTWCA and the auditor prior to the beginning of the assignment. The letter of engagement shall also clearly spell out the responsibilities of the two parties

APPLICATION PROCESS AND TIMELINES

Interested applicants are requested to submit their documents (technical & financial) proposals to jobs@ttwcakenya.com and copy info@ttwcakenya.com by **13th January 2023**