

ACTIONS FOR DEVELOPMENT PROGRAMMES MBOZI (ADP MBOZI)



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ADVERTISEMENT OF AUDIT SERVICES FOR THE YEAR 2024

1. Background.

ADP Mbozi was established as a project in 1986 and later registered as Trust Fund on 29th November 1995. Following the changes in law governing the establishment of Non-Governmental Organization in Tanzania; section 11(3) Act No. 24 of 2002, ADP-Mbozi complied with this law on 10th October 2005 and re-registered as an NGO with registration number 1639. In early 2024 the registrar office issued a new registration certificate with number 00NGO/RI/00367 to be operative for ten years from 2024 to 2034. The Organization is a member based.

Vision

ADP-Mbozi envisions rural and urban communities attaining livelihood security and sustainably managing their resources.

Mission

ADP Mbozi is a leader in facilitating socio-economic empowerment of marginalized rural and urban communities in Tanzania Mainland through promotion of food security in the context of climate change and improved nutrition, entrepreneurship and market development, community empowerment on gender, HIV/AIDS, good governance and environment-WASH.

Main Objective

ADP-Mbozi aims to contribute towards improving the quality of life of marginalized families in Tanzania Mainland through increased households' food and nutrition security, income and livelihood assets.

The organization's operation is guided by five-year strategic plan 2022 -2026 with the following strategic objectives:

- Food security in the context of climate change and nutrition improved
- Entrepreneurship and market accessibility enhanced
- Community empowerment in addressing HIV/AIDS, children, youth, gender, good governance and environment enhanced.
- Enhance organization capacity in governance and management to deliver services effectively and efficiently.

Since inception and throughout its development the organization has been expanding its scope of work as well as constituency from one division in Mbozi district and now has expanded to seven regions of Songwe, Katavi, Mbeya, Rukwa, Njombe ,Tabora and Ruvuma. Currently the organization is implementing five projects.

The source of funding for the activities of ADP Mbozi is from internal and external funds from international development partners.

ADP Mbozi invites reputable Audit firms which will be providing the external audit services for the year 2024.

2.Objective of the Audit

2.1 The objective of the audit of the organization's 'financial statements are to enable the auditor to express an independent professional opinion on the financial position of the ADP Mbozi for the financial Statement from 1st January to 31st December 2024 and to ensure that the funds granted to the organization have been used for their intended purposes.

2.2 The organization's books of accounts provide the basis for preparation of the Financial Statements by the management and are established to reflect the financial transactions in respect of the organization. The Management maintains adequate internal controls and supporting documentation for transactions.

2.3 The Organization audit is to obtain reasonable assurance that the financial statement reflects a true and fair view of the financial position.

3. Auditing Standards

The audit should be carried out in accordance with International Standards on Auditing (ISA) or the International Organization of Supreme Audit Institutions (INTOSAI).

4. Scope of work

The audit shall cover the period of one-year renewable contract (2024) start from 1st January – 31st December 2024 and shall cover all income received by ADP Mbozi from donors/partners. It should include such tests and verification procedures as the auditors consider necessary under the circumstances. Annual appraisal of performance will be done to enable the organization to renew after satisfactory performance.

In conducting the audit, the Auditor will:

- 4.1 Carry out tests of transactions as are necessary, and will obtain an understanding of the ADP Mbozi accounting system, to assess its adequacy as a basis for the preparation of the Organization's financial statements and to establish whether adequate records have been maintained.
- 4.2 Plan the audit in a manner that provides reasonable expectation of detecting material misstatements in the Organization's financial statements.
- 4.3 Ensure that goods and services financed have been procured in accordance with sound procurement procedures spelled out in the ADP Mbozi procurement policy, Financial Regulations and Accounting Manual, Grant Agreements and Memorandum of Understanding (MoU) with various Funding partners.
- 4.4 Ensure that all necessary supporting documents, records and accounts have been kept in respect of all activities of the organization.
- 4.5 Ensure that existing practices and procedures are sound, in line with the ADP Mbozi financial regulations and accounting manual, grant agreements, MoUs and best practices.
- 4.6 Verify whether activities funded are in line with the approved Work Plan and Budget and are a reflection of ADP Mbozi planning focus areas.
- 4.7 Review compliance with the ADP Mbozi financial regulations and accounting manual and ADP Mbozi agreements with the Funding Partners.

- 4.8 Review the overall governance and management of the organization, whether it reflects best practice, borrowing experience from other organizations of a similar nature.
- 4.9 Perform a risk assessment in the operations of the organization.
- 4.10 Verify the financial reports with respect to transaction's eligibility, Value for Money, budget compliance, authorization and supporting documentation.
- 4.11 Verify all bank accounts that were opened for the organization and ensure that bank account management procedures were followed.
- 4.12 Ascertain the funds remitted by Donor and own funds in the organizations bank account(s) and confirm acknowledgement of receipt of these funds by ADP Mbozi. The disbursements made by donors should be properly recorded in the Financial Statements and shown as a note or attachments to the financial statement;
- 4.13 Verify and confirm whether expenditures reflected in the financial reports are duly authorized and adequately supported by the documentation on file.
- 4.14 Assess the soundness and adequacy of internal control systems and procedures and whether the procedures are consistently applied in the management of the funds.
- 4.15 Verify the movement of funds in the Accounts and verify the accuracy of the reconciliations provided by the organization and compliance to donor procedures regarding management of the Accounts.
- 4.16 Provide an audit opinion in the final audit report as to whether financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the financial position of the organization as at the year end and of its receipts and expenditures for the period being audited;
- 4.17 Review any previous audit recommendation and assess the level of implementation;
- 4.18 Prepare and submit a final audit report and management letter to the Board of Directors.

5. Financial Statements

- 5.1 The auditors will ensure that the financial statements are prepared in accordance with the International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB) and interpretations of those standards, and comply with the Companies Act 2002.
- 5.2 The financial statements prepared by the organization's management shall include;

- Statement of Financial Position as at 31st December 2024
- Statement of comprehensive Income for the year ended 31st December 2024
- Statement of Cash Flows Statement for the year ended 31st December 2024
- Statement of change in Accumulated Fund for the ended 31st December 2024

6. Deliverables

6.1 Final Audit report

The audit report will comprise (i) the auditor’s opinion on the organizations financial Statements and (ii) a complete set of organizations financial statements and (iii) Any other relevant statements

6.2. Management Letter

In addition to the audit report, the auditors will prepare a “management letter” in which they will;

6.2.1. Give comments and observations on the accounting records, procedures, systems and controls that were examined during the course of the audit.

6.2.2. Identify specific deficiencies and areas of weakness in systems and controls and make recommendations for improvement.

6.2.3. Report on the degree of compliance with each of the ADP Mbozi rules and regulations and funding agreement and give comments, if any, on internal and external matters affecting such compliance.

6.2.4. Report on the implementation status of recommendations pertaining to previous period audit reports.

6.2.5. Communicate matters that have come to auditor’s attention during the audit which might have a significant impact on the implementation and sustainability of the organization.

6.2.6. Bring to the ADP Mbozi management’s attention and any other matters that the auditors consider pertinent.

7.0 Audit Team

7.1. The audit firm should be registered and have a license from a national or regional Accountancy Body. The Team shall include staff with relevant professional qualifications, experience in accounting of limited companies and donor-funded operations and in applying either ISA or The International Organization of Supreme Audit Institutions (INTOSAI) audit standards.

7.2. The key audit team will comprise, at least:

- An audit manager with at least 10 years' experience in auditing and with a sound knowledge of private companies and donor-financed projects. In addition, s/he should be a member of a recognized accountancy professional body.
- A team leader with full professional qualifications and a minimum of 5 years' experience in auditing, and
- An assistant auditor with adequate experience and professional qualifications.

7.3. The Auditor must be completely impartial and independent from all aspects of management or financial interests in the entity being audited or directly related entities. S/he should not, during the period covered by the audit or during the undertaking of the audit, be employed by, serve as director for, or have any financial or close business relationships with any senior participant in the management of the entity. The auditor is required to disclose any relationship that might possibly compromise their independence.

8. ADP Mbozi Responsibilities to the Audit Firm

8.1. Provision of all relevant documents required by the auditor such as legal documents, correspondence and any other information associated with the organization and projects that may reasonably be deemed necessary to enable them undertake the audit.

8.2. Provide working space, administrative support at the ADP Mbozi headquarter in Vwawa, Mbozi District, Songwe, Tanzania.

8.3. Monitoring of the consultant's progress.

8.4. Payment according to the contract signed with the firm.

9. Timeframe

Commencement date shall be agreed with the successful selected Audit Firm. A timeline work plan should be submitted as part of the bid. Final Report and Management Letter will be submitted as shall be agreed.

10. Amount and Mode of payment

The Audit Firm will be paid as per the Contract agreement, based on production of the stated deliverables.

11. Reporting

All audit reports and accompanying statements of financial condition shall be presented in English language.

The Audit Firm will represent the first draft to ADP Mbozi management and thereafter the report will be presented to the Board of Directors.

12. Who to apply

All experienced, credible and registered Audit Firm(s) with legal capacity to enter into a contract as explained under section 7 above with the following criteria

1. Compliance with legal requirements of registration
2. Experience of the audit firm with audit reporting under International Public Sector Accounting Standards (IPSAS) and International Standards on Auditing (ISA)
3. References for similar audits performed within the last three years (From 2020 and above)
4. Audit firm and staff must be independent

13. Submission of Proposals

13.1. Technical Proposal

- Technical Proposal in one original and one copy;
- Administrative requirements including; firm profile, registration and license documents, Tax registration, power of attorney (where applicable).
- Contact details, evidence of experience in similar tasks.
- CVs of Professional staff involved (Minimum of two (2) staff)

13.2. Financial Proposal

- Financial proposal in one original and two copies.
- Full cost in Tanzania Shillings (TZS) and breakdown of reimbursables, Taxes and duties and any other related costs

14. Submission deadline

Proposals should be submitted via email to procurement@adpmbozi.or.tz or delivered to our office at P.O. Box 204, Mbozi. Songwe. Tanzania not later than 30th December 2024

For inquiries or clarifications, please contact us through mobile phone +255754398342