

Invitation to Tender for External Financial Audit Services

1. About the Organisation

Nonviolent Peaceforce (NP) is an international not-for-profit non-governmental global organisation founded in 2002. NP works in conflict-affected areas to promote peace and protect civilians. The organisation believes in nonviolence to bring about social and political change.

NP mission is to protect civilians in violent conflicts through unarmed civilian protection, conflict transformation, building peace side by side with local communities, and the promotion of human rights to safeguard human lives and dignity. The objective of NP is to prevent violence, protect civilians and support peacebuilding efforts. NP envisions a worldwide culture of peace in which conflicts are managed through nonviolent means, guided by principles of nonviolence, non-partisanship, primacy of local actors, and civilian-to-civilian action.

In partnership with local groups, NP applies proven non-violent strategies to protect human rights, deter violence, and help create space for local peacemakers to carry out their work. NP achieves this through the following anchors:

- a. Interrupting cycles of violence in order to save lives, reduce harm and protect human dignity.
- b. Contributing to fostering sustainable peace through dialogue and inclusive peace processes
- c. Developing and promoting the theory and practice of unarmed civilian protection so that it may be adopted as a policy and funding option by decision makers and public institutions.
- d. Build the field of practice of Unarmed Civilian Protection (UCP).
- e. Undertaking other types of activities aimed at promoting the themes of conflict prevention and peace building.

The organisation has worked in numerous conflict-affected areas around the world including the current ongoing programmes in South Sudan, Philippines, Iraq, Myanmar, Sudan, Ukraine, Indonesia and the United States. NP headquarters are located in Geneva, Switzerland.

2. Organisational Structure and Governance

NP is governed by a Board of Directors and is headed by an Executive Director. The Board works through the following committees: Executive Committee (EC), Governance Committee (GC), **Finance and Audit Committee (FAC)**, Safeguarding and Accountability Committee (SAC), Programme, Partnership and Advocacy Committee (PAC), and Resource Mobilization and Communication Committee (RMCC)

Programme and Financial Operations of all NP entities, Country Programmes and Offices are overseen by the **Finance and Audit Committee (FAC)** in conjunction with the Executive Director and the Global Director-Finance and Operations. The FAC has oversight over internal control systems and financial management. Members of the Board oversee a comprehensive accountability system which includes five-year strategic plans, annual budgets and programme operations plans approved annually and revised semi-annually.

The Executive Director (ED) through delegated authority to Heads of Missions and Heads of Offices has the primary responsibility for oversight and monitoring of performance at local levels and regularly reviews internal controls across NP. Other controls include staff capacity building, segregation of duties, planning and control visits to programmes and general performance management.

3. Financial information

Annual Report and Financial Statements are available on NP's website under the following link:

<https://nonviolentpeaceforce.org/financials/>

The most recent Annual Report is available at:

https://nonviolentpeaceforce.org/wp-content/uploads/2023/07/2022-Nonviolent-Peaceforce_-Annual-Report.pdf

The 2023 Group Aggregated Financial Statements are available at:

<https://nonviolentpeaceforce.org/wp-content/uploads/2024/06/NP-Global-audit-2023.pdf>

The 2023 United States Financial Statements are available at

<https://nonviolentpeaceforce.org/wp-content/uploads/2024/06/Report-NVPF-2023-FS.pdf>

Nonviolent Peaceforce has a 31 December year-end. It is planned that the audited financial statements are approved by the Board in mid-May of the following year. The audit process should be planned between the last two weeks of March and the first two weeks of April of the following year so that the final accounts can be presented for approval by mid-May.

Nonviolent Peaceforce is not VAT registered in Switzerland or Belgium.

4. Required Audits

A. Group entities:

- **Nonviolent Peaceforce Inc.** (NPUS) a United States corporation registered on 25 February 2002 under the Minnesota Non-profit Corporation Act, Minnesota Statutes Chapter 317A for the promotion of any or all of the educational or charitable purposes contemplated by Section 501(c)(3) of the Internal Revenue Code 1986. Hereinafter referred to as "NPUS".
- **Nonviolent Peaceforce International**, (NPI) registered as a Foundation in the Canton of Geneva, Switzerland and governed in accordance with Articles 80 et seq. of the Swiss Civil Code.
- **Nonviolent Peaceforce AISBL** (NP-AISBL) registered as an Association Internationale Sans But Lucratif (AISBL) in Belgium on 02 September 2003, enterprise number 0480.008.359 and identification number 6313/2003.
- **Nonviolent Peaceforce France** (NPFR) registered as an Association in France on 10 November 2016, association number W013.001.1326 and identification SIREN/SIRET 824 015 432 00019.

Except for NPFR, the other three entities require separate audited annual statutory accounts to be filed with the authorities in each respective country. The local auditor must be registered in the respective country. NPFR is relatively inactive, preparation of annual documents for local filing is outsourced to a local legal/accounting firm.

B. Programmes and Offices locations:

NP South Sudan (Juba)	Requires locally audited financial statements that also feed into the group aggregated statements audit. The local auditor need not be based in South Sudan.
NP Philippines (Cotabato)	Requires locally audited financial statements that also feed into the group aggregated statements audit. The local auditor needs to be registered in the Philippines.
NP Iraq (Erbil)	Local audited financial statements not required. Currently audited remotely by the group auditors as part of the group aggregated statements audit

NP Myanmar (Yangon)	Local audited financial statements not required. Currently audited remotely by the group auditors as part of the group aggregated statements audit
NP Ukraine (Odesa)	Local audited financial statements not required but owing to the size of the programme and local language, local audit is undertaken locally that then feeds into the group aggregated statements audit.
NP Sudan (**)	Local audited financial statements not required. Currently audited remotely by the group auditors as part of the group aggregated statements audit
NP Indonesia (Aceh)	Local audited financial statements not required but requires audit that feeds into the group aggregated statements audit

*** - Office is based in El Fasher but owing to the political crisis in Sudan, there is little presence in the country, and many country office staff work from outside Sudan.*

Group aggregated financial statements

These are non-statutory but are nevertheless subject full audit. They are prepared in accordance with NP's specific accounting framework. NP's accounting policies as stated in the aggregated financial statements are aligned with most of the recognition and measurement requirements of the IFRS as adopted by the European Union. However, the aggregated financial statements do not constitute a complete set of financial statements in accordance with IFRS. The Aggregated Financial Statements are prepared and presented according to the principles of fair presentation, accruals, matching, going concern, consistency and prudence.

While NP would prefer auditors within the same audit group for all entities and programmes, it is not always possible for practical or cost reasons. Local auditors however feed into the global audit and thus, where the group auditors do not undertake the audit directly, they provide local auditors with audit instructions and the required reports to be submitted. Group auditors are responsible for quality control.

5. Computer systems:

Accounting –	QuickBooks Online Advanced version (United States)
CRM	Salesforce
Human Resources	BambooHR

6. The Audit Contract

The initial appointment will be for three years, extendable by a further two to a maximum of five years in total. Supervision of the contract will be the responsibility of the Executive Director.

The firm tendering for the Global Audit must have presence in Switzerland and Belgium.

NP is requesting that one coordinated proposal for the group audit as well as the related local audits is submitted by the firm tendering for the global audit. Where the firm is not represented in one or more of the countries locally, the firm tendering for the global audit should identify potential local auditors and jointly submit both the global and local audit tenders as appropriate.

7. **Service Requirements:**

At a minimum, NP requires the following services to be carried out:

A. Standard Services:

- a. **External audit** - The planning, management and execution of a statutory audit of Nonviolent Peaceforce in accordance with applicable law and international standards on auditing.
- b. **Report to management** - Reporting on external audit process to management and the outcome to the finance and audit committee/board of directors including virtual attendance at meetings as appropriate.
- c. **Other** - Continuing engagement including additional virtual meetings when required, assisting with the preparation of technical statutory returns especially in the United States and Belgium, assistance in the filing if required, and in the event of need, assisting in the review of accounts returns if required.

B. Additional services

On an ad-hoc basis Nonviolent Peaceforce may request additional services such as grant audits, VAT advice, taxation compliance advice and consultancy of financial management and related reporting issues. Any such service would be subject to a fee quotation being supplied. Please indicate what services you can offer.

C. Added value services

Please state if there are any free-of-charge services you offer to support NP including (where applicable)

- technical information and updates on sector-specific matters,
- financial due diligence,
- environmental social and governance,
- benchmarking,
- digital services,
- technical accounting,
- internal control,
- other financial matters including related legal issues and local legislation changes.

D. Audit cost budget

NP has not identified a set budget for this support. As a not-for-profit organisation, NP will assess all proposals on a broad range of criteria, including value for money, added value over the duration of the contract, opportunity costs, and budget frameworks.

8. **Tenders should include the following information:**

A. The firm and staff

- The proposal should include an outline of your firm, size and capabilities, NGO audit experience, client base, experience in the local jurisdiction, and an overview of the local audit firm(s) where presenting joint tenders.
- The proposal should identify the partner and manager who will be responsible for the external audit work together with details of their relevant experience and qualifications.
- The anticipated level of experience of the members of staff carrying out the audit and details of the time expected to be spent by members of the audit team.

- An indication of where staff are based.
- B. Overall Audit approach

Your proposal should include and identify the following:

- A description of the proposed approach to developing an audit plan, the timeframe required
- A description of the set-up and approach for the first and subsequent years of the audit including presentation of the accounts to the Board of Directors.
- How your firm plans to address matters of audit scope and materiality
- How your firm will identify and respond to critical audit issues including control and coordination of the audit process.
- Assuming that your company is successful, a description of how your firm will manage the transition process. Include any relevant experience of managing a similar transition process.
- A draft timetable for the audit process.

You will be expected to demonstrate a good working understanding of Non-Governmental Organisations generally and the activities and financial structure of Nonviolent Peaceforce in particular. You should provide your broad understanding of the key financial risks that Nonviolent Peaceforce currently faces.

C. Quality assurance and independence

- Overall approach to quality assurance.
- Approach to dealing with emerging accounting issues.
- Approach to potential conflicts.
- Policies on independence, rotation, and compliance with regulatory and professional bodies.

D. Fees

- An itemised fee quotation broken down by days for staff at each level for the first year of the contract. The fee should cover the audit of and reporting for all NP entities listed under the section 4 on required audits above including the global aggregated financial statements.
- The audit fees should be quoted on a VAT-inclusive basis. Indicate whether and where any expenses will be charged.
- Explain the basis on which fees will be determined in future years.
- Provide your terms and conditions of business including the scheduling and timing of invoicing.
- Nonviolent Peaceforce wishes to fix fees for a period of three years, subject only to annual increases by mutual agreement but no more than inflation as measured by the appropriate retail price index.
- The audit fees and other charges may be quoted in CHF or USD or EUR or a combination there-of.

9. Assessment of tenders and selection criteria

The assessment and selection of the successful audit firm will be based without limitation and at the sole discretion of NP on the responses to the above points and the following criteria:--

- A clear understanding of NP's requirements.
- Experience of providing comprehensive audit services to the non-governmental organisations sector.
- The quality and experience of the proposed audit team
- International presence and your approach in audits of group entities particularly in the US and Belgium

- Quality of the proposed Audit Team
- The suitability of the audit approach
- Audit firm fit and cultural/ethical compatibility with NP
- The ability to provide the full range of services required including audit, taxation where relevant and specialist technical accounting advice.
- Demonstration of areas of expertise and experience that your firm possesses that may be particularly relevant to NP.
- Value for money, particularly the added value that the audit process will bring to the organisation. Nonviolent Peaceforce reserves the right to accept any quotation, whether or not the lowest, or to accept none

10. **References**

Please also provide details of three relevant clients that NP can contact for references as may be required.

11. **Intention to participate in the tender process**

We would be grateful if you will confirm your willingness to participate in the selection process and your ability to meet the deadline stated below.

By accepting this invitation to take part in the tender process, you agree to keep in confidence all information provided to you, whether written or oral, in relation to the tender process and/or in relation to NP's business generally which is not already in the public domain, to use it only for the purposes of this tender and for no other purpose and not to disclose any of the said information to any unauthorised third party.

12. **Submission of tender**

The proposal documents should be sent in PDF format to Tenders@nonviolentpeaceforce.org

Tenders may also be dropped at NP Offices at the following address during working hours if more convenient

Nonviolent Peaceforce International
Rue de Lausanne 82, 5th Floor
1202 Geneva, Switzerland
Tel: +41 (0) 22 552 6610

The deadline for receipt of the proposal is **29th September 2024 at 24h00 CET**. No tender will be opened prior to this deadline so please make all correspondence clearly identifiable.

For further information or clarification please contact Line Hempel, Global Director of Finance and Operations at lhempel@nonviolentpeaceforce.org

13. **Timescale:**

The shortlisted firms may be invited for an interview or NP may arrange a follow up call either for a virtual walk-through of the proposal service or to clarify any issues and questions during the week beginning 7th of October 2024. A final decision will be made and communicated to the successful audit firm around the 15th of October 2024.