TERMS OF REFERENCE FOR THE EXTERNAL AUDIT ON ACCOUNTING AND FINANCIAL MANAGEMENT –SEATINI-UGANDA

Background

The Southern and Eastern Africa Trade Information and Negotiations Institute (SEATINI) is a regional non-governmental organisation founded in 1996 soon after the WTO Singapore Ministerial Conference, after realising that Africa in particular and Third World countries in general were marginalized in the WTO negotiations and other global processes.

Established in 2001, SEATINI Uganda is a Non- Governmental Organization (NGO) that works to promote pro development trade, fiscal and investment related policies for sustained equitable development and improved livelihoods in Uganda and the East African Community region.

SEATINI-Uganda is part of SEATINI, a sub-regional Pan-African NGO working in Eastern and Southern Africa. SEATINI-Uganda is the regional coordinating office for East Africa.

Vision: "A Strong and Confident Africa in World Trade"

Mission: "To strengthen stakeholders' capacity to effectively influence trade, fiscal and investment related policies and processes for improved livelihoods and sustainable development in Uganda and the East African region".

At a broader level, SEATINI seeks to**:**

- Contribute to the fight for social justice, human rights (especially Economic, Social and Cultural Rights), democracy and good governance, without partisan, sectarian, gender, racist or sexist biases
- Network with academics, Policy Makers, NGOs and Civil Society movements concerned about the forces and effects of globalization on Africa and the Third World in general.

Through raising awareness, building stakeholders' capacity and joint advocacy, public interest litigation, networking and alliance building, information generation and sharing, we stimulate dialogue between stakeholders and government and promote indigenous alternatives for improved livelihoods and sustainable development.

Currently, SEATINI is operating under a five-year Strategic Plan (2021 -2025) under the theme; "Promoting Social Justice; Haki Ya Jamii". The overall goal of this Strategic Plan is "Inclusive and equitable trade, fiscal and related policies and processes at subnational, national regional and global levels for sustainable economic development, social justice and improved livelihoods in Uganda and the EAC". Under the Strategic Plan for 2021-2025, SEATINI has prioritized three thematic areas: Trade, Investment and Development; Financing for Development and: Building Alternatives for Social and Economic Justice.

Purpose of the Terms of Reference (TORs)

SEATINI Uganda seeks to appoint a professional audit firm to conduct an external audit of its financial statements for the fiscal year 2024. The primary purpose of the external audit is to assess the effectiveness of SEATINI Uganda's operations and accounting processes, including the proper use of funds received from donors, and to ensure the transparency and accuracy of the disclosed financial information. In compliance with financial management guidelines, the Board of Directors of SEATINI Uganda must approve the auditors before the annual audit. These TORs outline the terms and conditions for conducting the 2024 financial audit, in accordance with SEATINI Uganda's financial guidelines.

Scope of the Assignment

- To audit SEATINI Uganda's financial statements for the period from January 1, 2024, to December 31, 2024, in accordance with International Auditing Standards (ISA) and to provide an audit opinion in line with ISA 800/805 and ISRS 4400.
- To conduct a money laundering check/audit for the specified period and report the findings.
- To provide a Management Letter detailing identified weaknesses in the design and operation of SEATINI Uganda's financial system, along with recommendations for safeguarding assets and other resources from loss.

The audit will cover the complete financial statements/annual accounts for the period from January 1, 2024, to December 31, 2024. The audit must be conducted in accordance with International Standards on Auditing (ISA).

Key deliverables:

- A comprehensive financial audit report, including detailed financial statements, notes to the statements, in accordance with International Auditing Standards.
- A Management Letter highlighting weaknesses identified in the internal control systems, their implications, and recommended corrective actions.
- Professional guidance provided, where necessary.
- A separate Factual Findings Report.

Reporting

1. **Independent Auditor's Report:**

The audit report shall provide an opinion on SEATINI Uganda's annual financial statements/accounts in compliance with the International Standards on Auditing (ISA) and generally accepted auditing standards. The opinion should state whether the financial statements are in accordance with the organization's accounting records, accurately reflect its financial position, and comply with reporting agreements. The audit opinion will be based on reasonable assurance, in accordance with ISA 200-720, with the auditor using ISA 700 for reporting conclusions. The audited accounts will be attached to the auditor's report.

2. **Management Letter:**

The auditor shall submit a management letter assessing the organization's management and internal control systems, including compliance with the terms of the Agreement. This will include evaluating the financial management system, compliance with accounting standards (national or IFRS), salary costs, supporting documentation for incurred costs, tax and social security compliance, procurement processes, signed agreements with partners, and any sub-granting arrangements. The letter will describe audit procedures, observations, weaknesses, and the auditor's recommendations for improvements, prioritized accordingly. If no weaknesses are identified, this should be explicitly stated. The Management Letter will also review actions taken from previous audit recommendations and determine whether these actions have adequately addressed reported issues.

The final audit report and management letter should be submitted to SEATINI Uganda no later than April 30, 2025. The report must be signed by the auditor responsible for the audit, including their name and title.

SEATINI Uganda will respond to the audit findings with a management response, including an action plan and deadlines for addressing the identified issues.

3. **Timing**

The audit mission is expected to begin in March 2024 and should be completed within four weeks after the signing of the contract.

4. **Proposals**

Interested firms should submit a proposal that includes:

- A description of the scope of work and methodology.
- A detailed timeline for completing the audit.
- The composition of the audit team.
- A breakdown of the fees and charges.

Expressions of interest, including both technical and financial proposals, should be sent to **procurement@seatiniuganda.org** no later than **12th December 2024**.