

Twenty Third SPREP Meeting of Officials

4-6 September 2012
Noumea
New Caledonia

Agenda Item 10.8: Appointment of External Auditors

Purpose of Paper

1. To seek the Meeting's approval of the appointment of Auditors, to audit the SPREP's accounts for the financial year 2012 and 2013.

Background

2. The term of office of the Secretariat's current external auditor – Betham & Co will expire on 31st October 2012. Financial Regulation 29 requires the Meeting, on the Director General's recommendation to "appoint biennially, one or more Auditors in no way connected with the Secretariat on such terms as it sees fit to undertake the audit of the Secretariat's annual accounts".

3. The Secretariat advertised for tenders both locally and regionally for the audit of its 2012 and 2013 accounts.

4. Tender criteria required the firms to demonstrate that they have:

- experience in the audit of similar inter-governmental agencies or similar regional organizations;
- qualified personnel to undertake the audit assignment;
- demonstrated in its proposal its ability to conduct the audit in a competent and professional manner; and
- a competitive quote for the conduct of the assignment

5. The tenders closed on 7th August 2012 and only one tender proposal from Betham & Co was received.

(1) Betham & Co, Apia, Samoa, originally operated under the name of Coopers & Lybrand maintained an audit reporting/working relationship with other international audit firms. Betham and Co had been the auditors for SPREP for 8 years, 1994 - 2001 and has also conducted audits for other similar regional organisations. The staff members designated for the audit assignment possess considerable relevant experience. The tender thoroughly outlined the auditing standards that it would apply in its approach having regard to requirements of the EU and International Financial Reporting Standards (IFRS).

6. The proposed audit fee from Betham and Co. tender is:

	2012 <u>(USD)</u>	2013 <u>(USD)</u>
Fee exclusive of VAGST	12,360	12,360

Recommendation

7. The Meeting is invited to:

- **consider** the paper and **endorse** the appointment of Betham & Co to audit SPREP's accounts for the financial years 2012 and 2013.

14 August, 2012