

Saint-Germain Audit

Société de commissariat aux comptes et d'expertise comptable

Membre indépendant de



EuraAuditInternational

IALA-IASM

10, rue des Gaudines

78100 Saint Germain en Laye

Presentation of our firm and proposal for a legal auditor mandate



<http://www.iala-aism.org/>

SARL au capital de 526.683 € • 32, rue de Paradis 75010 Paris
RCS Paris 334 735 438 • Identification CEE FR 52334735438
Compagnie régionale des commissaires aux comptes de Paris
Tableau de l'ordre des experts-comptables de Paris
Téléphone +33 (0)1 56 24 99 73

contact@saint-germain-audit.com

www.saint-germain-audit.com



1) Your entity

Your association, founded in 1957, brings together about 15 employees to implement its programs to improve maritime signaling and training of the actors of navigation. 85 member countries and many private actors collaborate around this goal. The number of its members is constantly increasing.

As part of the grant received in 2011 from the French Ministry of Ecology and Sustainable Development for the financing of your head office, your association must have its annual accounts certified by an auditor. The mandate of your current auditor, GVA, will end at the meeting approving the financial statements for the year ended December 31, 2018.

Your association also wishes a critical review of its procedures and the financial documents that are presented to the members of its board of directors.

Moreover, you consider modifying statutes and the legal structure of your association (from a French 1901 association to an intergovernmental organization). These modifications will lead to many adaptations on several subjects:

- at the social level: the transition to the status of intergovernmental organization will exclude your employees *de facto* from the French social protection system. The planned implementation of an "internal" social protection system, however, requires prior analysis by specialized professionals to ensure that this new social security cover is adapted to your employees.
- Organizational: The rapid and significant growth of your association will involve a sharp increase in the volume of financial and accounting data to be processed. In order to reduce the various risks (fraud, accounting error, etc.) it is necessary firstly to put in place appropriate tools and procedures, and secondly to train staff to apply these procedures. Finally, it will be important to follow the evolution of your entity so that the tools and procedures are always adapted and applicable.
- In terms of accounting: during this transformation, it is envisaged that your accounting will be held in accordance with IFRS. Our first analysis of your financial statements and economic flows did not highlight any major problem regarding the implementation of these accounting standards. However, a more in-depth analysis should be conducted in conjunction



with your accounting department on the implementation of this accounting standards.

The importance of these changes requires multi-disciplinary analysis and support, which we could provide through our network of professionals and internal expertise.

Indeed, following the modification of your statutes, your association would no longer be subject to certification requirements by an auditor. We would then be able to extend the scope of our intervention.

2) Our company and skills

Our company Saint-Germain Audit was created in 1986 by Frédéric Villiers-Moriamé. It has around twenty employees.

We have worked as an external auditor with non-profit organizations of international stature. We are therefore familiar with the problems encountered by these entities. We have also made some audits in local offices of these entities (Asia and Africa).

We are or have been the legal auditors of the following entities :

- Alliance Française Foundation
- Planet Finance (now Positive Planet International)
- Mouvement Européen

The *curriculum vitae* of those who may be involved in your entity are attached to this document. They are professionals who know the specificities of the associative world and work in an international context - auditing or accounting expertise -, English speaking and mastering international accounting standards.

Finally, we are in contact with many recognized professionals in different fields (lawyers, tax specialists, social law specialists, financial, ...), which allows us to quickly address our client's needs.

3) Our approach to your specific issues

a) Legal audit

Our approach begins with a thorough understanding of our client's activity and of the economical flows it generates. This is the foundation on which



we carry out any type of mission related to the production and processing of financial information.

We establish with our clients a relation based on trust, and put their needs above all our priorities.

As part of a legal audit, our intervention begins with a thorough knowledge and critical analysis of the following:

- economic flows and risks related to your activity ;
- legal organization;
- internal procedures ;
- intervention schedule.

The review of the procedures and any related risks is formalized in a specific report including recommendations , which is presented to the management.

Once this global understanding has been acquired, we work directly with the client (at its premises) to carry out our audit in relation with the accounting and financial departments. This direct proximity is necessary to truly understand and analyze the processes leading to the establishment of the accounts we certify.

All our missions are conducted in strict compliance with the French Professional Practice Standards of the Statutory Auditors (Normes d'Exercice Professionnel des Commissaires aux Comptes), written by the National Company of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes).

We have powerful computer tools that help us during our intervention. These tools include computerized analysis of accounting entries as well as questionnaires on both the accounts and the procedures and the legal organization.

b) Advisory mission (subsequent to the modification of legal structure)

We define upfront with the client what his needs are, particularly in terms of reporting and financial information to the board members.

Similar to the audit missions, we have IT tools to automate very advanced reporting reports from accounting data. This automation reduces the time spent on non-value-added tasks.



Our membership of an international group of professionals (EuraAudit International) gives us access to many qualified contacts worldwide.

4) Fees



Concerning the legal audit mission, we propose a budget similar to that of the GVA firm, therefore € 17,000 plus VAT per year.

Regarding the consulting mission in the subsequent framework of the intergovernmental organization, the fees will be determined in agreement with you according to the scope of the mission.

We are at your disposal for any further information

Sincerely yours

Paris, October 1st, 2018



Frédéric Villiers-Moriamé
Partner



**Frédéric VILLIERS-
MORIAME**
Senior Partner

SAINT GERMAIN AUDIT

32, rue de Paradis
75010 Paris

frederic@saint-germain-audit.com

Funtions

Senior Partner

Formation

Charterd Acocuntant

Frédéric Villiers-Moroamé has created Saint-Germain Audit in 1987. During his career as auditor and chartered accountant, he has been able to work on many financial topics, including :

➤ **Audit and advisory :**

- Audit of statutory accounts (SME's, listed corporations,...) ;
- Audit of associations and foundations ;
- Audit of consolidated accounts (french GAAP, US GAAP and IFRS).
- Company mergers, acquisitions
- Company valuations
- Due diligences

➤ **Bookkeeping / Managment control :**

- bookkeeping ;
- fiscal and social declarations ;
- financial statements
- Implementation and optimization of internal procedures ;
- Budget and business plans establishment ;
- Profitability analysis (KPI) ;
- Margins analysis and monitoring

Ewa LACROIX

Head of external financial controlling

SAINT GERMAIN AUDIT32, rue de Paradis
75010 Parisewa@saint-germain-audit.com**Funtions**

Senior Partner

Formation

Ewa Lacroix has been working with Saint-Germain Audit since 1987. During her career as a financial controller et European CFO, she has had the following expriences :

➤ **professional experiences**

- SAP FI and SD "Super User". First functional help desk for European subsidiaries.
- Responsible for all finance and accounting activities in Europe, including the French statutory reporting.
- Manager of two local country controllers and outside service provider for the European subsidiaries.
- European monthly reporting to US corporate head office (US GAAP), annual returns, tax computations including deferred taxes, VAT, payroll, accounts receivable, accounts payable, annual audit, Tax Authorities audits, budgets and forecasts.

➤ **professional achievements :**

- European team leader for SAP implementation (fully WW integrated) in Europe. Implementation completed from "blue print" to "go live" within 12 months
- Managed the successful change of the functional currency for two European subsidiaries. Implementation completed within 3 months from the decision to change.
- Implementation of SOX controls and procedures in Europe
- Implementation of COGNOS reporting tool for Europe.
- Streamlined the monthly reporting process to Corporate Head Office.
- Re-structuring of the European distribution channel from four full organizations to one head office and commissionaires resulting in significant costs savings.

Guillaume DRUART
Audit manager / Senior auditor

SAINT GERMAIN AUDIT

32, rue de Paradis
75010 Paris

guillaume@saint-germain-audit.com

Funtions

Audit manager
Senior auditor

Formation

DESCF

Guillaume Druart has been working since 2006 at Saint-Germain Audit. He is mainly involved, as a senior auditor and audit manager, in auditing accounting and reporting systems.

Main sectors of activity :

- Industrial companies ;
- Services companies ;
- Non profit organizations;
- Holding companies.

He currently intervenes on the following fields :

➤ **Legal audit :**

- Audit of statutory accounts (SME's, listed corporations,...) ;
- Audit of associations and foundations ;
- Audit of consolidated accounts (french GAAP, US GAAP and IFRS).

➤ **Bookkeeping / Managment control :**

- bookkeeping ;
- fiscal and social declarations ;
- financial statements
- Implementation and optimization of internal procedures ;
- Budget and business plans establishment ;
- Profitability analysis (KPI) ;
- Margins analysis and monitoring

Olivier FRANCOIS

Junior project manager

SAINT GERMAIN AUDIT

32, rue de Paradis
75010 Paris

olivier@saint-germain-audit.com

Functions

Junior project manager

Formation

DCG

Olivier François has been working since 2008 at Saint-Germain Audit. He is mainly involved, as junior project manager, in auditing and setting up accounting and reporting systems.

Main sectors of activity :

- Industrial companies ;
- Services companies ;
- Non profit organizations;
- Holding companies.

He currently intervenes on the following fields :

➤ Legal audit :

- Audit of statutory accounts (SME's, listed corporations,...) ;
- Audit of associations and foundations ;
- Audit of consolidated accounts (french GAAP, US GAAP and IFRS).

➤ Bookkeeping / Management control :

- bookkeeping ;
- fiscal and social declarations ;
- financial statements
- training of accounting staff ;
- Implementation of accounting softwares, ERP and OCR ;
- Implementation and optimization of internal procedures ;
- Budget and business plans establishment ;
- Profitability analysis (KPI) ;
- Margins analysis and monitoring ;