



**KING SABATA DALINDYEBO TVET COLLEGE (KSD)**  
**Herein referred to as (KSD)**  
**REQUEST POTENTIAL BIDDERS FOR PROPOSALS (RFP) FOR THE**  
**AUDIT READINESS SERVICES FOR A PERIOD OF THREE (3) YEARS**  
**Tender No.: PU8411/076**

Prospective Suppliers who are interested in participating in the aforementioned tender are invited to submit a proposal in full compliance to the requirement of this tender document. Completed documents with all attachments must be signed and submitted on the PURCO SA Website.

Proposals in response to **PU8411/076 AUDIT READINESS SERVICES**

The closing time and date for receipt for online tender **PU8411/076** is at 11h00 on Monday, 23 September 2024.

<b>Tender number</b>	<b>PU8411/076</b>	
<b>Date issued</b>	<b>30/08/2024 (30 August 2024)</b>	
<b>Tender closing date</b>	<b>23/09/2024 (23 September 2024)</b>	<b>11h00 AM</b>
	<b>Tender Submission will be Electronic on <a href="http://www.purcosa.co.za">www.purcosa.co.za</a> Supplier Hub- Online Tender Submission Guide</b>	
<b>Compulsory Information Session</b>	<b>09/09/2024 (09 September 2024)</b>	<b>11h00 AM</b>
	<b>An online compulsory briefing session will be facilitated via MS Teams</b>	

<b>Company Name</b>		
<b>Address</b>		
<b>Contact person</b>	Mr/Mrs/Ms/Dr/Prof.	
<b>Contact numbers</b>	(w)	(cell)
<b>Email address</b>		

## 1.1 DELIVERY INSTRUCTIONS

All Suppliers must submit their responses in the following format:

<b>Appendix Number</b>	<b>Description of Appendix</b>	<b>Requirement</b>	<b>Circle yes if submitted</b>	
Appendix A	RFP Document	A duly authorised representative must initial each page and the declaration signed in full.	Yes	No
Appendix B	Completed technical specifications and pricing	A signed copy of the print out of each page of the electronic document	Yes	No
Appendix C	Proof of Bank Account	Cancelled cheque or signed letter from bank	Yes	No
Appendix D	Company registration documents	Company registration documents	Yes	No
Appendix E	Tax Pin	An original valid Tax Pin	Yes	No
Appendix F	BBBEE certification	A valid B-BBEE certificate from a SANAS accredited agency/Affidavit	Yes	No
Appendix G	Declaration of Interest	Please sign point 9 of this tender document	Yes	No
Appendix H	Board Resolution	Attach copy of board resolution. Unless sole proprietor	Yes	No
Appendix I	Registration Licences/ Registered bodies	Attach proof of professional registration certificate/s with relevant bodies for all key personnel	Yes	No
Appendix J	Registration on National Treasury (CSD)	Provide a copy of the full report of registration on National Treasury Central Supplier Database.	Yes	No

Additional Information (**mandatory at award stage**):

<b>COIDA</b>	Submit valid letter of good standing from the Department of Labour (Not from Federated Employers Mutual Assurance Company FEM)
--------------	--

The response deadline is **23/09/2024 at 11h00 hrs**. Only responses to this RFP received by due date and time will be considered. No exceptions will be considered.

### 1.1.1 STAGE 1: EVALUATION OF FUNCTIONALITY

Tenderers need to obtain a minimum percentage score of 70% and above in order to progress to the next stage of evaluation.

FUNCTIONALITY CRITERIA		POINTS ALLOCATED
<b>Provide three (3) contactable reference letters</b> <ul style="list-style-type: none"> <li>Reference must clearly reflect audit outcomes</li> <li>for the past five (5) years:</li> <li>Letters must be clearly dated (Commencement, Completion and Duration)</li> </ul> 3 References verified 2 References verified 1 Reference verified No evidence provided	           = 30 Points = 20 Points = 10 Points = 00 Point	           <b>30</b>
<b>Provide methodology answers as covered in the specifications attached</b> Methodology and Project plan Partially answered None answered	    = 30 points = 10 points = 00 Points	    <b>30</b>
<b>Company offices in the Eastern Cape (Send proof of address E,g Utility Bill)</b> Within the Eastern Cape Province Outside the Eastern Cape Province	  = 10 points = 05 points	  <b>10</b>
<b>Capacity of the team</b> <ul style="list-style-type: none"> <li>Teams capacity to execute the project (Attach CV's, Certified ID copies and qualifications)</li> </ul> Director Manager / Project leader Consultants clerks (4) <b>Full CVs of the nominated members of the Team and Professional Affiliations as well as their affidavits allowing use of their CVs to be attached. Failure to attach any of these will result in no points being allocated.</b>	           = 05 Points = 05 Points = 20 Points = 00 Point	           <b>30</b>
<b>Total Points</b>		<b>100</b>

## **SPECIFICATION**

### **AIM**

To seek approval from the Principal for the use of a service provider to assist the college in preparing for the audit in **2025, 2026 and 2027**.

### **BACKGROUND**

The audit opinion has remained on a qualification from 2016 up to the current audit of 2023 Financial Statements. The qualification areas from 2016 have been assets, inventory, revenue and most recently expenditure.

The finance team has to be heavily involved in the audit whilst performing the demanding day-to-day operations, which include ensuring that internal controls are effective.

In order to ensure that these qualifications do not recur, the finance section requires a service provider to assist in the compilation of the following:

- Compilation of GRAP compliant Annual Financial Statements
- Compilation of third quarter AFS 2024
- Compilation of interim AFS for the period of 3 years
- Review of balances on a month to month basis until the end of the audit
- Agreeing the Case Ware TB with the comparative balances on the ITS TB
- Assistance with the preparation of the working paper file.
- Correction of the creditors listing and creditors reconciliation for the comparative years
- Reviewing the correctness of the accrual listing, the creditors listing and the review of the reconciliations.
- Correction of account balances
- 100% review of all payment packs and ensuring completeness of documents and that the finding on supporting documents not attached to prove occurrence does not recur for the third consecutive year, ensuring that payments are adequately supported. Especially staff bursaries.
  
- Assist in the reconciliation of other liability accounts i.e. (Seta, unspent grants all grants etc.,)
- Preparation of lead schedules with the required supporting documents
- Ensuring that the AFS agree with the ledger and trial balance
- Assisting in the calculation of the provision for doubtful debts
- Ensuring that the Debtors balances agrees with the ledger and final AFS and is supported, including reconciliation of the balances
- Ensure that all the college revenue is appropriately accounted for and is accurately presented in the AFS
- Review approved fee structure vs the loaded one on ITS
- Make sure that the commitments register is updated with WIP
- Alignment of business processes to the college policies
- Transfer of skills to the college officials ( Service provider to work hand in hand with the college officials throughout the project)
- Provide support in respect of any AGSA audit queries.

- Provision of audit controlling process support during the audit after AFS submission
- Assist in AFS adjustments
- Assisting with clearing of prior year errors ( 2022 and 2023)
- Overall clean-up of the AFS
- Assistance with reviewing of SCM documents and compiling where there are none of the following registers in preparation for the audit:
  - Tender register
  - Commitments register
  - Contracts register
  - Make sure all above are correctly accounted for in the AFS

**The Assets Office requires a service provider to assist in the following:**

- Dealing with prior year issues relating to AFS and FAR
- Ensuring that the AFS and FAR agree with the ledger and trial balance
- Reviewing and correcting of all Assets and Inventory reconciliations
- Ensuring that the FAR balances with the ledger and the final AFS and FAR.
  - Preparing the PPE note for inclusion in the AFS
  - Proposing journals with supporting documents
  - Ensuring that the asset balances are accurate i.e. values and the depreciation calculation is correct.
  - Producing the auditable PPE file
  - Adjustment of the audited asset balances
  - Assist the College with the Service in kind Calculation for land occupation for all its seven (7) campuses
  - Assist the College with its bi annual inventory stocktaking exercise and also in conducting its bi annual asset verification exercise (The service provider should show proof of the verification App, the App should be able to provide dated photos and barcode numbers. The App should be able to print a report of the verified assets.)
  - Service provider should review the useful lives of all assets and provide evidence
  - The service provider should ensure that an inventory listing with individual values of the items is in place, the listing should show evidence of issued inventory for both students and staff members in all campuses.
  - A calculation accompanied by the supporting (Listing) schedule of issued stock
- Transfer of skills to the college officials
- Provide support in respect of any AGSA audit queries
- Assist in AFS adjustments
- Assisting with clearing of prior year errors
- Overall clean-up of the assets and inventory issues
- Impairment of Intangible assets ( This was a qualification for 2023)
- Assistance with responding to queries from the AG

Service providers must have a background of the TVET Audits and provide proof of experience and must have assisted a TVET college in bettering the audit outcomes.

Proof of this must be attached.

It is pivotal that the finance section attains external expertise that will assist in obtaining a clean report; once that happens the section can perform all the audit readiness functions independently.

Management is also of the opinion that the college has learnt from previous experiences and is aware of the financial implications. The section has been hard at work preparing for the audit; however, it takes one material misstatement to qualify the AFS, hence the need for technical expertise to flag potential fail-safes.

The service provider will be for the financial period under audit up to the end of the audit, which will be end of June each year i.e. **2025, 2026** and **2027**.

Staff level	Quantity	Rate per hour	Total Price (Incl. VAT)
Partner/Director/Senior Manager	1	R	R
Manager	1	R	R
3 <sup>rd</sup> Year Clerk equivalent (in terms of SAICA assessment criteria)	4	R	R
<b>TOTAL PRICE (incl. VAT)</b>		R	R

## ESTIMATED AUDIT FEES

Requirements	Year 1 (2025)(Total Price incl. VAT)	Year 2 (2026)(Total Price incl. VAT)	Year 3 (2027)(Total Price incl. VAT)	TOTAL ESTIMATED BID PRICE FOR THREE (3) FINANCIAL YEARS (incl. VAT)
Audit Readiness for three (3) Financial Years	R	R	R	R