

APHR Procurement Notice

A. Project Title

External Audit of Financial Statement period January to December 2023

B. Background

ASEAN Parliamentarians for Human Rights (APHR) is Non-Profit Organization based and legally registered in Indonesia, which is legally registered as Alliance of Parliamentarians for Human Rights. Created by parliamentarians for parliamentarians, APHR works to empower the region's legislators to promote and protect democracy, human rights, and equitable and sustainable development in the ASEAN region. Through a variety of programs and advocacy initiatives, APHR seeks to ensure that lawmakers are integrated into movements for change throughout Southeast Asia and beyond, advancing an alternative regional approach to tackling a diverse set of political and human rights challenges.

APHR and its members are committed to advocating for change, building transnational networks, and supporting civil society to create a more inclusive region that lives up to its people-centered mantra. APHR is comprised of current and former members of parliament from the region's countries, who govern the organization through a Board of Directors. It is supported by a Secretariat of full-time staff and part-time national focal points (NFPs).

APHR wishes to engage the services of an audit firm for the purpose of auditing the APHR's projects and activities, as stipulated in the agreement between APHR and Donors. The audit shall be carried out in accordance with international audit standards and the audit shall be carried out by an external, independent, and qualified auditor.

C. Scope of Work

The external audit firm will conduct an audit of the financial statements for the period from 1 January to 31 December 2023 as submitted to Donors and to express an audit opinion according to ISA 700 on whether the financial statements of APHR are in accordance with Donors' policies for financial reporting as stipulated in the agreement including other attachments/appendices between Donors and APHR.

D. Expected Outputs and Deliverables

The expected outputs from the external auditor shall include an Independent Audit Report and Management Letter, which covers the APHR's management response and action plan. The reporting shall meet all the following criteria:

- The reporting shall be signed by the responsible auditor (not just the audit firm) and title. The signing auditor shall not be contracted by APHR for the assignment for more than a 7 year-period.
- The reporting from the auditor shall include an independent auditor's report in accordance with the format in standard ISA 700 and the auditor's opinion shall be clearly stated, as well as a Management Letter with audit findings and weaknesses identified during the audit process.
- The auditor shall regardless of materiality, quantify the amount for costs lacking sufficient supporting documentation.
- The auditor shall make recommendations to address the weaknesses identified and the recommendations shall be presented in priority order. If the auditor assesses that no findings or weaknesses have been identified during the audit that would result in a Management Letter, an explanation of this assessment must be disclosed in the audit reporting.
- Measures taken by the organization to address weaknesses identified in previous audits shall also be presented in the Management Letter.
- The independent audit report shall be provided in English and be prepared in accordance with the format ISA 700. This would include at least the following:
 - i. The introductory paragraph contains identification of the financial information audited including the period covered; statement of the responsibility of the entity's management and the responsibility of the auditor.
 - ii. A scope and methodology paragraph describing the nature of the audit referencing:
 - a. The accounting standards that have been applied and indicate the effect of any deviations from those standards if any;
 - b. The audit standards that were applied; and
 - c. The work the Auditor performed.

- iii. An opinion paragraph disclosing:
 - a. International Standards of Auditing (ISA) published by the International Auditing Practices Committee of the International Federation of Accountants or Generally Accepted Accounting Principles (GAAP) and or other principles to guide auditor work; and
 - b. Whether the financial statements and supporting documents of APHR fairly present the cash receipts and expenditure in all material respects and that the funds were used for the purposes defined by the APHR.
 - iv. Summary assessment of the efficiency of the management and internal control systems (if needed).
 - v. The Auditor may expand the report to include other information and explanations not intended as a reservation.
- The Auditor should submit a letter to the management at the completion of the audit. The issues to be covered in the letter should include:
- i. The assessment of the efficiency of the administration, management, and internal control systems of APHR.
 - ii. A description of any specific internal control weaknesses noted in the financial management. Recommendations to resolve/eliminate the internal control weaknesses noted should be included.
 - iii. Management comments/responses to audit findings and recommendations.

Expected deliverables	Timeline
Inception Meeting	1 December 2023 or upon signing of the agreement
Fieldwork and review of financial documents	1 December 2023 - 12 February 2024
First draft reports submission	12 - 16 February 2024
Audit findings presentation/meeting	12 - 16 February 2024
Second draft or final report submission	19 - 23 February 2024

E. Institutional Arrangement

The external auditor team will report directly to the Executive Director in collaboration with the Finance Manager and Operations Manager. The APHR finance and operations

team will help to respond to questions/clarifications and provide the relevant documentation needed by the audit team.

The audit team will have full and complete access at any time to all records and documents (including books of accounts, Donors agreements, minutes of meetings, bank records, invoices, contracts, etc.) and all employees of APHR. The audit team will have a right of access to banks, consultants, contractors and other persons or firms engaged by the program management over the period under the audit review. The financial system is QuickBooks accounting software and the supporting documents are stored in the cloud system of OneDrive and/or Google Drive.

F. Duration of Work

Auditor that can commit to comply with the suggested timeline. The successful audit team or firm is expected to start on 1 December 2023 and complete the audit process by 26 February 2024.

G. Duty Station

Remote, preferably Jakarta, Indonesia.

H. Qualification of the Successful Contractor

- The audit team should demonstrate complete impartiality and independence from all aspects of management or financial interests in the entity being audited;
- The audit team should demonstrate during the period covered by the audit, not to be employed by, serve as Director for, or have any financial or close business relationships with any staff member or board member of APHR;
- The audit team should disclose any relationship that might possibly compromise their independence;
- The audit team should be experienced in applying audit standards as in this Term of Reference;
- The Audit Firm must employ relevant staff with appropriate professional qualifications and suitable experience in auditing the accounts of the Non-Governmental Organizations (NGOs) or Non-Profit Organizations (NPOs). Below are the minimum qualifications of each auditor/audit team:
 - Minimum three years of professional experience in audit or related field (such as accounting, financial reporting, risk management, internal controls);
 - Experience in audit quality assurance activities (three years or more), including the review of audit reports;

- Produce timely, quality outputs and exercise sound judgment/analysis;
- Proficiency in written and verbal communication in English.

I. Recommended Presentation of Offer

Letter of interest consisting both technical and financial proposal which at the minimum covering information on the following:

- methodology of the audit
- detailed experiences handling NGOs or NPOs
- details on audits carried out by the applicable staff, including ongoing assignments indicating capability and capacity to undertake the audit
- total fees (inclusive VAT and income tax)

Deadline for submission is **6 November 2023** by sending an email to the Procurement Team at procurement@aseanmp.org.