

*"Successful voyages, sustainable planet."*

# Supporting you on your journey

Proposal for the statutory audit of IALA

November 2018

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING



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IALA's worldwide exposure continues to increase. This also bodes well for its planned transition to the status of an intergovernmental organization. We are very pleased that the Foreign Office of France, our host nation, is now leading the IGO project. The first Preparatory Diplomatic Conference, held in Paris in April 2017, agreed a Roadmap towards a Diplomatic Conference to adopt the IALA Convention.

Juan Francisco REBOLLO,  
IALA President

Francis ZACHARIAE,  
IALA Secretary-General

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# Introduction

Ladies and Gentlemen,

I am pleased to provide you with our service offer in response to the consultation you are organizing for the appointment of your statutory auditor and thank you for having approached us.

Our team specialized in the audit of non profit entities and PIE is highly motivated to work alongside you, bringing you the advantage of a fresh perspective and its technical and sectoral knowledge.

We want our collaboration to be built on a solid foundation that reflects our vision of our business:

- Understanding your culture, your activities, your specificities and your challenges in order to support you to the best of your expectations;
- The commitment to provide you with experienced professionals who are committed to implementing permanent consultation with your teams;
- The performance of an audit without surprises that will contribute to the control of your risks and the reliability of your accounting and financial information;
- The assurance of good coordination with your teams.

## An important client for RSM

We are all genuinely excited about the opportunity to work with IALA and your team. The commitments made in this document are not just from RSM – they are personal, and we will ensure we deliver and exceed the quality of service you expect.

We look forward to demonstrating our commitment and enthusiasm to you.

We are at your disposal to answer your questions, clarify and, if necessary, amend this proposal. We are therefore delighted to have the opportunity to present to you orally the key elements of the project.

Please accept, ladies and gentlemen, the expression of my best wishes.

Sébastien MARTINEAU

Relationship and Audit Partner





## An efficient and fluid relationship of trust with an IFRS auditor

A partner, Sébastien MARTINEAU, who is willing to work with you and for you, giving the best of himself.

A partner involved, with extensive experience in the non profit sector and in the IFRS field.



## Proactive communication and advice

Our approach is very much centred on getting to know your activity and understanding your projects so we can then bring relevant ideas and insights to you. We will be more than just an auditor that ticks and bashes the minor detail – we will keep you up to date on the real issues that may impact IALA, and act as a sounding board for the challenges you face.



## Experience to deal with difficult issues

We have many years' experience advising international accounting gaaps transition. We are familiar with many of the issues that you are facing, such as the financial reporting complexity that exists with international groups,

We will have regular meetings giving an overview of any issues and opportunities.



## Big enough to deliver, small enough to care

We are not a Big 4 firm and we believe this is an advantage for you. Our model dedicates significant partner and experts time to each client, ensuring that our service meets with your needs. IALA will be an important client for RSM and you have our personal commitment that we will strive for excellence in everything we do.

# About RSM

RSM Paris is an independent French firm of chartered accountants and business advisers with a well-established and highly regarded audit practice.

RSM is the 6th largest audit, tax and advisory network in the world.

We believe in providing all of our clients with a consistent service that goes above and beyond their expectations, wherever they are in the world. That means providing both full-service local support and global coordination to unlock the specific required knowledge and insights of our most experienced senior professionals.

As an integrated global team, we share skills, insight and resources, as well as a client-centric approach that's based on a deep understanding of your activities.

This is how we empower our clients to move forward with confidence and enable them to achieve their full potential.

## Knowledge sharing

Our teams benefit from the assistance of a standards and doctrine department with ATH, first technical association in France, of which we have been a member for over 15 years.

ATH and our experts participate independently, with sufficient hindsight, to complete our audit team's expertise with means and resources, particularly in terms of :

- Regulation and ethics watch
- Documentary research
- Technical tools
- Studies
- Publications

Benefiting from this assistance, we will share with you all regulation changes, studies and publications that could concern you.

## The advantages of RSM France for its clients

### A MULTIDISCIPLINARY APPROACH

Expert and reactive teams across the full range of services (accounting services, audit, management audit, tax, IS...).



### THE STRENGTH OF THE NETWORK

The firm relies on a national network and international coverage in more than 120 countries.



### SECTOR-SPECIFIC EXPERTISE

An approach based on the sharing of experience and collaboration enable our teams to develop an efficient sectoral approach.



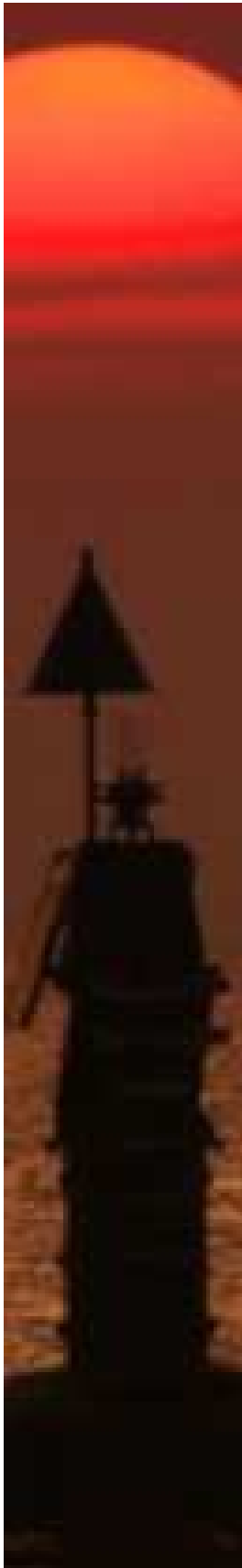
### A TRUSTING AND PROACTIVE RELATIONSHIP

Our intermediate size and our organisation based on entrepreneurial values enable us to set up ad hoc solutions within a very short time.



### THE ABILITY TO ANALYZE THE DEMANDS OF OUR CLIENTS AND TO ACCOMPANY THE IMPLEMENTATION OF THEIR PROJECTS

High level operational involvement (partners, directors, managers) for monitoring and conducting interventions.



# RSM in France

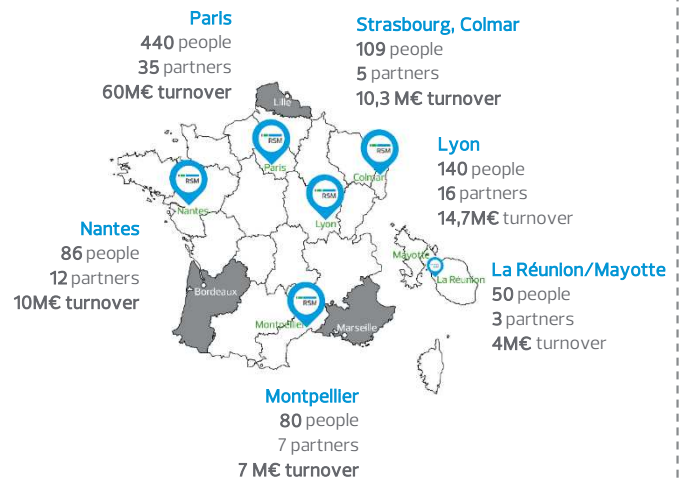
RSM France is a fast-growing member of the RSM international network, with a highly successful audit practice.

The firm's revenue has doubled in the last four years, with the audit practice growing to 20 partners and 200 staff. Currently, over 2,500 companies are audited by RSM France, including 21 listed entities and 137 joint statutory audits.

Services include statutory audits, contractual audits, IT audits, international standards (IFRS, US GAAP etc) and CSR.

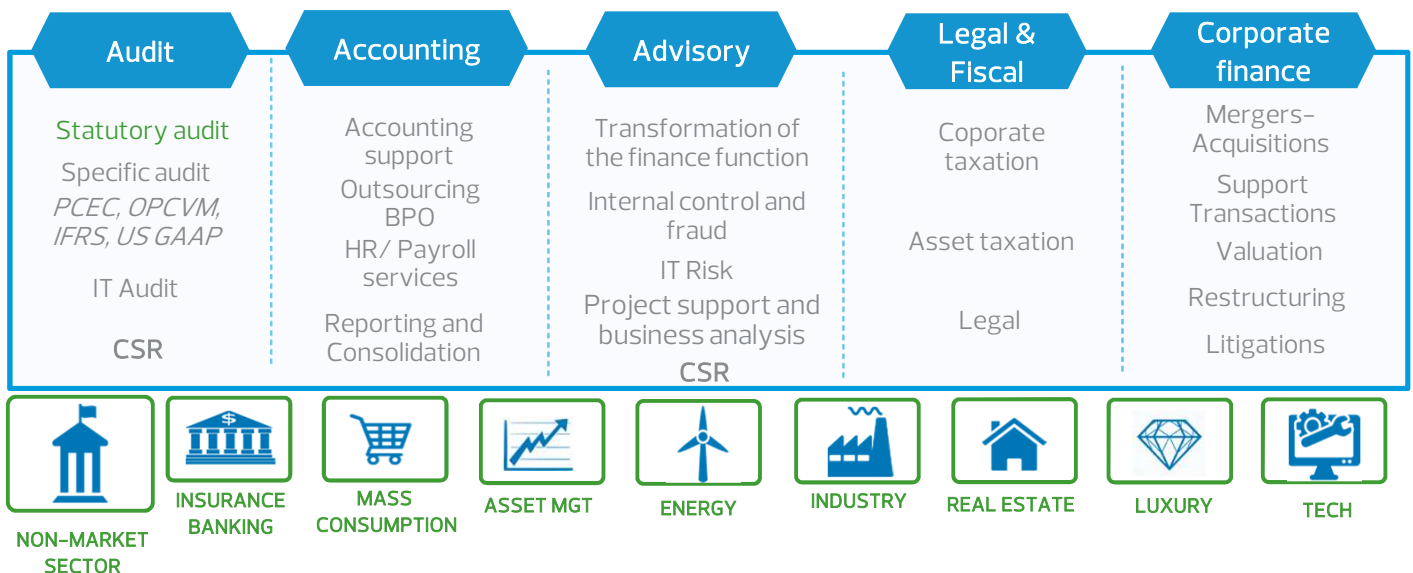
## Skills

- A technical support team GAAS & GAAP (IFRS, US) experts
- Strong practice of listed groups : 7 in the market
- Accredited PCAOB, COFRAC (CSR), ACPR (Bank accreditation)
- E-file methodology ; Data analytics tools
- An audit team including IT, Tax experts
- Tendering practice



## 5 trades, sectoral specialisation

RSM has the ambition to offer its clients, high quality work, while being a long-term partner, offering a wide spectrum of services.



# RSM and non-profit sector

## Securing and guaranteeing your financial information to enable you to better help

The non-profit sector is a strategic sector for our firm. As a result, we implement an adapted approach, and dedicated teams and training.

A sector with its regulations and operating methods, entities exposed to requirements of loyalty to the corporate purpose and security in the use of funds. The organizations are subject to objectives of efficiency, performance and transparency. This is why we offer you solutions specifically adapted to non-profit organizations, a service tailored to your size and geographical location, a support service conducted as a true partnership.

We are able to draw on significant expertise across our firm to support IALA through the various stages of a strategic plan and we will make these resources available to you where appropriate.

### A center of expertise

- To offer you adapted services, we have gathered all our skills dedicated to non-profit organizations within the same cluster.
- Committed to a societal approach, RSM has also created its own Foundation to facilitate accessibility for people with disabilities and to promote professional integration.
- Our teams also participate in the CNCC Technical Day for Associations, Foundations and Endowments.

### The signature of a leading audit and consulting firm for a quality guarantee

- We have developed an approach specifically designed for non-profit organizations, .
- and acquired a long experience with the largest French and international companies that we have supported on the path to excellence

### A global approach for an adapted response

- The dedicated teams of the non-profit sector have long been supporting non-profit organizations...

- Thanks to this global approach, we are able to mobilize the most varied expertise in the field of audit for the same mission.

### A perfect knowledge of your concerns

- Respect the legal obligations and/or the will of the members of the association
- Earn the trust of funders and, to do so, improve financial information, particularly in a context of:
  - of public funding
  - an appeal to the generosity of the public
- Organize the governance of the association.

## Our references within your ecosystem



Consulting - chartered accounting





# Your needs

## About IALA

IALA is a non profit, international technical association. Established in 1957, it gathers together marine aids to navigation authorities, manufacturers, consultants, and, scientific and training institutes from all parts of the world and offers them the opportunity to exchange and compare their experiences and achievements.

## Our understanding of your expectations

in the light of our meeting on your premises on September 21st 2018, we understood that you **were looking** for a competent auditor to assist you in your transition context.

We believe that this is what you particularly expect from your statutory auditor:

- Statutory audit of IALA from 2018 under French GAAP, and from 2019 under French GAAP & IPSAS/IFRS, including the review of the legal and financial documentation presented to the board and members
- Support for the implementation of International Accounting Standards to the association (from the accounts for FY ended December 31st 2019)
- An assessment of the internal control procedures (including monthly reporting and budget monitoring) and issues in the audit process on which the statutory auditor is expected to express proposals
- A review of the compliance of your payroll practices
- A regulatory watch.

## Towards an intergovernmental organisation

In 2014, the IALA General Assembly confirmed its conviction that moving towards the status of an intergovernmental organization will facilitate the achievement of the association's objectives in the 21st century.

Since then, several Conferences have been held to put this transition into practice.

We will support and provide you with an assessment of the stakes of the project to transition to an IGO status, and the associated risks, particularly on an international level (assistance).

## Our response also focuses on :

- Proximity and fluidity in exchanges with Management
- Contacts with experts in their fields (referent from the voluntary sector, IFRS/IPSAS expert, expert in labour law, IGO regulations,...)
- Our expertise in information systems
- Compliance with independence rules and best practices in terms of ethics

IALA  
World-wide  
Academy

IALA  
Technical  
guidance

IALA  
Publications



# Audit methodology

A secure approach in 5 steps



## 1 Understanding IALA – understanding your environment and identifying key risks

At the heart of our approach is our understanding of IALA, and the current and future risks you may face, understanding of the stakes, the field, the objectives of the association, and its evolutions; This helps us to assess financial and audit risks (including transition to an IGO status, and International Accounting Standards). We will hold regular meetings with you throughout the year to ensure we keep up to date and continually develop our understanding of your activities. We have outlined the risks that we believe to be key on the next page.

## 2 Planning the audit – identifying and evaluating key processes and controls

Using our knowledge of IALA, we will plan our audit work prior to the year-end and ensure that it is specifically focused towards addressing the key audit risks. Included at this stage would be:

- Meeting with the finance team to understand the risks and build expectations for our audit work.
- Evaluation of internal control and information systems: Reviewing key processes and controls to understand the extent that we will test these controls, taking into consideration the related audit risk and the overall effectiveness of this approach.
- We will work closely with our experts in France (International Standards, IGO legal expert, IT, labour law), ensuring that all teams are appropriately briefed and that timetables are followed.
- If necessary, we are able to provide your audit committee with Audit Plan. We can also share our conclusions with you, our overall approach and key risks identified, along with confirming our independence.

## 3 Fieldwork – tailored procedures

Our approach places significant reliance on the performance of substantiated analytical reviews of balances. We review of closing options prior to interventions and throughout the year to anticipate the treatment of accounting subjects; We supplement this work with focused substantive and controls-based testing, with both manager and partner reviews being performed on-site so that any issues arising are identified and resolved in a timely manner. We will carry out data analytics where appropriate and particular testing around the essential points.



## 4 Reporting – regular communication

Issue our audit opinion

Effective communication throughout the audit cycle is paramount so that we meet your timetable. We will keep you informed of our progress, any issues arising, and any improvement opportunities (including financial information, appendices to the financial statements, management report and other legal documents...).



## 5 Feedback – continuous improvement

We always seek feedback after the audit has been completed and continuously discuss improvement opportunities with you, including any changes to be made in subsequent years.

At the end of our fieldwork, we would hold a closing meeting with management, the finance team and the board to share and discuss any audit findings, areas for improvement, and other completion matters.

# Tailoring the approach to IALA

## Structured audit work

Our approach will rely on obtaining a deep understanding of IALA, including the operational and financial challenges the entity faces.

The audit process, which we propose to you, is based on the desire to combine your expectations and our professional requirements as well as possible in an efficient approach.













By tailoring our strategy to your unique risks, we will be able to adapt our approach to your circumstances rather than try to impose requirements on you. From our initial discussions, the following areas will be of focus:

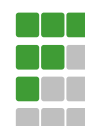


# Tailoring the approach to IALA













## Structured audit work

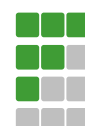
Based on our understanding of the strategic challenges and risks of IALA and its organization around many geographical areas, the following tables illustrate the fundamentals of our approach in our integrated audit approach.

Focus area	Our approach	Audit methodology to be implemented	
		Internal control with review of information systems	Substantive work
<b>Pilotage</b>			
A structured mode of governance.	<ul style="list-style-type: none"> <li>Monitoring compliance with legal obligations and governance procedures defined by the association.</li> </ul>		
IALA's financial management must be based on a successful budget management and a precise financing plan.	<ul style="list-style-type: none"> <li>Review of the budget process and analysis of cash flow forecasts (including 12-month forecast).</li> <li>Review of the coverage of funding commitments made by available resources.</li> <li>Existence of forecasts integrating the operational risks to which the Association is exposed.</li> </ul>		
A culture of internal control and risk management ensures the security of processes and funds.	<ul style="list-style-type: none"> <li>Consideration of changes in the internal control system and action plans.</li> <li>Consideration of work carried out internally, particularly in terms of diagnosis and action plan.</li> </ul>		
An environment that implies a mastery of information systems.	<ul style="list-style-type: none"> <li>Intervention of our IT experts on IT management (project management, general controls, mapping, interface review, etc.).</li> </ul>		
The preparation of monthly reporting.	<ul style="list-style-type: none"> <li>Review of the reporting process implemented.</li> </ul>		
<b>Operational &amp; Activity</b>			
IALA operates in a constrained regulatory environment as an association and must therefore ensure that its management is in compliance with the use of these funds and that accounting, legal and tax constraints are respected.	<ul style="list-style-type: none"> <li>Review of the intervention offer for 2018 and in particular the activities requiring specific contracts and actions;</li> <li>Cycle corresponding to a major business process that will be the subject of an in-depth review in the first year of our mandate and an evaluation in the second year of our mandate as part of our interim work.</li> <li>Analysis of the conclusions of the external and internal audits, ensuring that their consequences (financial risks, disputes, adequacy of missions with the corporate purpose) are properly understood.</li> <li>Specific due diligence on the risk of fraud.</li> <li>Review of projects and results by analytical assignment.</li> </ul>		











High level of diligence  
Average level of diligence  
Minimal level of diligence  
No early diligence required

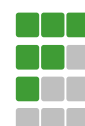
Focus area	Our approach	Audit methodology to be implemented	
		Internal control with review of information systems	Substantive work
IALA activities require specific project monitoring The existence of allocated funding requires a follow-up of dedicated funds	<ul style="list-style-type: none"> <li>Review of cost accounting, review of the cost allocation process, review of the budget process and path tests.</li> <li>Monitoring of funds allocated by funders to defined projects and verification of their accounting treatment</li> <li>The part of the resources not allocated at the end of the period being recorded as expenses under the heading "Commitments to be met from allocated resources", with the counterpart on the liabilities side of the balance sheet under the heading "Dedicated funds".</li> </ul>		
The transition to IGO status, and the transition to International Accounting Standards, are major challenges and can have a significant impact on the association	<ul style="list-style-type: none"> <li>With our technical unit and experts in international law, we undertake to assist you in these projects and provide you with our expertise in these regulations (mandatory or anticipated), and challenge their impact on the accounts and/or financial statements (including annexes, management report).</li> </ul>		
The non-profit nature must be subject to special monitoring	<ul style="list-style-type: none"> <li>Control of the sectorisation carried out by the association between non-profit activity and gainful activity, followed by the application of commercial taxes, if any, to the gainful activity.</li> </ul>		
Technological developments in maritime safety can be structuring	<ul style="list-style-type: none"> <li>Sharing with the association's management on the main strategic developments and the main technical/technological orientations anticipated;</li> <li>Analysis and review of strategic and organizational plans with an assessment of potential impacts.</li> </ul>		
<b>Resource security, financing and asset management</b>			
IALA must ensure the conformity of its management in terms of monitoring its financing resources	<ul style="list-style-type: none"> <li>Analysis of contributions/financing agreements signed with States</li> <li>Knowledge of the business process related to the products of the activity. A thorough process analysis will be carried out with the possible help of our IT team. We will ensure that the process used to manage the issuance of invoices is reliable.</li> <li>Monitoring of reciprocal commitments and accounting consequences (off-balance sheet commitments, monitoring of the use of sums, restitution of unjustified expenditure or sums not used, monitoring of suspensive conditions).</li> <li>Monitoring of sums due by managing bodies and their recovery.</li> <li>Audit of the grant database</li> <li>Monitoring and valuation of off-balance sheet commitments given.</li> </ul>		
The capital stock requires strict census processes	<ul style="list-style-type: none"> <li>Analysis of the methods for monitoring the fixed asset base (inventory process).</li> </ul>		



High level of diligence  
Average level of diligence  
Minimal level of diligence  
No early diligence required



Focus area	Our approach	Audit methodology to be implemented	
		Internal control with review of information systems	Substantive work
<b>Management of financial and human resources</b>			
The cash flow process must be closely monitored to anticipate needs. It must also be based on efficient internal control in order to minimize the risk of fraud	<ul style="list-style-type: none"> <li>Assessment of the process and information systems governing the treasury</li> <li>System block analysis</li> <li>Review of the compliance of system authorizations with signature delegations</li> <li>Completeness of cash flow records</li> <li>Review of bank reconciliation statements and use of responses to third party confirmations.</li> </ul>		
The management of financial resources requires efficient monitoring	<ul style="list-style-type: none"> <li>Definition of the fund investment policy and monitoring of investment performance.</li> <li>Delegated scheme for regulations.</li> <li>Completeness of cash flow records.</li> </ul>		
Overhead costs must be subject to budgetary control	<ul style="list-style-type: none"> <li>Monitoring the procurement process and the identification of obligations and their accounting treatment.</li> <li>Analysis of changes in fixed assets and provisions, in line with investment needs and criteria.</li> </ul>		
Human capital management remains an important subject that IALA places in its priorities	<ul style="list-style-type: none"> <li>Familiarization with the specific features and agreements applicable to the association's employees;</li> <li>Review of processes associated with payroll management and system automation;</li> <li>Analysis of the management of personnel expenses, in connection with the payroll management tool. Review of the procedures for monitoring payroll parameters, differences in integration with the software, reporting procedures and supporting documents for social security receivables and payables.</li> <li>Our social experts provide permanent monitoring in the field of social and labour law;</li> <li>Review of industrial tribunal litigation processes and follow-up of potential disputes. Review of the calculation of the provision for retirement benefits.</li> </ul>		



High level of diligence  
Average level of diligence  
Minimal level of diligence  
No early diligence required

Focus area	Our approach	Audit methodology to be implemented
		Internal control with review of information systems      Substantive work

## International Gaaps approaches (IPSAS / IFRS)

Our approach will be adapted to the structure in place to carry out the transition project. Two hypotheses are to be considered:

1. The financial statements in accordance with international standards will be prepared by IALA with the assistance of a chartered accountant
2. Financial statements in accordance with international standards will be prepared by IALA, without assistance

### Focus IPSAS

The financial statements in accordance with international standards will be prepared by IALA with the assistance of a chartered accountant	<ul style="list-style-type: none"> <li>Review the entity's transition workings for accuracy.</li> <li>Review the accounting policy choices made under IPSAS for appropriateness.</li> <li>Discuss any apparent errors or omissions and make any helpful suggestions.</li> <li>Assess the additional disclosure information required in respect of the current and prior periods and request this information from IALA.</li> <li>Draft the financial statements, including comparatives, budgetary information if applicable, a transition note and all necessary disclosures and accounting policies.</li> </ul>	<div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div></div> </div>
Financial statements in accordance with international standards will be prepared by IALA, without assistance	<ul style="list-style-type: none"> <li>Identify the French GAAP to IFRS measurement differences.</li> <li>Identify the IFRS to IPSAS measurement differences.</li> <li>Discuss accounting policy choices under IPSAS with IALA, if any options apply to their transactions and balances.</li> <li>Complete a transition workbook to map all transition adjustments.</li> <li>Assess the additional disclosure information required in respect of the current and prior periods. Best practice would suggest this should include budgetary information</li> <li>Review the draft the financial statements, including comparatives, budgetary information, a transition note and all necessary disclosures and accounting policies.</li> </ul>	<div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div></div> </div>



The IPSASs are designed to apply to public sector entities that meet all the following criteria:

- are responsible for the delivery of services to benefit the public and/or to redistribute income and wealth;
- mainly finance their activities, directly or indirectly, by means of taxes and/or transfers from other levels of government, social contributions, debt or fees; and
- do not have a primary objective to make profits.

IPSASs are converged with IFRS, and are adapted to a public sector context where appropriate. Wherever possible, they maintain the accounting treatment and original text of the IFRS, unless there is a significant public sector issue which warrants a departure. Also they deal with public sector financial reporting issues that are either not addressed by adapting IFRSs or for which IFRSs have not been developed by the IASB (e.g. Budgetary reporting).



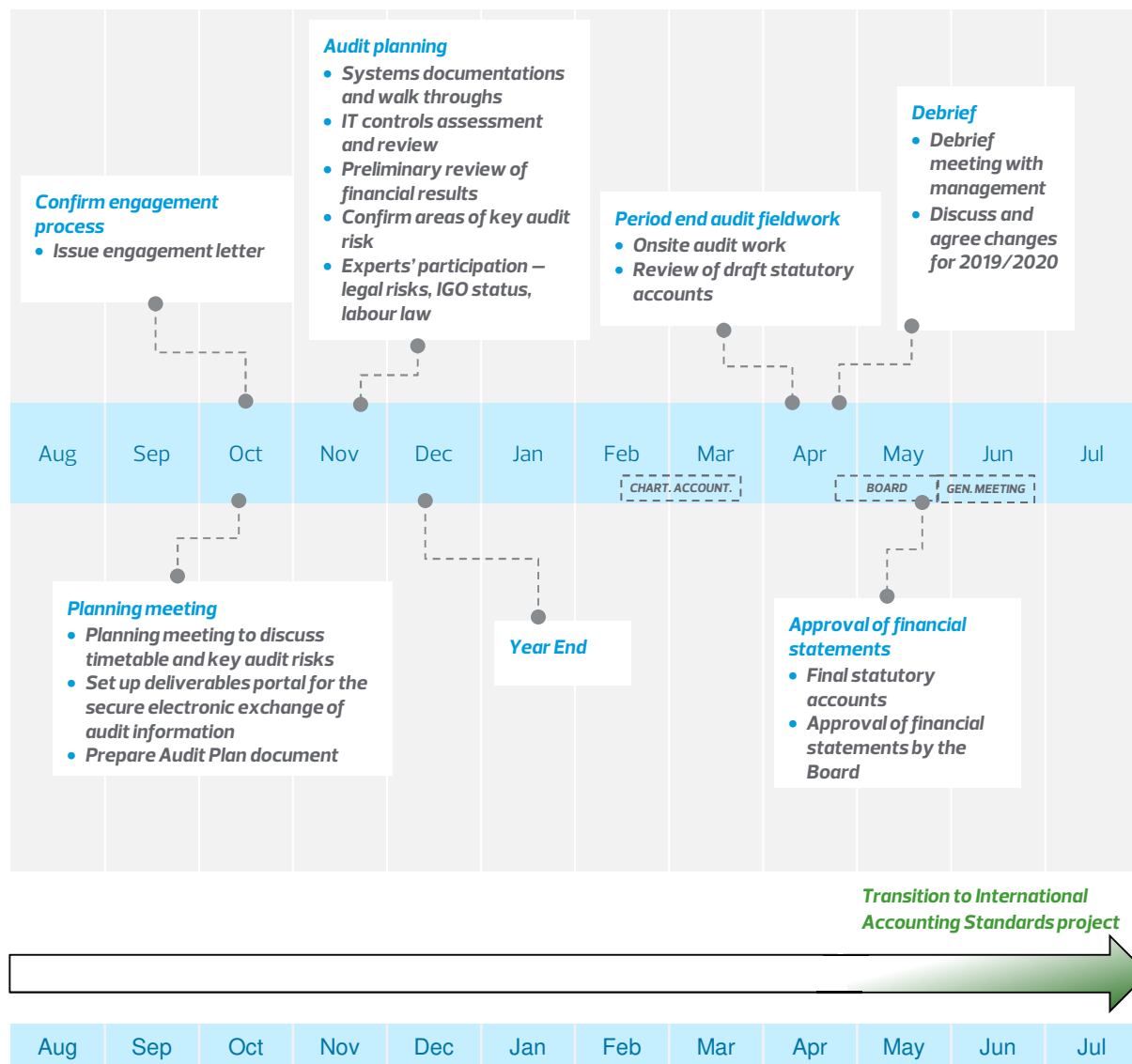
High level of diligence  
Average level of diligence  
Minimal level of diligence  
No early diligence required



# Audit timetable

Continuous communication is essential and we encourage a year round relationship with our clients. The diagram below integrates the key elements of our annual audit process. Whilst specific dates will be agreed with you before commencement of our work, this timeline gives an indication of how we may work together based on our initial discussions. We would always want to work flexibly with you to meet your needs.

## Once the engagement is running



## 1<sup>st</sup> year specific timetable:

Considering that the statutory auditors shall be appointed during the December General Meeting, the timetable for the first year audit shall be different. The steps named "Confirm engagement process", "Planning meeting" and "Audit planning" hereabove shall all take place during January 2019.

## Continuous communication



Regular contact to discuss your business and provide practical ideas



Constructive feedback on your accounting policies and your business plans



Full annual debrief after the audit process is concluded



Invitations to events hosted by RSM and the opportunity to network with our clients



Constant regulatory watch



Ideas and insights from our sector experts

# Audit technology

RSM uses a number of computerised service delivery tools to support the audit process. They will enable us to provide a faster, more efficient and secure service to IALA.

1

## Bespoke audit software

Edossier is RSM's bespoke application for managing all aspects of the audit process.

The program can be accessed by all members of the team remotely, enabling the manager and partner to review issues as they arise ensuring these are dealt with in a timely manner.



2

## Deliverables portal

We are able to deploy a secure data repository that is tailored to your needs. It ensures data files are posted to a central location, with restricted access by your team, your outsourced service providers and the RSM team, to ensure a smooth joined up approach.



3

## Specific approaches

### Digital approach

- Book entry Compliance
- Consistency of accounting
- Testing of computer controls
- Queries and recalculations

### Risk of fraud approach

- Statistical analysis of your data
- Review of the segregation of duties
- Evaluation of the traceability of operations
- Intrusion Tests

### IT general controls

- Accreditation Review
- Interface Analysis
- Backup review



# Quality assurance and independence

RSM is recognised for the highest standards of professional conduct. We safeguard this reputation through continuous training, stringent internal quality assurance controls, and external monitoring by our regulators.



## A completely independent auditor

RSM takes IALA's expectations very seriously regarding the quality of an independent audit that scrupulously complies with the general rules applicable to statutory auditors.



## A quality system studied for your satisfaction

- Our firm's quality management system is monitored by our international network, member of the Forum of firms.
- Tested annually, it has an ambition that goes beyond compliance with regulatory requirements and standards. It includes your satisfaction and the optimization of the efficiency of our engagement.
- RSM is certified by American PCAOB.
- ATH, the technical association of which RSM Paris is a member, is certified ISO 9001:2008.



## Ethical requirements

- RSM has an ethics manual which provides guidance to staff.
- Staff are also briefed on ethical requirements through introductory and regular update training.



## Training and internal licencing

- RSM policy is that only suitably trained staff can be involved in an audit engagement.
- Training is given through annual training programmes covering audit, accounting, ethical and legislative matters.
- Staff are only permitted to take part in specialist audits if they have attended specialist training in addition to the core training provided.



## Monitoring

- There is an annual quality control review programme reviewing audit teams ensuring full compliance with the firm's policies and procedures and the International Standards on Auditing (UK and Ireland). This is achieved by a series of office reviews performed by independent partners and directors.
- The firm's technical training programme also includes feedback to the whole firm of matters arising from the national quality control programme.



## The RSM team

We have selected a team based on their experience of running non-profit sector audits, with a particular focus on your specific needs.

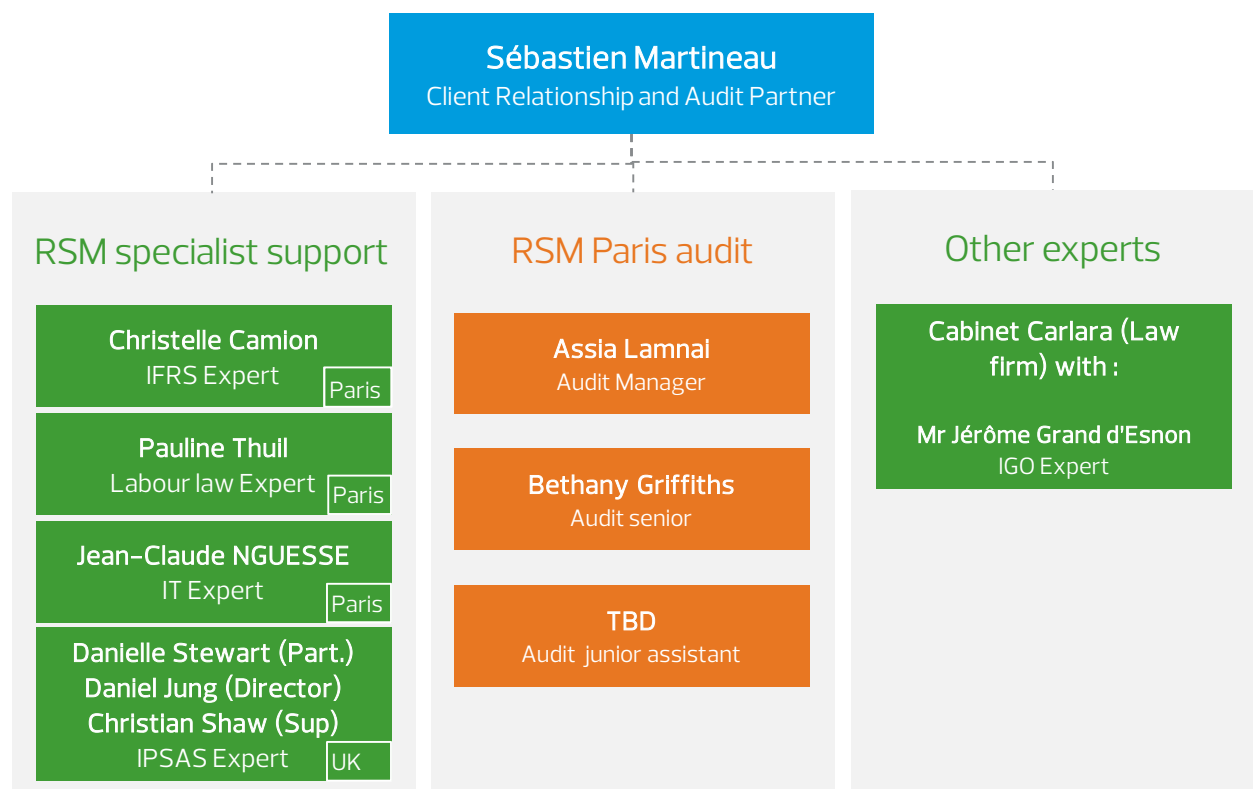
The team will be led by [Sébastien Martineau](#), a partner in our Paris office with over 20 years' experience working with PIE and non-profit organisations. Sébastien will be responsible for leading the global external audit relationship and will oversee the planning, execution and review stages of the audit, liaising with senior finance and operational staff. He will bring in appropriate specialists as part of the audit work and will take ultimate responsibility for any matters of judgement arising during the audit.

Sébastien will be supported by [Assia Lamnai](#), who will be responsible for the planning and control of the audit and for managing our audit team. She will be day-to-day manager on your account, ensuring all work is fully scoped and delivered in line with the agreed timetable.

[Christelle Camion](#) will provide you with her expertise for the migration to IFRS and has extensive experience/practice working with these standards. [Danielle Stewart](#), and its team, who is based in London, will support the team in an advisory capacity to address any complex accounting and financing reporting matters that might arise from the IPSAS transition.

[Jérôme Grand d'Esnon](#), du cabinet Carlara, will be our external expert for all legal and technical issues related to IGO status, he will help you to make a successful IALA transition to this status.

The RSM team will liaise regularly with your staff throughout the year, keeping them up to date with any changes in regulations and other developments, drawing on their experience of the non-profit sector, labour law, IT.....





**Sébastien Martineau**  
Audit Partner  
Non-profit sector Referent

Sébastien is one of the audit partners of RSM Paris. He has been with RSM since 1997.

He focuses on working with international organizations and is one of the RSM Paris partner specialists of the non profit sector, banking activities (Public Interest Entity – PIE – sector) and retail industry.

He gained a large experience serving non profit associations and accompanying groups in their IFRS transition.

In addition, Sébastien MARTINEAU is in charge of the training department of RSM Paris.

Experience : Statutory auditor of french associations, legal and group auditor in worldwide groups, coordination of audits in worldwide groups (audit instruction process), IFRS gaap and financial information (audit / assistance for a french group and for IFRS transition), internal control assessment, consolidated financial statements



**Assia Lamnai**  
Audit Manager  
Non-profit sector Referent

Assia has worked for RSM for 14 years now, and is part of the audit department of RSM Paris. She previously worked for Deloitte and Mazars.

Assia has developed strong skills and experience working for intermediate-sized companies, SME's, and for non-profit sector entities (International Fund for Animal Welfare, Versailles Center for Baroque Music, AFG Autisme...), as well as with larger international groups.

With a good mastery of consolidation and International Accounting Standards, she pilots the statutory audit engagement, and insures technical and methodological support throughout, for general and financial management during various projects and complex operations.

Assia is also a referent for audit missions with the European Commission.

She takes place or has taken place actively in several work groups within the Audit department : Quality, Methodology, and performance management.



**Bethany Griffiths**  
Audit Senior

Bethany joined RSM in Paris 3 years ago, after completing a Masters in accounting, audit and management in Toulouse.

Born in England, she is fluent in English, French and can also speak some Spanish.

At RSM, she works with different sized companies, including a wide range of sectors, and in particular works with several non-profit sector entities. Her work includes dealing with International Accounting Standards as well as French standards.

She works in close relation with Assia and Sébastien on one hand, and with the rest of the audit team on the other hand, to facilitate communication between all levels of the audit team.

She is very available to meet the needs of the different contacts within the companies we audit, to make the audit process easier and smoother for everyone.



**Christelle Camion**  
International Accounting Standards Expert

Christelle Camion joined RSM as Director of the accounting department with an expertise in IFRS (International Financial Reporting Standards) and consolidation issues. She started her career in 1999 with Ernst & Young as auditor of quoted groups and member of the technical accounting department. After 8 years she developed a ten-year-operational experience at SNCF, French transport and railway company, assisting the head of consolidation department and leading the department for accounting projects and standards. She particularly likes dealing with financial reporting, consolidation and tax issues.



**Pauline TUIL**  
Labour law expert

After 5 years in a law office and 3 years in a private company, Pauline joined RSM in September 2014 to develop the labor department. She get experience in Labour Law advice (Work contracts draft in French and in English, Daily advices on labor law issues, Termination of work contracts : dismissals, mutual termination, compromise settlement agreement, International Mobility, Staff representative bodies management) and in

- Due diligence, Compliance audit, Company agreements, trainingship.



**Jean-Claude N'GUESSAN**  
IT expert

Jean-Claude has worked at RSM since 2012. He is a manager in our IT team, and is accustomed to working with different departments within RSM to meet the clients' goals. His adaptation capacity helps towards the success of each of the cross-team engagements he is part of.

His specific competences include :

- Review of general IT controls
- Post-migration project reviews
- Information system mapping review
- IT audits for various management processes



**Jérôme Grand d'Esnon (Carlara)**  
IGO Legal Expert

Jérôme has spent most of his career practicing public law in the public sector.

He has been successively, Parliamentary assistant at the French Parliament, Director for Legal Affairs of the City of Paris, Counsellor at the French Presidency, Director for Legal Affairs of the French ministry of Economy and Finance, and this background made him a keen expert of the French central and local administration.

As the Director at the ministry of Finance, he led the important reform of the French Public Procurement Code between 2004 and 2006 and took part to the elaboration of the French legislation on PPP's.

Renowned specialist in the field of public investment, from 2003 to 2014, he was head of delegation for France at the UNCITRAL where he provided a revised model law for public procurement.

He is also expert to the World Bank.

From 2003 to 2008, he was the French representative at the IMO (International Maritime Organisation for IOPC issues (International Oil Pollution Compensation Funds)

In 2009 and 2010, he accompanied a project of creation of a European economic interest group for French and Italian administrations.

During two years in 2016, he has counselled the Tunisian government in the creation of a task force for PPP's.

He is Professor at the "Institut Supérieur d'Administration du Royaume marocain" (Kingdom of Morocco) and teaches procurement law at Paris I PanthéonSorbonne University.

Member of the Paris Bar since 2008, he started as a partner at Landwell law firm.

In 2010, he joined the law firm Carbonnier, Lamaze, Rasle & Associés where he is in charge of the public law department



**Danielle Stewart (RSM UK partner)**  
IPSAS Expert

Danielle has a wealth of experience in financial reporting for all types of entities, and sits on the Board responsible for developing UK GAAP accounting standards. She has extensive knowledge of IFRS and the FReM, which is IFRS as applied to public sector organisations in the UK, and is very similar to IPSAS. She also has a good understanding of the IPSASs themselves, and excellent links to the IPSASB and its secretariat, through a long standing professional association with the chairman of its Advisory Board. Danielle's team is composed of :

Manager – Daniel Jung

Daniel used to work with RSM's internal audit team, where he undertook reviews of finance departments for a number of public sector bodies, all reporting under the UK's Financial Reporting Manual (FReM), the IFRS based UK Government accounting standard which applies the IPSASs in the UK.

Supervisor – Christian Shaw

Christian has been with RSM for over 5 years, working both audit and accounts preparation roles. During this time he has been involved with audits for a number of Schools, and the preparation of financial statements for public sector organisations. He has also worked with many of our IFRS clients to a high level of excellence.

## Fees

We operate a transparent pricing policy where the fees we agree are the fees you pay. We consider carefully the amount of time required to enable us to deliver a high-quality service, so you can be confident that you are receiving the right advice and that your statutory responsibilities have been met, while still ensuring value for money.

### Statutory audit of financial statements in French Gaap

A reasonable statutory audit budget, which amounts to 124 man-hours, that is to say 16.000 €.

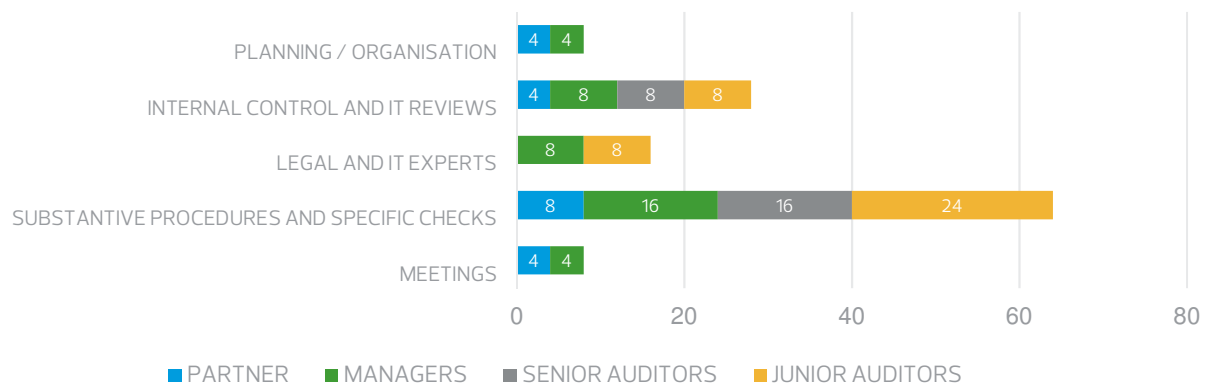
Our time estimate takes into account all assignments of the statutory auditor (financial statements in French gaaps). This estimate reflects our willingness to establish a trusting, sustainable, qualitative and transparent relationship.

Aware of your expectations and of the stakes at hand, we have built a reasoned proposal, built upon :

- The knowledge of your environment and your activities
- An experienced team
- A tailored audit approach

In addition, we commit to :

- ✓ Availability, reactivity, and durability of the skills we offer
- ✓ Fluid and transparent communications with your teams.



### Non Audit Service – transition to IGO status

As a first step, we offer you to work on demand on the basis of the following hourly rates: 400 € HT.

When we have more visibility on your needs and expectations, we can offer you fixed price missions.

### Non Audit Service – transition to International Gaaps

For the transition year (2019), we propose a budget depending on whether or not an accountant is available to prepare financial statements in accordance with international accounting standards:

- 6,900 € excluding VAT if the financial statements are prepared and documented by a chartered accountant
- 9.200 € HT, if they are not.

In current operation (from 2020), our budget will be reduced to €4,000 excluding VAT.



## Summary of the global fees

Our budget estimate integrates your stakes and our determination to allow for a true involvement of the partner, of our experts, and of the manager, in accordance with our target to bring added value throughout the entire engagement.

In a nutshell, we propose the following fees for the 2018, 2019 and 2020 financial years

Global fees (€) - 2018 to 2020		2018	2019	2020
<b>Statutory audit</b>	<b>French Gaap</b>	16 000	16 000	16 000
	<b>IGO / Risks approach</b>		Public and business law : 400€/hour*	
	<i>Experts of Carlara International</i>			
	<b>International Gaaps (IFRS / IPSAS)</b>			
<b>Non audit services</b>	<b>Transition</b> : Expert RSM UK (IPSAS) or expert RSM France (C. Camion)			
	<i>Hypothesis 1 : International Gaaps prepared by a chartered accountant</i>		6 900	
	<i>Hypothesis 2 : International Gaaps not prepared by a chartered accountant</i>		9 200	
	<b>Run</b> : <i>Statutory audit team</i>			4 000

\*As a first step, we offer you to work on demand on the basis of this hourly rates. When we have more visibility on your needs, we can offer you fixed price missions.





**Sébastien Martineau**

Partner

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