

BID SPECIFICATION - INTERNAL AUDIT

1. CEF BACKGROUND

CEF SOC Ltd is a *Schedule 2* State Owned national energy utility entity with a focus on oil, gas, coal and renewable and clean energy options reporting to the Department Of Energy (DoE) as its primary shareholder. The organisation operates in South Africa with strategic partnerships in Ghana and Mozambique. The company derives its mandate primarily from the *Central Energy Fund Act No. 38 of 1977*.

The Act mandates the CEF Group to contribute to the national security of energy supply through commercial operations and projects, as well as investing in developmental projects, all the while operating in a highly competitive and capital-intensive environment with the need to be a profitable entity through its subsidiaries and associates. The dual mandate of Commercial and Developmental obligations requires a tight balancing act between the two imperatives given the strategic nature of the national assets that The Group holds, and its obligations as defined in the National Development Plan (NDP). The CEF Group thus has to contribute towards the triple challenges of Poverty Alleviation, Promoting Equality and Creating Jobs as well as supporting the economic growth efforts of the Shareholder.

In terms of its mandate the CEF Group should profitably manage defined energy interests on behalf of the South African Government and be commercially viable and sustainable. Most of the activities are in the fossil fuel arena as a result of significant historical investments made by the organisation over the last six decades.

Over time, the company has expanded its activities to include the management of investments with a special focus on renewable and cleaner alternative energy sources. This is part of the broader strategic intent and directed by the Shareholder to diversify South Africa's energy mix. This will in the long term, result in improved security of supply and enhanced social and environmental benefits. In order to achieve its mandate over time, the CEF Group therefore, expanded its focus on liquid fuels and gas as well as supporting the deployment of new energy technologies in the country.

2. INTERNAL AUDIT FUNCTION AND SCOPE OF WORK

The internal audit departments, headed by the Group Chief Audit executive, who is accountable to the Board Audit and Risk Management Committees. The internal audit function carries out its work in terms of the Institute of Internal Auditing standards, code of ethics and any other legislative requirements relevant to Internal Audit function when executing the approved risk based internal audit plan.

In order to achieve the approved Internal Audit Plan, this tender aim to co-sourcing the audit services to assist in achieving the internal audit objective which is to provide an

independent objective assurance and consulting aim in evaluating the effectiveness of internal controls, risk management and governance.

Scope of work

The successful bidder should be in a possession of registered Chartered Accountant or Audit firm (**Internal or External audit firm**) to provide Senior Internal Auditors who will assist with the completion of the CEF group annual audit plan for the period 2024/25 to 2026/2027 as in when they resources needed.

Below are the resources requirements:

- B.com Internal Auditing/ Accounting coupled with B.com Honors/ Postgraduate
- The resources should have more than 6 years of experience at a senior level conducting risk based Internal audits within the State-Owned Entities.
- The resources should have a valid membership certificate from the Institute of Internal Auditors (IIA) and/or South African Institute of Chartered Accountant (SAICA).
- The project lead should be a Qualified CIA and/or CA.

NB: The required Senior Auditors will be based at the CEF head office (Sandton) for the duration of the project.

1.1 Internal Audit Experience

The proposed candidates must have experience in conducting the following audits.

- Risk based Internal Audit
- Financial Statements Review
- Performance Audit
- ICT Audit