



HEMFA Financial Services |

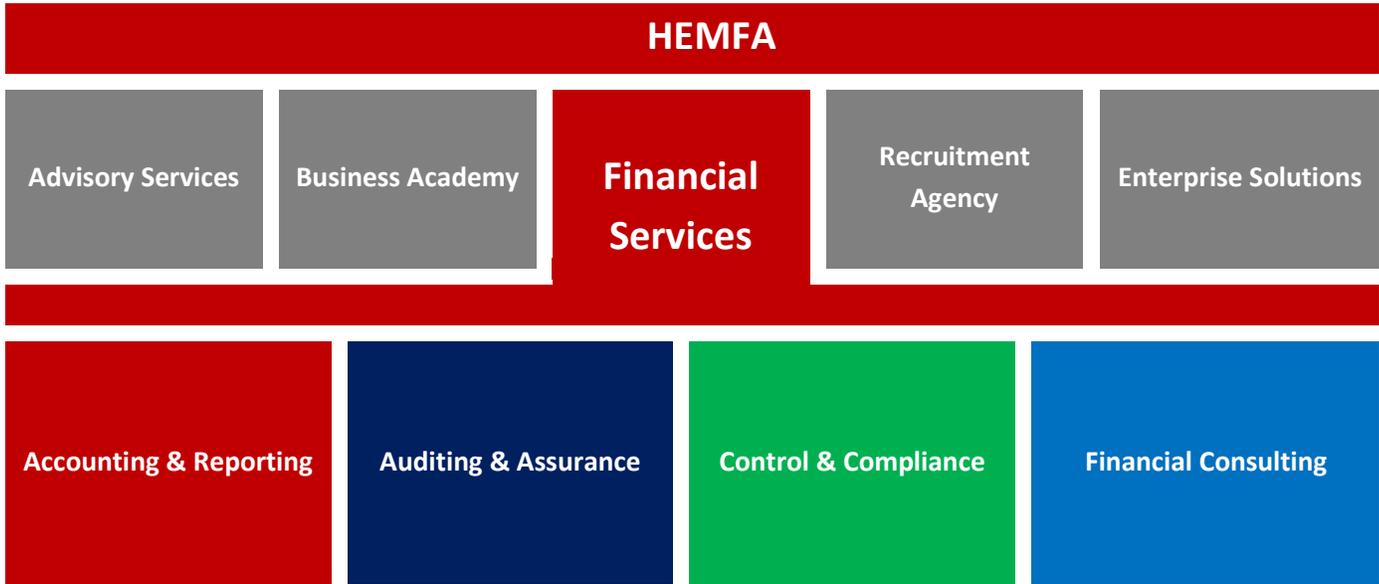
Service Book

Financial Services – Business Line

The financial services business line provides a wide range of accounting, financial reporting, auditing & assurance, control & compliance and other financial consulting services.

- **The Accounting & Reporting function** has a dedicated team providing accounting and financial reporting services and support to our clients on a wide range of transactions and events and effective management of the financial reporting processes.
- **The Audit & Assurance function** has a dedicated team of professionals who have deep industry experience to help clients to navigate change, boost investor confidence, and strengthen the value of their businesses. The A&A team serve the public interest by delivering high-quality, analytics-driven audits with independence, integrity, objectivity and professional skepticism.
- **The Control & Compliance function** has a dedicated team providing best practices financial accounting programs, internal control standards and supporting monitoring programs. The C&C team assists clients in implementing sustainable, systematic and integrated solutions for financial reporting and compliance.
- **The Financial Consulting function** has a diverse network of consultants who can build client-centric, data-driven, and innovative solutions for our clients and capitalize on opportunities that will help grow, improve and protect organisations.

HEMFA Business Line Structure



Portfolio

Accounting & Reporting
Preparation of annual financial statements
Bookkeeping Services

Accounts Payable (AP) Services

Accounts Receivable (AR) Services

Payroll Accounting Services

Accounting Services for Foreign Companies/Entities

HEMFA Finance Transformation

Auditing & Assurance

Financial Statement Audit

Special Purpose Audit Engagements

ERP System Audit

SOX Compliance Audit

IFRS Compliance Audit / Conversion to IFRS

Tax Audit Support

Internal Audit Outsourcing

Control & Compliance

Internal Control & Compliance Assessment (ICCA)

Balance Sheet Quarterly Review (BS-QR)

Financial Consulting

Corporate Finance Consulting

Capital Allocation Services

Portfolio Analysis

Forecasting and Scenario Planning

Infrastructure Advisory Services

M&A Advisory Services

Valuation and Modeling

Regulatory Compliance Reviews

Tax Services

Tax Accounting / Tax Processing Services

Tax reporting & Compliance

Tax Risk Assessment

Financial Accounting for Income Taxes

Forensic Advisory Services

Analyze allegations of corporate fraud/mismanagement;

Addressing whistleblower allegations;

Litigation & Dispute Consulting

Corporate Fraud and Forensic Investigations Services

Digital (Computer) Forensics & Investigations

HEMFA Financial Crime Mitigation Solution

Dispute analysis & investigations

Other Consulting Services

Risk assessment, monitoring and management

Credit risk measurement and management

Operational risk measurement and management

Feasibility Studies & Asset management advisory

Accounting & Reporting

Accounting & Reporting Services

Preparation of annual financial statements

Bookkeeping Services

Accounts Payable (AP) Services

Accounts Receivable (AR) Services

Payroll Accounting Services

Accounting Services for Foreign Companies/Entities

HEMFA Finance Transformation

Preparation of Annual Financial Statements

We help our clients communicate their business story by preparing their financial statements to present the client's profitability and financial strength.

**Present Business
Profitability**

Financial Strength

Make Informed Decisions

**Highlight Areas of Best
ROI**

Who We Serve

HEMFA treats financial reports as dashboards that are constantly giving pointers about client's current financial position. Our trained accountants support in reducing the work load of the client's finance team and let them focus on more pressing matters. If our client has no ERP system, HEMFA will support in investing in an accounting software and train client personnel on how to prepare financial statements.

With over 10 years of experience in offering finance and accounting services, we have the capability to cater to the varied financial statement preparation requirements of:

Partnerships	Government departments
SMEs	Listed companies
Sole traders	Public Entities
Private companies	Municipalities

Statements

Income Statement

Widely considered as the most important financial statement. Presents the revenues, expenses, losses/profits generated during the reporting period. This highlights the operating results of the business.

Balance Sheet

We support to note down the client's assets, liabilities and business equity as of the reporting date. Present information as of a specific point in time. We support to structure the format so total assets equals the total of all liabilities and equity.

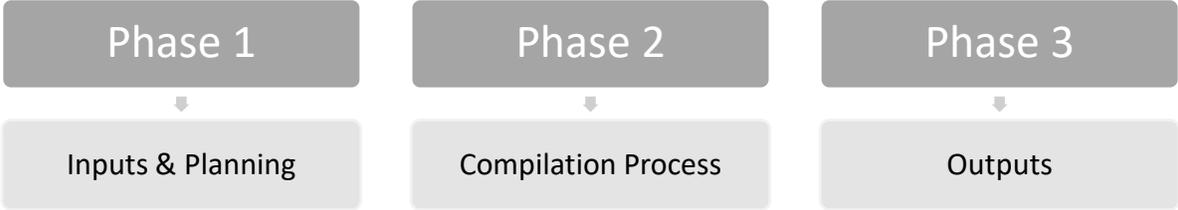
Equity

We help to present changes in equity within the reporting period. HEMFA's report format varies but it typically includes dividend payments, sales or repurchases of stock and changes caused by reported losses or profits.

Cash Flow Statement

Reflects the cash movements that occurred within the reporting period. The clients can use this as a useful comparison to the income statement, especially when the amount of loss/profit does not reflect the cash flows the client experience.

HEFMA's Approach



Phase 1

1. Obtain understanding of current financial statement preparation process, inputs, challenges and requirements.
2. Issue requirements listing to outline information required from the client.

Phase 2

1. Update financial statement templates for new accounting standards, presentation and disclosure.
2. Audit and tax adjustment support.
3. Compilation of financial statements.
4. Specialised accounting assistance, where required (for example, new accounting standards, accounting policy development, first time consolidation support).

Phase 3

1. Deliver final draft financial statements and supporting workbooks (where relevant).
2. Tailored debrief and insights session.

The HEMFA Difference

Highly trained and experienced resources to assist with complex accounting and disclosures.	Streamlined methodology and technology resources to prepare financial statements.
Codified and scalable approach to support improvement of your financial statement preparation process tailored to your needs.	Strategic goal alignment and cost-reduction.
Assistance with achieving regulatory compliance in making required financial statement disclosures, including consideration of new accounting standards.	Improved control in financial statements preparation with a comprehensive audit trail to assist you and your auditors.
Smooth reporting processes across the business each year end.	Tailored debrief and process improvement observations and insights.

Bookkeeping Services

HEMFA is a leading provider of top-quality outsourced bookkeeping services to clients around Libya. With our bookkeeping services we take care of all the accounting and tax preparation processes and provide this service at reasonable rates.

Control Over Critical Finance Processes

Track of Total Earnings & Expenses

Clear Picture to Make Important Business Decisions

Being in the financial industry for over 10 years, we have a team of financial experts who understand the exact needs of our clients. We help businesses keep a track of their income and expenditures at a fraction of the price they would find elsewhere.

Our Offers

Some of the key bookkeeping services HEMFA offers include:

Bank and Credit Card Reconciliation Services

We provide expert bank and credit card reconciliation services. We help with partial reconciliation, full reconciliation, reconciling your internal financial records with your bank statements, and reconciling your vendor invoices with your general buyer ledger.

Virtual Bookkeeping Services

We provide expert online bookkeeping services to businesses, non-profit organizations, entrepreneurs, and self-employed individuals. Our virtual bookkeeping services are cost-effective means of removing day-to-day challenges involved in completing and managing the accounting tasks so that our clients can shift their focus back to running their businesses.

Financial Reporting Services

We provide efficient and reliable financial reporting services to clients across the country. Our services include trial balance preparation, financial statements preparation, inventory recording analysis, fixed asset, and depreciation calculation, accounts payable report creation, and accounts receivable report creation.

Manual Journal Entry Services

We provide expert manual journal entry services to clients across the country. Our services include validating every entry made in the journals with adequate explanations and detailed descriptions and reasons for the transactions and tallying the debit and credit totals in the balance sheet.

HEFMA's Approach

We are known for our quick and efficient services; we always ensure that our client's schedule is not affected in any way. To achieve this, we follow a streamlined and systematic process, which can be carried out in three different ways, listed below:



Application Service Provider

1. **Sourcing the Documents:** The client scans the documents and upload to the server or e-mail them to our mailbox.
2. **Accessing The Accounting Software:** Our accountant logs in to the Online Accounting Software and update the books.
3. **Logging Out After Updating the Books:** The client logs in to the online accounting software using Internet anytime and see the updated books.

Server-Based

1. **Sourcing the Documents:** The clients scans the documents and upload it to a secure FTP server or email the files to our inbox.
2. **Updating the Books** - Once we receive the files, we update the books within 24 hours.
3. **Sending the Updated Books** – HEMFA Accountant will e-mail the updated books to the client or upload it to the secure server.

Remote Access

1. **Sourcing the Documents:** The client scans the documents and place it in a specified computer file for our access, e-mail them to our mailbox, or upload to an FTP server.
2. **Connecting to Client Computer:** We will then connect to client computer using Remote Desktop Access such as secure VPN.
3. **Updating the Books and Logging Out:** The client finds the updated books on their computer.

ACCOUNTS PAYABLE (AP) SERVICES

We help our clients to better manage their cash flow and working capital by having an efficient and effective accounts payable (AP) system in place.

**Develop & Maintain
Relationships With
Vendors**

**Determine Potential
Cost-Saving Areas**

**Increase the
Organization's Agility**

**Comply With Regulatory
Policies**

HEMFA is a leading AP services company and we are committed to effectively automate our client's processes in relation to document management, transaction management, exception resolution, elimination of duplication, and disbursement-related services, to revolutionize payment activities.

Our Offers

We provide a complete range of AP services, including:

Matching Invoices with Purchase Orders

We help with comparing and linking a supplier invoice to the underlying data on which the total cost is based, i.e., a goods delivery receipt (GR) and purchase order or contract. This is usually complex and time-consuming, but our professionals can get this job done at high-quality.

Processing Purchase Orders

We process purchase orders, right from creation through to order approval, dispatch, invoicing, delivery, and closure. We include quality checks, budget checks and contract management.

Processing Debit Memos

We help with processing debit memos when, for example, a client has been undercharged due to a sales tax or pricing error. We create debit memo requests, remove billing blocks, execute billing, and perform system integration of debit memo processing.

Preparation and Processing of AR Aging Reports

We create custom and comprehensive accounts receivable (AR) aging reports that accurately list out all unpaid customer invoices as well as unused credit memos by date ranges. With HEMFA's aging report, our clients can efficiently determine which customers have not yet paid and taken appropriate action.

Processing of Monthly AP Ledgers

We provide expert and reliable processing of monthly AP ledgers.

Processing of Monthly Sales Tax

We can help to determine the monthly sales tax amount after considering various factors such as total revenue and total costs. Our team of finance experts has experience and expertise in dealing with complex sales tax issues.

HEFMA's Approach

We have a clear AP processing system that follows a well-defined and systematic process to deliver our AP services, key steps of which are:

1. Invoice Receipt
At the first stage of Invoice Receipt, we will receive the hard copy and electronic invoices.
2. Image and Data Capture
All documents will be stored as images and all the invoice images will be viewable.
3. Process and Route
In the Process and Route stage, the invoice documents are processed and are routed to the relevant client executives for approval and a final resolution.
4. Disburse and Archive
The approved invoices will be uploaded to the client's A/P system for payment through standard interfaces, on all accounting platforms. The invoices will be filed as "normal" in General Ledger. The hard copies will be stored at HEMFA facility and the electronic images will be available online.

The HEMFA Difference

Cost-effective Pricing	High Quality
Data Security	Save on Effort and Time
Quick Turnaround	Compliance
24/7 Secure Web Access	Dedicated Project Manager

ACCOUNTS RECEIVABLE (AR) SERVICES

We help our clients to run efficiently and more profitably by offering an innovative approach to businesses increase their AR function. We help our clients enhance their cash flow and maximize their return on investment with our AR aging report creation services. With our services, our client can run their business smoothly and efficiently. We also help to reduce the outstanding dues and boost the working capital.

Reducing Days Sales Outstanding (DSO)

Increasing Overall Working Capital

Measurable Results

Aligning Technology Solutions with Human Capital Resources

HEMFA offers the AR services at highly cost-effective rates. Our A/R solutions, including AR services for SMEs, are comprehensive and flexible. Our cloud-based technology helps create a centralized archive of all related AR information.

Our Offers

Entering receivable transactions into the accounting system.	Preparing AR reports and delivering periodic statements.
Issuing of credit memos and refund checks approved by the client.	Applying cash received to customer accounts and resolving short pays.
Carrying out process adjustments approved by the client.	Record and account for revenue.
AR deductions management services.	Billing preparation.

HEFMA's Approach

We have an exceptional process flow in services to make sure that we provide error-free AR aging report creation services. Here's the precise synopsis of how the HEMFA's AR aging report creation services process flows:

1. Collecting Access and Analyzing Receivable Data

Our expert team receives accounts receivable data through a secured FTP channel or gets access to the clients billing or EMR systems. Then our AR team accesses the data, reviews and analyses it.

2. Aging Report Creation

The analyzed data of accounts receivables are segregated or listed as age-wise buckets, such as present, 30, 60, and 90 days. The 'present' receivables include which are due in the period of next 30 days.

3. AR Follow-ups

A dedicated AR team is assigned to follow-up process. We engage in proactive follow-up calls which result in successful resolutions. We keep our clients informed about the status and ask for further details and documents if required in case of rejections or denials.

4. Analyzing and Reporting

Our AR team produces the following reports: 1- Collections received and applied, 2- Collection rate, 3- AR aging report, 4- Outstanding and trend analysis, 5- Write-offs or adjustments in pay.

Payroll Accounting Services

HEMFA is a leading financial outsourcing services provider, we can handle all the complicated details of payroll management such as compliance with the Libyan Labour Law and other regulations, monthly/ bi-monthly/ weekly check payments, filing taxes and social security, preparing checks, and bank deposits.

Save Time & Resources

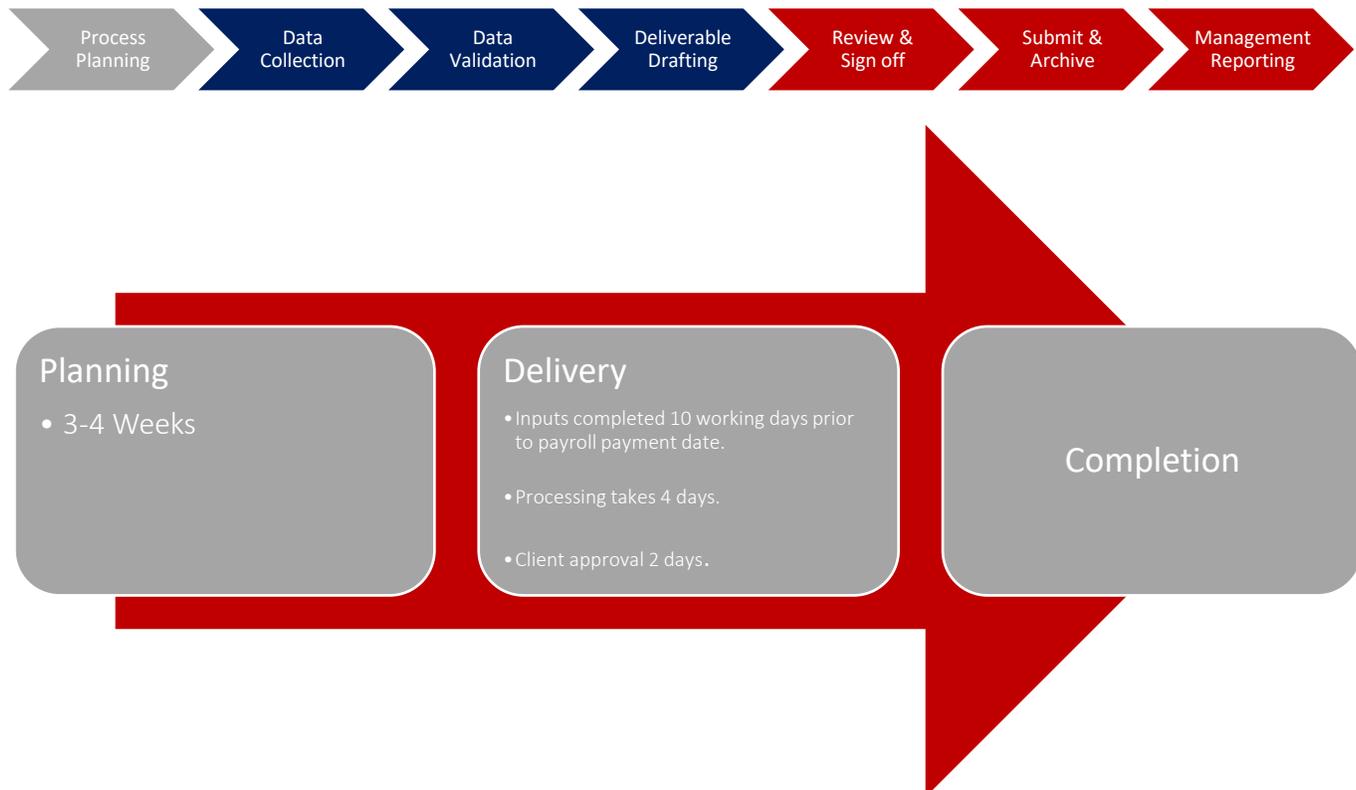
Efficient Payroll Management

Real-time, Online 24/7 Processing

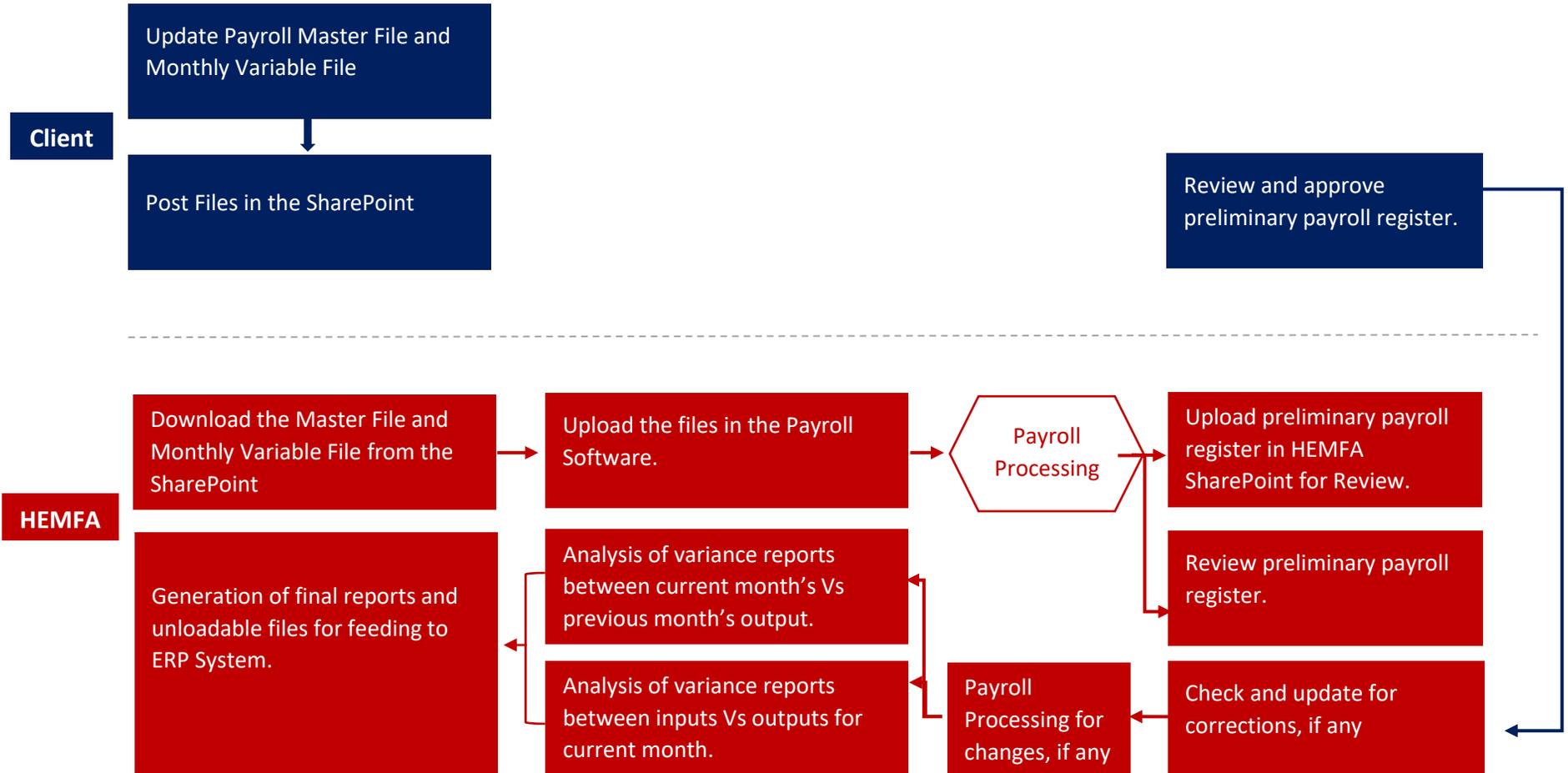
Our Offers

Analytics	Service Workers Compensation
Business Intelligence	Year-end Processes
Payroll Processing and Reporting	Providing Management Reports
Job Costing	Payroll Tax Reporting
Time Off Tracking	Tax Liability
Check stuffing/signing, printing & delivering checks	Tax filing
Payroll Compliance Services	Payroll Adjustments
Payroll Tax Administration	Off-Cycle Payment Services

Implementation Plan



HEMFA's Payroll Process (Flowchart)



Accounting Services for Foreign Companies/Entities

HEMFA provides professional accounting and reporting services for legal entities, representative offices and branches of foreign companies of any field of activity in Libya.

Higher Level of Reliability

Reduce Company's Expenses

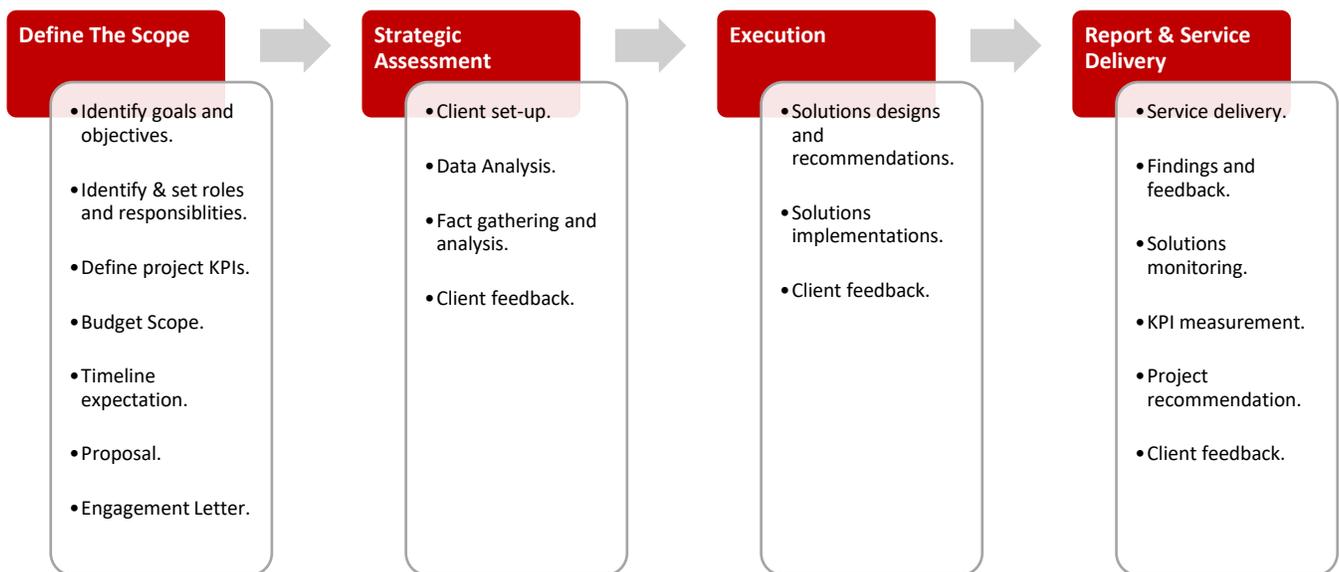
Clear Picture to Make Important Decisions

Entities with foreign investments, foreign representative offices and branches operating in Libya, generally, have high quality standards of accounting and tax record-keeping. We offer English-speaking accountants who can clarify any calculations, situations, details in statements. When required, we prepare our reports in accordance with IFRS.

Our Offers

- Preparing of supporting documentation (bank statements, bank advices, expenses invoices, etc);
- Bookkeeping (maintaining books and records in accordance with Libya Law);
- Maintaining general ledger;
- Preparation of financial statements in conformity with IFRS & Libyan Law.
- Preparing of monthly report on the calculation of tax payable in the current tax period in English;
- Preparing and filing tax reports to Libya tax authorities (Income tax, personal income tax, etc);
- Consultations regarding taxes and accounting of foreign companies' representative offices in Libya.

Our Service Model:



The HEMFA Difference

Excellent accounting skills & knowledge with low expenses.	Free consultations for our clients concerning accounting reports.
Monthly analytical reports for management.	Savings on the salary of permanent accountants.
Commercial confidentiality.	English-speaking accountants.



Key Accounting Services Offered by HEMFA

- Collecting and processing of source documents confirming the facts of economic activity, as well as monitoring the correctness of their issuance;
- Preparation of internal accounting documents;
- Preparation of the necessary registers of accounting and tax accounting, processing facts of economic activity within them;
- Payroll processing;
- Calculation of tax base, taxes and advance payments;
- Consulting on source documents issuance.

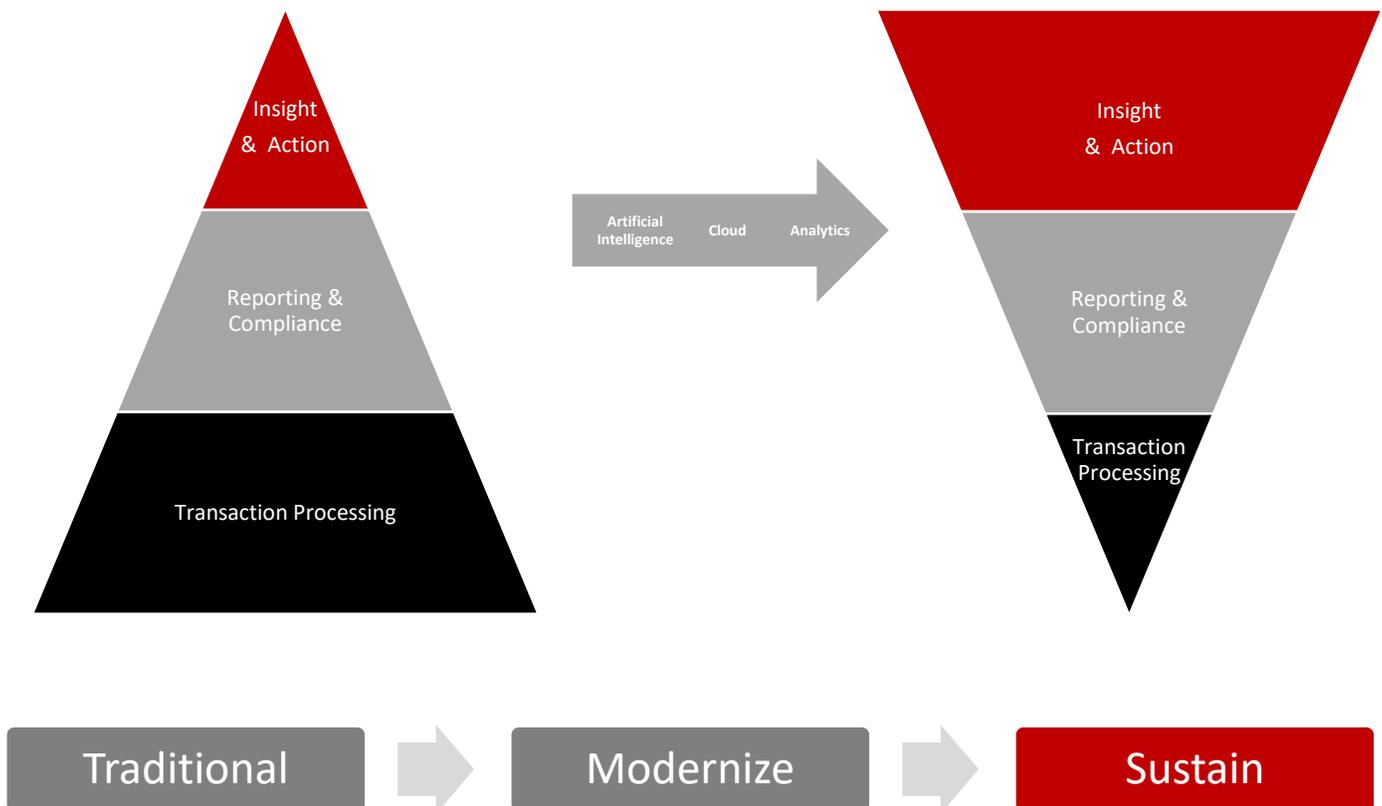
HEMFA Finance Transformation

We engage in finance transformation programs to drive strategic value through technology, digital innovation, upskilling, and new ways of working. We do this by helping our clients transform finance functions to be a strategic business partner for the business via value creation and controllership activities. We help clients through their end-to-end finance transformation journey, from strategy to implementation.



Modern Finance Operating Model

We use digital innovation to automate transactional processing and enable strategic, actionable insights. We do that by combining modern and traditional controls to help accelerate growth, improve cost structure, and strengthen the workforce.



Solutions to Modernize a Finance Function

Finance Strategy

Establish a modern finance vision and strategy that will transform people, processes and technology aimed at helping to reduce costs, and improve operational effectiveness and capabilities.

- Run interactive and practical workshops designed to help the finance team rapidly innovate and transform.
- Benchmark against peers on effectiveness, maturity and costs of the finance function.
- Develop the optimal target operating model to support the strategic objectives.

Finance Operations

Implement strategies to reduce operational complexity, streamline processes, and optimize the use of technology for the core finance processes. This leads to improved efficiency, control and quality, lower cost, and increased capacity for business partnering and collaboration.

- Optimize and redesign the core finance processes and policies.
- Assess and implement leading technologies to automate and transform the core finance processes.
- Improve the working capital and liquidity by enhancing transactional efficiencies.
- Develop and implement strategies to minimize the financial risk.

Finance Service Delivery & Organizational Design

Implement the optimal service delivery model and organizational design to support the strategic objectives of the business, while driving sustainable cost savings, standardization, quality, enhanced skills and capabilities, and agility.

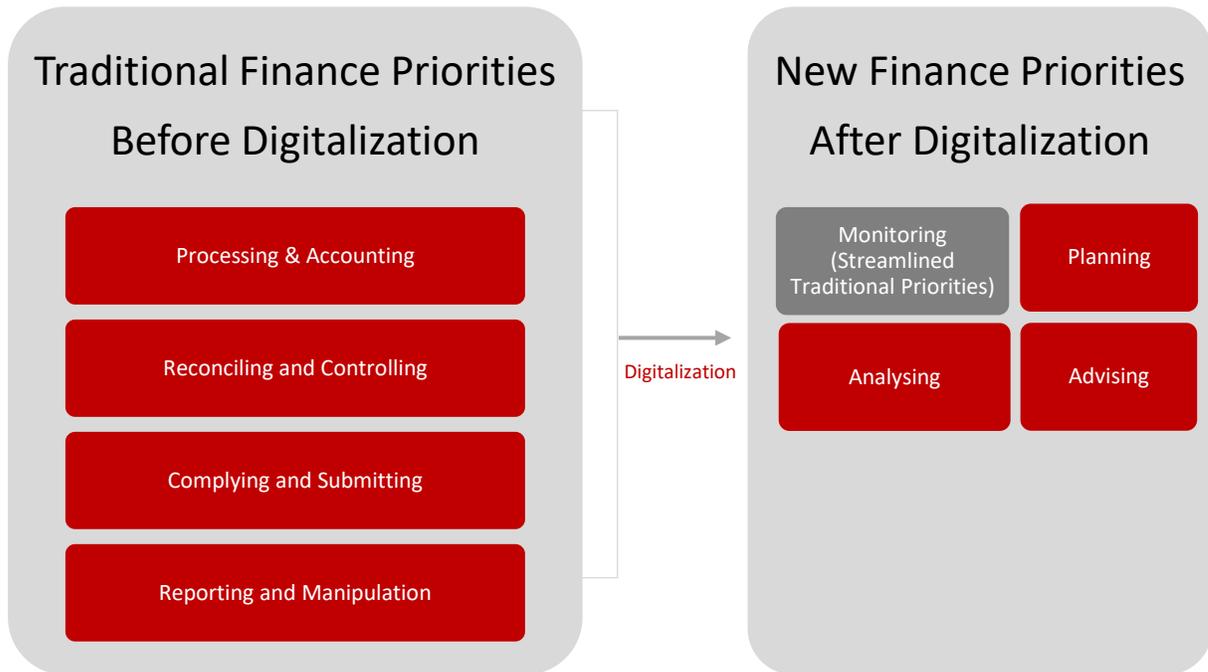
- Develop and implement a future service delivery model, including shared service centers, outsourcing, centers of excellence, and agile finance teams.
- Establish the optimal organizational design to support the needs of the business, including role identification and responsibilities, spans and layers, and interaction models to support the needs of the business.
- Improve functional and digital expertise and build a culture of innovation and advancement through tailored learning and development programs.
- Attract and retain the next generation of employees and leverage the economy.

Analytics & Business Partnering

Evolve the analytics capabilities from descriptive to predictive insights by aligning objectives with enterprise strategy, enabling a data-driven culture, and implementing the right technology and enabling infrastructure.

- Improve the effectiveness of planning, budgeting, consolidation, and management and statutory reporting processes to enable better analytics, insights, and controls.
- Implement strategy linked planning process by integrating the strategic plan with the business and capital plan to improve the performance of the enterprise.
- Accurately determine the product cost of a unit of production or service to drive objective, data-driven discussions of business performance.
- Enhance utilization of data and embed analytics and AI models into operations to deliver greater value to business partners.

Traditional vs New Finance Priorities



Auditing & Assurance

Auditing & Assurance Services

Financial Statement Audit

Special Purpose Audit Engagements

ERP System Audit

SOX Compliance Audit

IFRS Compliance Audit / Conversion to IFRS

Tax Audit Support

Internal Audit Outsourcing

Financial Statement Audit

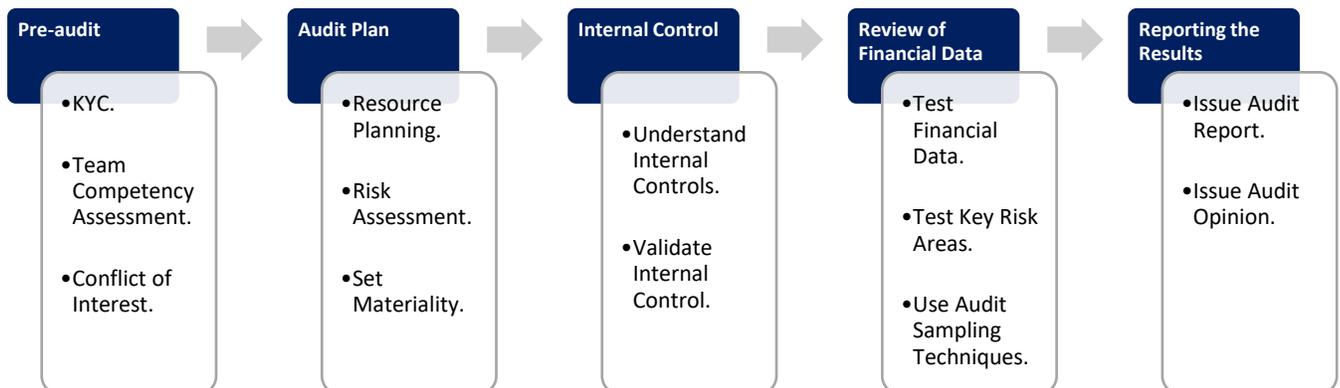
At HEMFA, we are committed to bringing integrity and confidence to the Libyan market. Our role as independent auditors, we enhance confidence in the companies we audit, building trust in the Libyan capital market system.



Audit Procedure



HEMFA’s Process



Levels of Assurance

HEMFA finance experts assist companies in meeting investors’ expectations of reliability, transparency and understanding internal controls by ensuring the completeness and accuracy of the information contained in the financial statements.

We offer four different levels of financial statement assurance:

Audit
Our audit work provides the highest level of financial assurance by performing verification of information and testing of transactions.
Review
Our review work provides limited assurance and includes analytical procedures, inquiries and industry-wide comparisons.
Compilation
Our compilation work includes compiling of financial information into formal financial statements, without verification of or opinions about the resulting document.
Agreed-upon Procedure
Our Agreed-upon Procedure includes looking at targeted piece of a financial statement or control system.

Special Purpose Audit Engagements

We conduct special purpose audit due to different operational reasons in order to satisfy different management goals and needs for various industries. We provide reliable evidence for investors by auditing and giving professional advice.

Promote Best Practices	Ensure Compliance	Identify Inefficiencies	Business Improvements / System Improvements	Credibility	Detect & Prevent Fraud	Better Planning & Budgeting
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Our work involves examining issues determined by the client and directly related to the economic activity of the entity and ensure compliance with certain procedures, acts and rules.

Our Offers

- Tax audit
- Management audit
- Review of financial statements
- Audit of internal control system
- Efficient use of property analysis
- Staff audit
- Audit of business processes
- Other procedures

Specialists

Special purpose audit workgroup varies depending on type of work, and in the case of necessity may include various specialists, such as:

Auditors	Tax experts	Lawyers	Appraisers	IFRS/ foreign GAAP Specialists	Audit and Accounting Methodology Experts
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Output

On client's demand the special purpose audit results may be presented in the form of memorandum or a report with detailed description of examined issues of the company's activity.

Memorandum

Report

Key Engagements Offered by HEMFA

Review Of Financial Statements

Review of financial information may include examination of statements of agreed period or agreed information sector. Agreed period may range from several years to months and quarter.

Audit Of Internal Control System

Internal control system is a combination of methods and procedures aimed at protecting the assets and at prevention of mistakes, providing the accuracy and completeness of accounting records and timeliness of financial reporting. Within the audit of internal control system, we examine:

- Control environment established in a company;
- Process of rating of risks connected with tax and financial statements;
- Information system related to the financial statements preparation;
- Availability of control actions and monitoring control resources.

Management Audit

Management audit is executed to estimate the effectiveness of the current management system in single companies as well as in holding structures. Management audit solves the following tasks:

- Evaluation of strategy and policy of business development;
- Evaluation of the efficiency of current management system;
- Analysis of formation of management system within the corporate structure for synergy effect valuation;
- Evaluation of information flow schemes and level of management system automation.

Efficient Use Of Property Analysis

Efficient use of property analysis is executed to provide a client with complete and objective information about **availability, structure, cost and reliance of property** and about efficiency of calculation schemes. Also we compare pricing procedure used by client with market conditions. Within this analysis our specialists calculate and analyze the economic performance of separate property units and complexes.

HR Audit

HR audit involves analysis of efficiency of HR-management and remuneration. It includes the following stages:

- HR-policy diagnostic
- Evaluation of the efficiency of labor costs.
- Staff audit

ERP System Audit

We conduct special purpose audit due to different operational reasons in order to satisfy different management goals and needs for various industries. We provide reliable evidence for investors by auditing and giving professional advice.

Reliability and Integrity of Information	Controls are In Place	Assets are Safeguarded	Understand Key Risks	Control ERP Issues
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Our work involves supporting our clients to know where their organization is standing in the industry and what improvements are required to enhance the productivity of the business. We measure projects for their effectiveness and ensure the business objectives are met. We help our clients to know what changes can be done to improve the performance.

Key Reviews

We perform an ERP audit from lower to higher levels and help our clients to streamline the business workflow.

Implementation Review	Business Audit	Module Features Mapping	ERP System Security Review
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Implementation Review

High Level and essential practice that validates whether the implementation has been carried out in an optimal manner that supports business needs.

Business Audit

Review of business process configured in the modules to ensure key controls are in place for modules & components in the ERP system.

Module Features Mapping

Review of features configured in the modules and identify the missing features and functions of modules and components.

ERP System Security Review

Ensures the system administrative component is properly configured and the system is secured.

ERP Systems

SAP HANA	Odoo	Microsoft Dynamics	Double Click	Oracle NetSuite / ERP Cloud	Sage (X3 & Cloud)
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Focus Areas

A review of ERP systems includes an analysis from the perspective of delivered functionalities for all the implemented modules. The review identifies the scope for improvements, provide analysis on bridging the gaps, and classify missing features and functions. The audit includes a chart of account structure, segmentation and other areas to assess the suitability.

Ensure key controls are in place for all functional modules.	Segregation of duties design review.
Application security design review.	Change management effectiveness.
Account analysis and subaccount reporting.	Cost and budgetary controls.
Review existing solution for budgetary controls in line with standard functionality of the ERP system.	Review key custom extensions, including reports and comment on technical and functional improvements where required.
Review and comment on solutions, and reports provided for the reconciliation of ledger balances.	Review of module configuration, keeping in mind the accounting and operational requirements.

Our Offers

Check ERP system for security and data breaches. If the data is correct, it will further prevent various upcoming risks and threats.

Recommend prevention measures to cope up with future risks.

Check business processes to ensure compliance with the government policies and industry rules and regulations.

Help to maintain data integrity and perform operations effectively.

Help to discover the root cause of any issues faced by the organization.

Support clients to create a strategy and a plan that can be followed for new procedures and policies.

Support clients to make an action plan to optimize the process of ERP implementation in the organization.

The HEMFA Difference

Domain experience that covers a wide range of industries, including manufacturing, construction, telecom, retail and distribution, banking and financial services, transportation, oil & gas, and several others.

ERP and business consulting experience covering financials, costing, distribution, discrete and process manufacturing, project management, CRM, and HRMS.

Technology experience in various products.

Analysis Areas

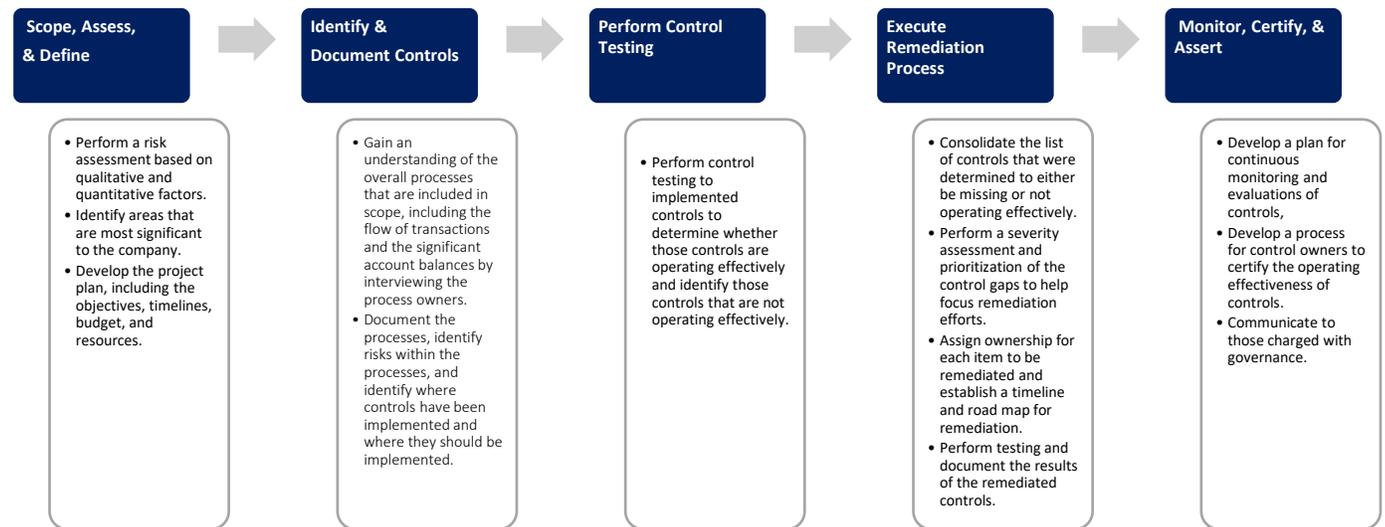


SOX Compliance Audit

We conduct SOX Compliance Audit to support clients to comply with the Sarbanes-Oxley Act of 2002 (SOX). HEMFA intends to verify the financial statements of the client, and the processes involved in creating these financial statements. During the audit, HEMFA analyzes and assesses the financial statements and management of internal controls.



HEMFA's Approach (Pre-audit)



SOX Audit Process



Our Offers

At HEMFA, we help our clients to meet their goals of SOX Compliance with the following:

IT SOX Readiness & Risk Assessments	Internal Audit Support & Issue Remediation
IT Application controls support	IT SOX Controls Testing & Automation

IFRS Compliance Audit / Conversion to IFRS

We conduct IFRS Compliance Audit and support clients to convert their financial statements to comply with IFRS. HEMFA has audit experts and experienced in IFRS auditing of a wide variety of firms and businesses. At HEMFA we perform a full range of exhaustive audit procedures to ensure a comprehensive, well-rounded outcome for that reason our clients can have confidence in the reliability of our audit opinions.

1. IFRS compliant financial statements audit.
2. Conversion of financial statements for compliance with IFRS.



To ensure the accuracy of financial statements, we examine all aspects of the client's business, including assets, liabilities, equity, revenues and expenses over the reporting period. We then produce IFRS statements based on our findings.

Conversion of Financial Statements

Conversion of financial statements involves adapting accounting information and updating statement entries in accordance with the Libyan legislation so as to conform to International Financial Reporting Standards (IFRS). The following financial reports require conversion in order to conform to IFRS:



HEMFA's Approach

Our approach to auditing IFRS financial statements is compliant with international Standards on Auditing (ISA) in the areas of audit planning and quality, procedures performed, and communications with clients' management and shareholders.



HEMFA's Audit Procedure

At HEMFA, the audit procedure consists of examining the following audit evidence:

- Evaluating the accounting principles used by the company.
- Verifying the accounting data submitted by the client's employees.
- Examining the degree of disclosure in all facets of business activity as reflected in IFRS financial statements.
- Evaluating materiality guidelines used by the management as well as the financial statements' general accuracy.

Tax Audit Support (Planning & Compliance)

HEMFA has experienced specialists with a long history of defending client's interests during tax audits in Libya. We can offer our clients expert advice and practical support at all points throughout the tax audit and appeal process. At HEMFA we review all legal documents, books and records of our clients, with the help of our tax experts in order to minimize the overall tax burden the company would face with reference to its area of operations, without breaching its legal obligations.

In-Depth & Independent Assessment of Transactions

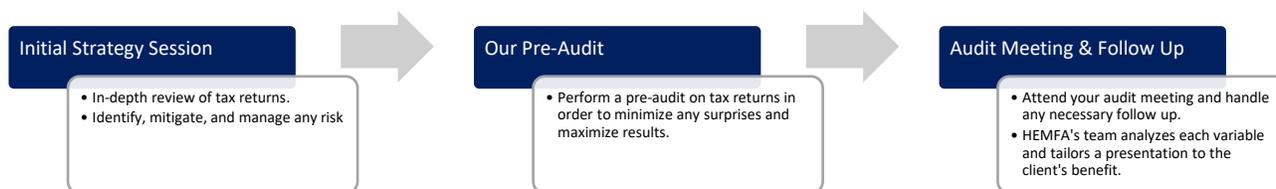
Greater Confidence

HEMFA's Tax Support Service covers preparation and filing of annual Tax Returns for corporate and personal tax clients, monthly filing of withholding tax statements, employee income tax including designing efficient compensation structure for employees and representation during tax audits.

Our Offers

- Tax compliance review prior to tax audit (health check);
- Tax authority procedural review
- On-site assistance during tax audit, including document control support
- Assistance in appeals process: identify/research arguments, draft appeals
- Support throughout appeals processes
- Appropriate tax-effective structures for investing in Libya.
- Corporate tax planning and reviews.
- Advisory on tax documentation and recordkeeping procedures.

HEMFA's Approach to Tax Audit



The HEMFA Difference

- We communicate effectively with government people, Tax professionals and our clients.
- We manage the situation and move matters through swiftly.
- HEMFA immediately levels the playing field in an audit. We examine the return under audit along with any correspondence received and immediately work to develop a plan.
- We identify categories or items that may be high risk and develop a strategy with our clients for minimizing and managing the issues and risks.
- We view our role with our clients as their quarterback, naming and strategizing the next move.
- We utilize our tremendous experience in audits for the benefit of our clients and to yield exceptional results.

Internal Audit Outsourcing

HEMFA specializes in providing a full complement of internal audit services to companies in a variety of industries. Our services range from assisting management with the creation of an internal audit function to providing specialized skill-sets to enhance the most established and sophisticated internal audit departments.

<p>Relevance Blended team with the right skills and experience to help identify, prioritize & gain assurance over the current and emerging risks that matter most to our client.</p>	<p>Confidence Enhanced & credible combination of skills, subject matter experience and knowledge of the business.</p>	<p>Innovation Forward-looking approach, benefiting from the significant investment HEMFA makes in the very latest tools & technology, informed by leading thinking, which generates deep insight for our clients.</p>	<p>Alignment Strong team, fit with client's culture with the ability to respond in a more agile, flexible and cost-effective way to changes in client's business strategy.</p>
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Types of Arrangements

Full Outsourcing	Partial Outsourcing	Co-sourcing	Subcontracting
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<p>Full Outsourcing</p>
<p>The entire Internal Audit function is carried out by HEMFA.</p>
<p>Partial Outsourcing</p>
<p>The internal audit work is carried out between the core team of in-house internal auditors and HEMFA as an outside provider.</p>
<p>Co-sourcing</p>
<p>HEMFA can engage in a collaborative partnership with the in-house teams to help plug resources and fill knowledge gaps and help to complete a specific project or task on time.</p>
<p>Subcontracting</p>
<p>HEMFA can make specific engagements or be part of an engagement.</p>

Our Focus

Drawing on our experience supported by extensive research, we have identified the following characteristics that we have observed describe leading Internal Audit functions.



Our Offers

- Providing a full-service “one-stop” solution for developing, fulfilling and maintaining a company’s ongoing internal audit efforts.
- Performing quality reviews (“health checks”) on a company’s internal audit function to ensure effectiveness and adherence to regulatory and/or compliance requirements.
- Providing assistance with the development of a company’s internal audit operations.
- Providing advisory services to audit committees and senior management.

Our Approach



The HEMFA Difference

- An Internal Audit function focusing on current and emerging risks.
- Always have access to individuals with the skills needed to deliver credible and relevant assurance.
- Access to HEMFA’s tools and work plans. Where necessary, we co-develop solutions and audit programs together.
- The Head of Internal Audit is supported in building the profile and credibility of the Internal Audit function across the organisation and has a strong voice around the boardroom table.
- Relevant service and valuable insights by specialists with experience advising a range of businesses facing similar issues, with access to extensive knowledge and networks inside and outside the Internal Audit profession.
- Agree on mechanisms to evaluate and measure the execution, quality, engagement and added insight of client’s co-source partnership.

Control & Compliance

Control & Compliance Services

Internal Control & Compliance Assessment (ICCA)

Balance Sheet Quarterly Review (BS-QR)

Internal Control & Compliance Review (ICCR)

HEMFA specializes in providing a continuous review on a client's control and compliance measurement. ICCR ensures that while business is carried out in accordance with management policies, company's assets are safeguarded and transactions are accurately recorded in the company's books in an orderly state and are free from error or fraud. We introduce our management technique to review whether an organization's internal controls system is reliable. ICCR is an effectiveness testing to verify that key controls are functioning properly, resulting in the detection or elimination of weaknesses.



The process is designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of reporting for internal and external use; and
- Compliance with applicable laws and regulations.

Internal Control Improvement

Internal control system improvement projects involve HEMFA's expert assisting clients to identify and assess risks related to the accuracy of their financial statements and the security of their assets. Based upon these risks a continuous assessment is performed to evaluate the adequacy of the internal control procedures and whether these procedures are appropriately implemented.

On a monthly/quarterly basis, the HEMFA expert develops a report that clearly describes the processes, risks and controls identified and any recommendations for internal control improvements based on the assessment outcome.

Objectives



Control Areas

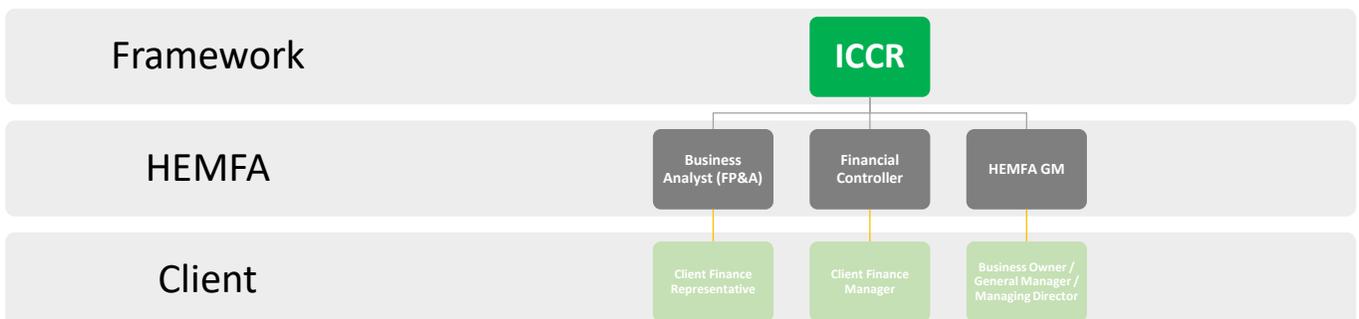


Minimum Standards

To provide flexibility in managing the changing financial control landscape, a set of minimum standards for key controls are outlined below. These minimum standards will change in line with the client's business area, industry and market environment.



Stakeholders

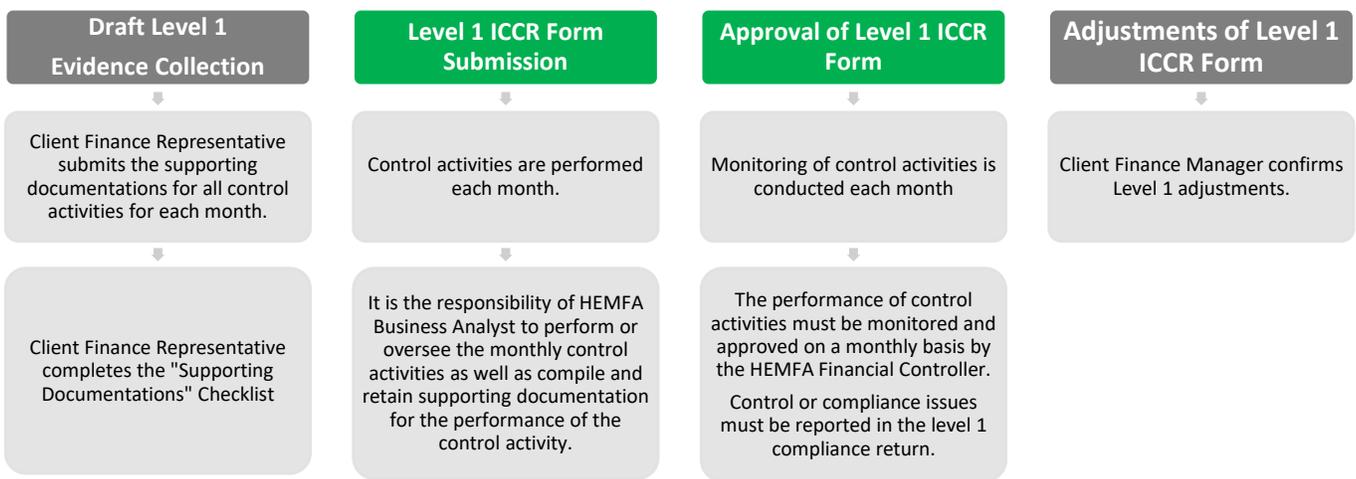


Key Principles



Our Approach

Stage 1



Stage 2

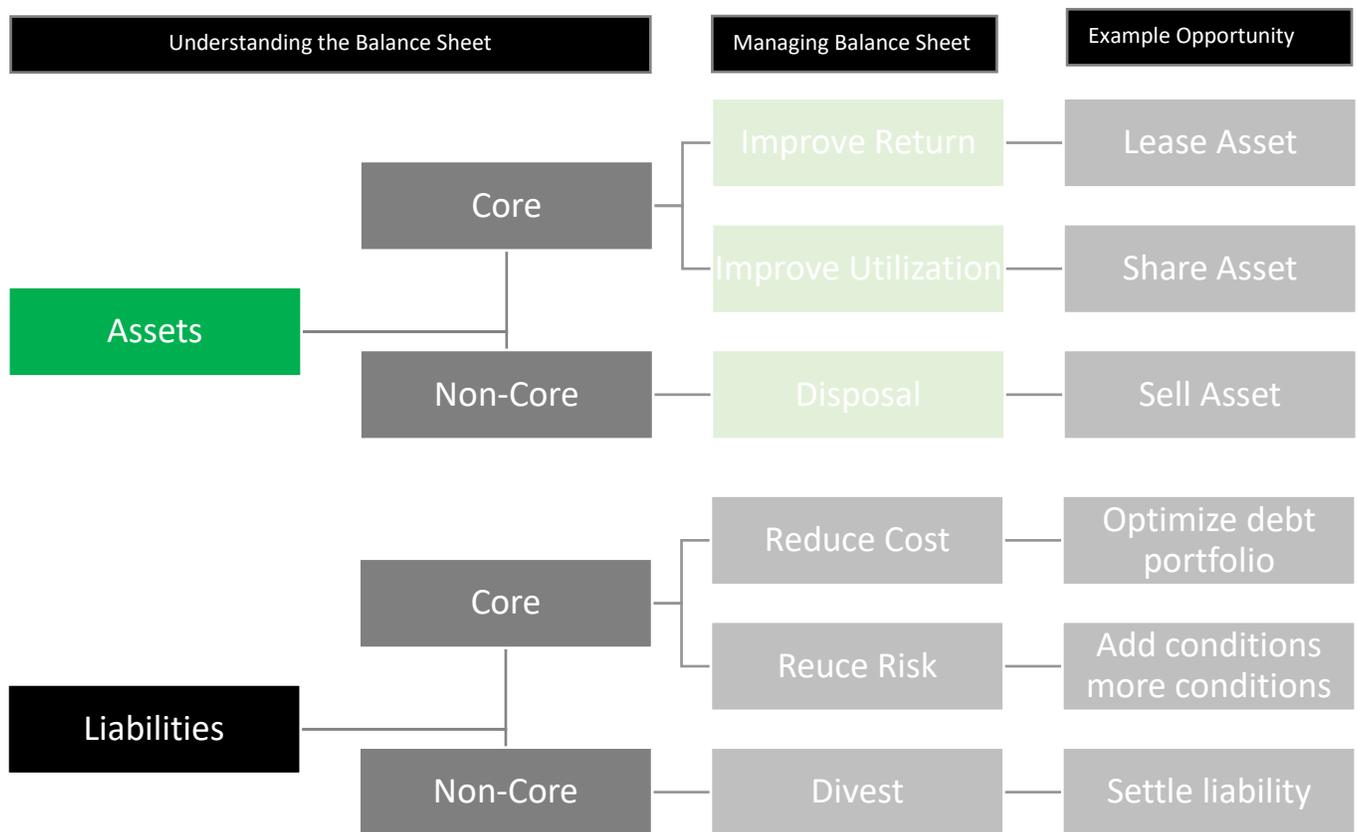


Balance Sheet Quarterly Review (BS-QR)

HEMFA specializes in providing a quarterly review of balance sheets for its clients. We support our clients to have a view of their business's assets and liabilities as well as tracking owner and shareholder investments (equity).

Efficiency Increase the Efficiency of Balance Sheets	Transparency Increasing Transparency Over Long-Term Impacts.	Asset Management Delivering Better Value for Money from Assets	Risk Management Strengthening Control of Long-Term Risks & Costs of Liabilities
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A systematic Approach to BS-QR



Process

Stage 1

HEMFA supports its clients to prepare detailed balance sheets notes as of the month prior to the quarter end and adjust all errors/reclassifications noted from the review of these balance sheet notes before the quarter end, irrespective of materiality. For example, for the June quarter, full balance sheet notes must be completed as of May trial balance.

Some issues detected at this stage could indicate that a processing control may not be functioning correctly. These potential control failures will be analyzed and action taken to solve the issue at the root cause.

Stage 2

The results of the balance sheet notes review are communicated using the Odoo BS-QR app at the latest three days before the quarter end.

Stage 3

HEMFA Controller prepares a report of the following:

- 1. Any significant P&L impacts.
- 2. Matters that are uncertain and require further investigation.
- 3. Report risk items that may become issues at the quarter end.

All matters should be documented in the BS-QR controller report and followed up in the next month.

Classifications



Format of Balance Sheet Notes

- Reconcile to the trial balance. This reconciliation should document that all relevant accounts are supported by a balance sheet note.
- If appropriate, break down into sub-accounts.
- Provide sufficient written information on each element within an account to allow a reasonably experienced person with an understanding of the business to comprehend the nature of the balance sheet assertions without asking for further information. The date when original transactions were booked should be detailed on the notes for balances outstanding.
- Include a reference to the supporting document if not included with the balance sheet note or confidentiality purposes.
- Include balances transaction currency and reporting currency.
- Sign off as reviewed each quarter by someone independent from the preparer.
- HEMFA controller documents the completion/approval of the balance sheet notes at least once each quarter.

Financial Consulting Services

Financial Consulting

Tax Services

Forensic Advisory Services

Corporate Finance Consulting

Other Consulting Services

Financial Consulting Services

We help our clients capitalize on opportunities to drive profitable growth, rethink organizational structure and obtain the potential of information. We support clients to look at how the whole organization and beyond impacts the bottom line. When our client is faced with complex business issues that restrict growth, increase costs and introduce new risks, we support with the best practices, simple point solutions and value-added insights. HEMFA drives the rethinking process in a strategic manner to drive transformative change.

We drive Finance Transformation through our finance professionals who have both finance and accounting knowledge, plus an underlying knowledge of enabling technologies to help our clients capitalize on opportunities that will help grow, improve and protect the business now and in the future.

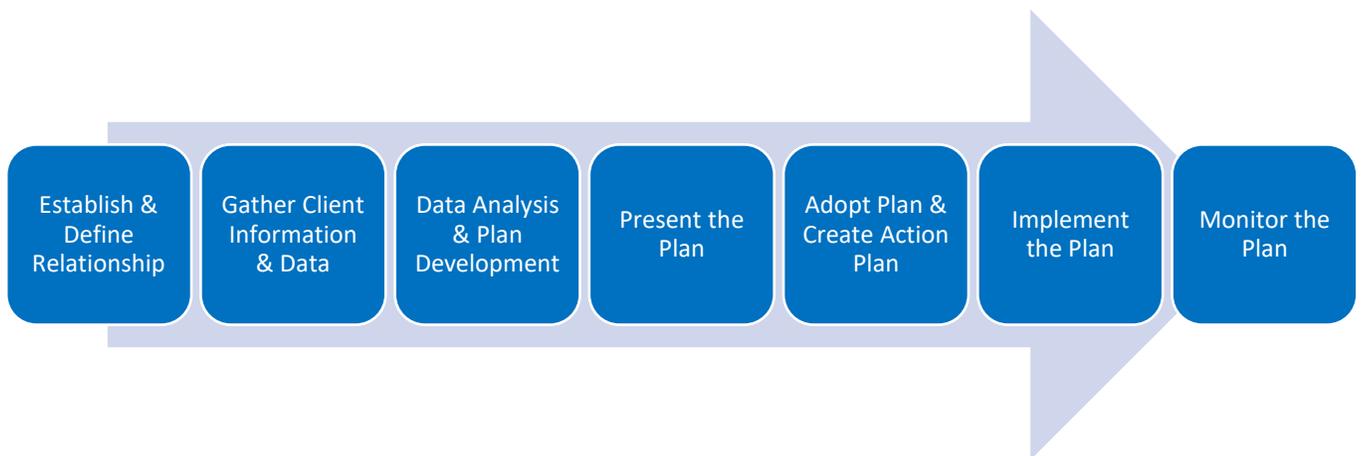
Why HEMFA

HEMFA adapts the methodology and delivery to suit the client’s specific circumstances and help to rethink with data to unlock valuable business insight. We continually develop our services to meet the needs of the quickly evolving digital standards and ever-evolving goals for success.

Our Disciplines



Our Approach



Tax Services

Tax Accounting / Tax Processing Services

Tax reporting & Compliance

Tax Risk Assessment

Financial Accounting for Income Taxes

Forensic Advisory Services

Analyzing allegations of corporate fraud or financial mismanagement;

Addressing whistleblower allegations;

Litigation & Dispute Consulting

Corporate Fraud and Forensic Investigations Services

Digital (Computer) Forensics & Investigations

HEMFA Financial Crime Mitigation Solution

Dispute analysis & investigations

Corporate Finance Consulting

Capital Allocation Services

Portfolio Analysis

Forecasting and Scenario Planning

Infrastructure Advisory Services

M&A Advisory Services

Valuation and Modeling

Regulatory Compliance Reviews

Other Consulting Services

Risk assessment, monitoring and management

Credit risk measurement and management

Operational risk measurement and management

Feasibility Studies

Asset management advisory