

REQUEST FOR PROPOSALS: EXTERNAL AUDIT SERVICES (REFERENCE: EXTERNAL AUDIT)

1. ABOUT US

TEKANO is a non-profit organisation whose vision is to have a more equitable South African society with improved health status across all populations. This is through fostering dynamic, visionary, value-based leaders working in catalytic communities of learning and action who articulate, convey and act to promote health equity.

TEKANO achieves this by conducting a Fellowship Programme which annually recruits 15 – 25 Fellows who work together towards advocating for the improvement of the lives and access to health services of marginalised communities. These fellows become part of a lifelong alumni network and continuously work with TEKANO in catalytic communities to bring about change in order to achieve health equity.

We would want to engage the services of an external auditing company for a period of 3 years. Below is some key information that could guide the search.

2. SCOPE OF SERVICES

The external audit services will include, but will not be limited to planning, management and execution of annual external audit of TEKANO in accordance with International Standards on Auditing (ISAs):

Financial statement compilation

- Preparation of Annual Financial Statements if an independent department exist in the organisation.
- Financial statements prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SME) and the Companies Act of South Africa.

Organisation audit

- Understand the relevant internal controls.
 - Evaluate the overall presentation of the financial statements, including the disclosures and the related accounting policies.
 - Provide an audit opinion in terms of the relevant International Standards on Auditing (ISAs) on the financials i.e. Position of financial position, Statement of profit and loss and other comprehensive income, cash flow statements and notes having assessed and evaluated the risks of material misstatement of the financial statements, whether due to fraud or error.
-

- Reporting on external audit progress to management and the Operations Committee including attendance at the Operations Committee meetings as appropriate.
- Communicate the results of the audit with the Governance, Audit and Risk Committee.

Taxation services

- Preparation and submission of the relevant corporate tax returns that are compliant with Legislation.

3. PERIOD OF APPOINTMENT

The initial appointment will be for 3 years; however this appointment is subject to annual review of performance by management and the Board of Directors (ratified in the May/June Board Meeting).

4. TIMING

TEKANO has a 31 December year end. The year-end audit work will need to be completed by end of April. Meetings will need to be held with the Operations Committee mid-May before presentation to the board. The year-end timetable aims to sign-off the financial statements at the board meeting in mid-June yearly.

5. PROPOSAL EVALUATION

The following assessment criteria would be used to evaluate proposal:

a) Details of your firm

- Summary of the potential benefits to TEKANO of selecting your firm
- Organisation structure as it is relevant to this engagement
- Information regarding relevant sector experience and experience of clients comparable to our organisation in organisational status and size
- Description of the internal processes used for quality assurance your profile including BBBEE status

b) Understanding of the IFRS as it relates to Grants and Donations

- Demonstrated a clear understanding of NGO/Non-Profit sector
- Demonstrate a clear understanding of the nature of TEKANO's business and the structure of the organisation
- Demonstrate an understanding of the key financial risks that the organisation/ industry currently faces

c) Resourcing

- Names of your core service team, location and relevant experience
- Information on how involved the partner will be on the engagement
- Your firm's policy on the rotation of audit partners
- Time key team members will commit to this appointment
- Succession planning and steps to ensure staff continuity

d) Approach and transition

- Explanation of the external audit approach
 - Details of your reporting arrangements
 - Transition plan
- e) Independence and governance**
- Details of your internal practices to ensure compliance with independence requirements and freedom from conflicts of interest
 - Confirmation from your firm that it will take all necessary steps to ensure its independence
- f) Equity**
- Preference will be given to firms with high levels of representation of BBEEE, womXn representation and representation of person with disabilities in ownership and staff.
- g) Fees**
- Competitive fee quote to complete the year end audit of the financial statements for 2021
 - Breakdown of the fee quote into the following two areas:
 - External audit; and
 - Drafting of Annual Financial Statements (if a separate department is offering this service)
 - The basis on how fees will be determined in future years
 - General overview of the schedule and timings of billings

TEKANO reserves the right **not** to accept any proposal and/or proposal with the lowest price and will not be liable for any cost incurred in the preparation of the proposal.

TEKANO will invite bidders for an oral interview/ presentation prior to the approval of a proposal; however, TEKANO will not be liable for the costs incurred by the bidder in connection with such interview or presentation.

By accepting this invitation to take part in the tender process, you agree to keep in confidence all information provided to you, whether written or oral, in relation to the tender process and/or in relation to the organisation's business generally which is not already in the public domain, to use it only for the purposes of this tender and for no other reason and not to disclose any of the said information to any third party.

- The information/data provided in this document, together with any subsequent issue of addenda of information/data is given in good faith for guidance of applicants. No warranties or representations are given regarding accuracy or completeness of such information.
- You will bear any costs and expenses incurred by you in relation to this tender and the
- said information shall be kept confidential unless it lawfully becomes public knowledge.

6. SUBMISSION OF PROPOSALS

To be considered responsive, a proposal must be completed in English on **Appendix 1: TEKANO Request for Proposal Application Form**

Elements to the proposal include:

- A brief description of your traceable work history and experience
 - Three traceable references
-

- A description of your organisation's profile, what areas you will cover for the consultancy, your cost proposal, quality assurance, risk mitigation, any partner involvement and other relevant information
 - Provision of copies of company registration, professional certifications or other credentials; and if applicable, certificate of good standing and qualified to conduct business in South Africa. Any other relevant supporting documentation for the application as the bidder seems useful
 - All proposals should be submitted by email to procurement@TEKANO.org.za
 - **Application deadline: 28th SEPTEMBER 2021 at 17h00 South African Standard Time.**
 - Please ensure the subject line states "**EXTERNAL AUDIT SERVICES**".
 - Late submissions will not be considered, and only selected applicants will be contacted and/or advised of the outcome.
-