

KASIGAU RANCHING (DA) PLC

Terms of Reference – External Auditor

A. Overview:

Kasigau Ranching (Directed Agricultural) PLC (“the Company”) is a community company registered in Kenya established for the purpose of improving and accelerating agricultural business for the benefit of its members. The ranch covers an area of 52,305 acres within the altitude range of 2,600 to 3,000 feet above sea level, which receives an annual average rainfall of between 500 to 1,000 mm. This area experiences bi-modal rain pattern with long rains from March to June and short rains from October to Mid-December, which guarantees forages for both livestock and wildlife and the restoration of natural habitats.

The ranch also operates a Conservancy (Kasigau Wildlife Conservancy) to run its conservation programmes. Main activities include:

1. Livestock ranching
2. Mining
3. Tourism, Conservation and Carbon Offsetting

B. Objective of the Audit:

Kasigau Ranching Company is seeking to procure external audit services in order to obtain an independent and objective opinion as to whether its financial statements present fairly, and in all material aspects, the financial position of the company in accordance with the International Financial Reporting Standards (IFRS). The specific objectives are;

1. Perform statutory audits as required by Kenyan law and International Financial Reporting Standards.
2. Plan and organize the audit on the basis of risk assessment to provide satisfactory assurance that the financial statements are free of misstatement due to fraud and errors.
3. Ascertain that company funds have been applied for the intended purpose and have been accounted for in accordance with company policies.
4. Verify that funds in form of grants and donations received by the ranch have been acknowledged and reflected in the financial reports submitted to the grantor/donor.
5. Review and report on effectiveness of the organization's internal control systems in accordance with the International Auditing standards (IAS).
6. Review and report on the effectiveness of the finance system, human resource management, procurement system as well as the company's revenue generating structure.
7. Compile and present the complete translated Financial statements sets in both functional currency and local currency as per the company Finance policy.
8. Present and interpret the Financial statement sets and key findings in Post Audit Report to the Company's Board of Directors.
9. Undertake any other tasks as may be necessary to fulfill the professional obligation of rendering a sound opinion on the financial statements of the contracting entity.

C. Deliverables:

1. The Auditors on completion of the audit work will submit 3 (three) original copies of the Audit Report appended to the Financial Statements along with the reports to the attention of the Board of Directors.
2. Management letter in accordance with the scope of work described here before.

D. Qualification:

i) *Eligibility Criteria*

The firm seeking to apply should be registered in Kenya and must have been in operation for at least five years providing both audit and tax services. Additionally, the firm must demonstrate experience in auditing ranching firms and conservation organizations with similar operations to Kasigau Ranching Company.

The following information should be provided:

- a) Copy of certificate of incorporation/registration
- b) PIN Certificate
- c) Valid certificate of tax compliance
- d) Valid certificate of good standing from the Institute of Certified Public Accountants Kenya (ICPAK).
- e) List of at least three clients with operations similar to Kasigau Ranching Company.

ii) *Capability*

The firm should provide a brief profile of the company (maximum 500 words). This must include a profile on past work done. Provide a profile of the audit team likely to be involved in the audit process and proof of their qualifications.

iii) *Methodology*

The firm should state the methodology/approach of conducting the audits. Upon selection, the firm will be expected to provide a letter of engagement which will also highlight the basis of the auditor's work.

iv) *Proposed Fees*

The firm should provide a quote for the provision of audit services as highlighted above. The fees proposed may be subjected to negotiations if the proposal meets all the other selection criteria and satisfies Kasigau Ranching (DA) PLC Board of Directors.

v) *Proposed task completion timeline*

The proposal must provide the timeline within which the applicant expects to complete the assignment. The timeline proposed may be subjected to negotiations if the proposal meets all the other selection criteria and satisfies Kasigau Ranching (DA) PLC AGM that the firm is the best suited for the assignment.

NOTE: Kasigau Ranching Company is not obligated to select the bid with the lowest quoted fees, but rather, the highest value for money.

E. Conditions:

- i) Unless otherwise agreed by Kasigau Ranching Company, the Auditor will use his/her own office resources and materials in the execution of this assignment.
- ii) Remuneration will be paid contingent on the successful completion of the assigned tasks, and Kasigau Ranching Company's satisfaction of the same.
- iii) Kasigau Ranching Company reserves the right to withhold all or a portion of the remuneration if performance is deemed unsatisfactory.
- iv) Kasigau Ranching Company reserves the right to modify these Terms of Reference at any time.

F. Instructions for Submission:

All proposals should be submitted to;

The Chairman,
Kasigau Ranching (DA) PLC
P.O BOX 793 – 80300,
Voi.

Or,

By sending Email to;
The Chairman
director@kasigauranching.com

Subject: EXTERNAL AUDIT SERVICES

Every proposal must meet all the requirements as indicated in this TORs document.
Incomplete proposals will not be considered.

G. Deadline for applications:

5:00 PM, Friday, 29th November 2024.