

## **Terms of Reference for the recruitment of an External Audit Firm to the African Civil Aviation Commission (AFCAC)**

This present document outlines the process of the recruitment of an External Audit Firm for AFCAC.

### **BACKGROUND**

1. The African Civil Aviation Commission (AFCAC) located in Dakar, Senegal is a specialized agency of the African Union in all civil aviation matters and the Executing Agency of the Yamoussoukro Decision on intra Africa air transport liberalization and establishment of a Single African Air Transport Market (SAATM).
2. The objectives of AFCAC are:
  1. Coordinate civil aviation issues in Africa and cooperate with ICAO and all other organizations and agencies promoting and developing civil aviation in Africa;
    - Promote the sustainable development of the civil aviation industry in Africa;
    - Promote the application of the ICAO Standards and Recommended Practices for Safe, Secured and sustainable development of Air Transport; and
    - Examine any specific problem that may impede the development and operation of the African civil aviation industry and, to the extent possible, take appropriate action in coordination with Member States, as appropriate.
3. The budget of the Commission on the average is \$3.500.000 US for a triennium which comprises of at least 55% on cost of Salary and Benefits; 11% missions to States and attending Regional and International meetings and hosting various meetings requiring translation and Interpretation Services.
4. The African Civil Aviation Commission encourages interested Firms to forward bids together with their financial and technical proposals directly to AFCAC using any of the following:

**Email: [secretariat@afcac.org](mailto:secretariat@afcac.org)**  
**fax number: + 221 33 820 70 18**  
**Address: Route de l'Aéroport Léopold Sedar Senghor, BP 8898 Dakar, Senegal**
5. The deadline for receiving bids is **17 March 2019**
6. **Please note that**
  1. Bids received after the deadline will not be considered;
  2. Only bids which are under serious consideration will be contacted and interviewed;
  3. AFCAC will not respond to queries regarding information on the status of the Announcement.

<b>Poste</b>	External Audit Firm
<b>Position of Assignment</b>	External Audit Firm of renowned international or Regional
<b>Posting Period:</b>	<b>18 February to 17 March, 2019</b>
<b>Objective</b>	<ol style="list-style-type: none"> <li>1. Verify and provide reasonable assurance to the Bureau and Plenary of AFCAC that the financial statements taken as a whole are free from material misstatement, whether due to fraud or error, thereby allowing the auditor to express an opinion as to whether the financial statements are well established, in all material respects, in accordance with an applicable accounting framework and Rules and Procedures of AFCAC; and</li> <li>2. Report on the financial statements and make the required disclosures</li> </ol>
<b>Scope of the work</b>	<p>Reporting to the President of the Bureau of AFCAC, the firm hired will:</p> <ol style="list-style-type: none"> <li>1. audit the accounts of AFCAC for the years ended December 31, 2018, 2019 and 2020 and give its opinion on the financial statements;</li> <li>2. evaluate the internal control system and make recommendations;</li> <li>3. Make proposals for improved bookkeeping, financial statements and enhanced internal control.</li> </ol>
<b>Specific tasks:</b>	<ol style="list-style-type: none"> <li>1. While verifying compliance with the terms and conditions of financial management agreed in the context of AFCAC's strategic objectives, the auditor shall confirm that: <ol style="list-style-type: none"> <li>a. All resources were used in accordance with the provisions of the Strategic Plan for the sake of economy and efficiency, and only for the purposes for which they were granted;</li> <li>b. Acquisitions of goods and services were carried out in accordance with the internal control procedures and Manuals of AFCAC were correctly recorded in the books of account;</li> <li>c. Salary and benefits of the Staff are executed in accordance to the Service Code and Manuals of AFCAC;</li> <li>d. The appropriate supporting documents and books of account relating to the activities of AFCAC are kept;</li> <li>e. The financial statements are prepared by AFCAC in accordance with the applicable financial reporting framework;</li> <li>f. The fixed assets of AFCAC exist and have been correctly valued, inventoried and the users on these assets have been identified and listed.</li> </ol> </li> <li>2. The evaluation of internal control shall ensure, in particular: <ol style="list-style-type: none"> <li>a. the successful execution of acquisition processes and financial transactions, including Salary and Benefits;</li> <li>b. safeguarding the assets and their use for the purposes of carrying out the activities.</li> </ol> </li> </ol>

	<p>3. In accordance with international auditing standards, the auditor shall pay due attention to the following:</p> <ul style="list-style-type: none"> <li>a. <b>Fraud and Corruption:</b> In accordance with ISA 240 (the auditor's responsibility to consider fraud in the audit of financial statements), the auditor must identify and assess the risks of fraud, obtain or provide evidence sufficient audit to analyze these risks and appropriately deal with identified or suspected fraud;</li> <li>b. <b>Laws and regulations:</b> When designing the audit approach and the implementation of audit procedures, the auditor shall assess compliance by AFCAC with regulatory and legislative texts, to detect instances of non-compliance lead to material misstatements in the financial statements, in accordance with ISA 250 (Accounting for Statutory and Regulatory Instruments in an Audit of Financial Statements);</li> <li>c. <b>Governance:</b> Communication with the Secretariat, on governance audit items, in accordance with ISA 260 (Communication with Decision Makers at AFCAC);</li> <li>d. <b>Risks:</b> In order to reduce audit risks to a relatively low level, the auditor implements appropriate audit procedures in response to the risks / anomalies identified in its evaluation, in accordance with ISA 330 (Procedures to be implemented by the auditor according to his risk assessment).</li> </ul>
<b>Suggested Methodology</b>	Work will be conducted in accordance with International Standards on Auditing (ISA) issued by IFAC in accordance with objectives and approach of audit, as well as the respective obligations of AFCAC and Auditors.
<b>Expected Outputs</b>	<ul style="list-style-type: none"> <li>a. Report on the financial statements in English and French; and</li> <li>b. Report on internal control (letter of recommendation) in the both languages.</li> </ul>
<b>Deadline for receiving bids</b>	<b>17 March, 2019</b>
<b>Minimum Requirements</b>	<p><b>Qualification of the firm Team Work:</b></p> <ul style="list-style-type: none"> <li>1. A certified public accountant (<b>Director of Mission</b>) with at least seven (7) years of experience in auditing international or Regional Organizations according to generally accepted standards including those of OHADA;</li> <li>2. A holder of a DESS in Audit, Finance or Accounting or a CSTM with at least five (05) years of experience (<b>Head of Mission</b>) in Audit, Finance or Accounting of international or Regional Organizations;</li> <li>3. Two <b>Accounting Auditors</b> with a Master's degree in Economics, a DTS in Management, or a BTS in Accounting Management or equivalent with three (03) years of professional experience.</li> </ul>

<b>Assignment Duration</b>	<b>3 years</b>
<b>Location</b>	Assignment will be realizing at the secretariat office. Auditors should provide a clear planning of the duration and the modality of the achievement of the audit in their offer.
<b>Working days</b>	<b>20 working days after award</b>
<b>Expected start date:</b>	<b>14 working days after the award</b>
<b>Persons/Experts to be consulted</b>	AFCAC and AFCAC Bureau.
<b>Available material</b>	<p>AFCAC have to:</p> <ol style="list-style-type: none"> <li>a. Provides books and accounting documents which are the basis for the preparation of the financial statements so as to reflect the financial transactions of the Commission.</li> <li>b. prepare financial statements in accordance with applicable accounting standards: International Public Sector Accounting Standards (IPSAS);</li> <li>c. Present the implementation of internal control procedures that enabled the preparation of financial statements that did not contain material misstatements resulting from fraud or error; and</li> <li>d. To provide the Auditor with: <ol style="list-style-type: none"> <li>i. Access to all information known to AFCAC Secretariat relating to the preparation of financial statements, such as accounting, related documentation and other items;</li> <li>ii. Provide additional information that the Auditor may request from the Secretariat for the purposes of the audit; and</li> <li>iii. Open access to individuals within the Commission where the Auditor consider it necessary to gather evidence.</li> </ol> </li> </ol>