



REQUEST FOR PROPOSAL

RFT NO: 2016/06/01

***APPOINTMENT OF EXTERNAL AUDITORS FOR A PERIOD OF FIVE
YEARS***

RFP ISSUING DATE

Date : 1 June 2016

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1. BACKGROUND ON ALEXKOR

Alexkor SOC Limited Company Registration Number 1992/006368/30 was established in terms of the Alexkor Limited Act, No. 116 of 1992, as amended by the Alexkor Amendment Act, No. 29 of 2001. The Company is listed as a Schedule 2 public entity, wholly owned by the Government through the Minister of Public Enterprises as the Shareholder representative. The Company has two business units, which includes the Pooling and Sharing Joint Venture ("PSJV") and the Alexkor Corporate Unit. The PSJV is unincorporated Joint Venture between Alexkor and Richtersveld Mining Community ("RMC").

The core business of the Company is the mining of diamonds on land, along rivers, on beaches and in the sea along the north-west coast of South Africa. These activities are complemented by geology, exploration, ore reserve planning, rehabilitation and environmental management. The non-core business activities comprise residential services, community services, outside engineering services, external transport services, guesthouses, a fuel station and an airport. More details can be found on Alexkor website: www.alexkor.co.za

2. SPECIAL CONDITIONS OF TENDER

| | | |
|------------------------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tender Number | : | RFT NO: 2016/06/01 |
| Title of this RFT | : | Appointment of External Auditors for a period of 5 years - 1 April 2017 to 31 March 2022 |
| Briefing Session | : | Non compulsory briefing session 10:00 on 10 June 2016 Alexkor Offices |
| RFT Closing Time & Date | : | 24 June 2016 12:00 noon at Alexkor Offices |
| Delivery Address | : | Tenders must be hand delivered at Alexkor's Offices located at the address indicated below and addressed to The Receiving Officer , and marked RFT No: 2016/06/01 on or before the closing date and time: 8A Jellicoe Rosebank Johannesburg |
| Originals to be submitted | : | 1 |
| Copies to be submitted | : | 4 |

CD-R to be submitted : 1

Tender Validity Period : **90** days commencing from the RFT closing date

Tender Evaluation : 2 envelope system

3. PROJECT DESCRIPTION

The term of current external auditors for ALEXKOR and PSJV comes to an end with the audit of the 2015/16 financial year. ALEXKOR seeks to appoint a firm that has solid experience in both private and the public sector, in order to provide the users of the audited financial statements reasonable assurance of the quality of work performed. In that respect, ALEXKOR requires the services of a firm of Registered Auditors to perform the annual statutory external audit for the period commencing 1 April 2017 up to 31 March 2022.

The external audit services provided will be performed on behalf of the Auditor General in terms of the Public Audit Act of 2005, who on an annual basis make a decision whether or not to perform the audit of ALEXKOR.

ALEXOR has a Rehabilitation Trust Fund that is overseen by separate Trustees and regulated by the Trust Deed. There is further requirement that the appointed auditors must perform annual audit on the Rehabilitation Trust Fund. The financial statements for the Rehabilitation Trust Fund consists of limited transactions i.e. the investment income, rehabilitation expenses and carrying value of both investment and liability.

ALEXKOR is committed to contributing to socio-economic transformation in South Africa and will therefore be applying a preference system for BBBEE compliant audit firms in line with both the Preferential Procurement Policy Framework Act, (Act No. 5) of 2011 and the Broad-Based Black Economic Empowerment Act, (Act No. 53) of 2013.

4. SCOPE OF WORK

The appointed audit firm will be required to perform all statutory audit work for ALEXKOR, PSJV and Rehabilitation Trust Fund as well as closely related non-audit services as outlined below in line with the requirements of the Auditor General and the Public Auditors Act (PAA)

- a. Perform the year-end audit of the ALEXKOR AND PSJV organisations, including required interim work in order to limit time required after year end. The latter will be critical during the first year of the audit;
- b. Perform a review and express an opinion on the National Treasury financial statements template, based on the statutory audit work performed. This only applies to Alexkor SOC, not the PSJV, and
- c. Perform the year end audit for the Rehabilitation Trust Fund.

Required Outputs would include at the minimum the following:

- d. Providing management with an Audit Planning Memorandum by the 28 February of each year. Detailing the audit plan, risk areas and the impact this has on the standard audit program. A fee for the year must also be proposed based on the plan, with a detailed schedule of the fee being made available for approval by the Board of Alexkor and PSJV. This applies to both Alexkor and PSJV;
- e. Reviewing of the annual financial statements, as delivered to the auditors, by 31 May of each year as part of the statutory audit. Only management account is audited at the PSJV, the unincorporated PSJV does not produce annual financial statements;

- f. Submitting a report to the Audit and Risk Committee of both entities, detailing the audit opinion and any other matters to be brought to the attention of the respective Audit and Risk Committees.
- g. Providing a report on the review of the National Treasury template to be submitted to National Treasury by 31 July of each year. This applies to Alexkor only, for the same reason as (b) above;
- h. Providing management of both entities with a management report, detailing concerns that require management's attention with recommendations, after allowing for discussion with management to determine the relevance of insights raised;
- i. Providing technical assistance and guidance on request.

5. TECHNICAL REQUIREMENTS

The bidder must be able to demonstrate the following competencies

- a. Firm structure, indicating firm's executive, number of partners, managers and clerks. This should also include details of demographics at each level.
- b. The firm must be registered in terms of the Public Audit Act as an accountant and auditor and engaged in public practice (registration with IRBA - Independent Regulatory Board for Auditors).
- c. Provide dedicated resources available for the external audit for the duration of the contract, qualifications and experience of such resources, (attach CV's, qualifications, etc.);
 - i. Provide CV's of the proposed partner and manager from the firm – clearly indicating the individual's designation, firm, qualifications and client experience with the SOC as well as the private sector.
 - ii. Availability, experience and academic qualification levels of staff to be committed to the audit, showing the numbers of staff, demographics and academic levels. While this information must be supplied for all staff to be dedicated to the audit, the following minimum requirements applies:
 - 1. First year clerk – with at least a BCom (Accounting);
 - 2. Second year clerk – with at least CTA or equivalent*;
 - 3. Third year clerk –with at least CTA or equivalent*;
 - 4. Accountant-in-charge or Supervisor –must have at least passed QE part 1*.
 - 5. Audit Manager –must have qualified as a CA (SA). At least 1 year's managerial experience;
 - 6. Partner to have at least 3 years' experience as a partner in both the private and SOC sectors.*

*Should the preferred bidder not meet this minimum requirement at the tender stage but still comply with the minimum technical score, then the preferred bidder must propose a replacement candidate to comply with this minimum requirement before contract award.
- d. Professional Competence and Integrity – The firm should be professional and competent in the practice of external audit (attest function) as well as have high ethical standards;
- e. Knowledge of and exposure to the PFMA (Public Finance Management Act), Treasury Regulations, Companies Act and IFRS are a must;
- f. Independence and Objectivity must be assured by there not being any conflict of interest;

- g. Track record and Reputation – written references attesting to performing statutory audits are required. The Audit Firm is to have a minimum of five (5) years' experience in conducting audits in SOC's and a minimum five (5) years' experience in the audit of private sector (these years can be concurrent):
 - i. Up to 3 reference letters confirming the audit firm's working experience in the SOC sector, 2 of the 3 letters indicating if any clients are classified as Schedule 2 or 3 public entities. Reference letter must be provided on the clients letterhead and must be signed by the client;
- h. Confirmation of the existence of a technical department, as well as numbers and levels of staff in the technical department. In the absence of this, confirmation of association with the firm that has technical department and support thereof.

6. SUPPLIER, ENTERPRISE AND SOCIO ECONOMIC DEVELOPMENT REQUIREMENTS

a. Preferential Procurement

The audit firm must allocate a minimum of **10%** of the value of their total annual procurement spend to preferential procurement beneficiaries as defined below.

Projected procurement spend for years 2-3 shall be agreed upon with the successful tenderer at the beginning of every financial year.

"Preferential Procurement Beneficiaries" means enterprises that are at least 50% Black Owned Enterprises (BOE), at least 30% Black Women Owned Enterprises (BWOE), 50% Black Owned Local Enterprises (BOLE), and 30% Black Owned Women Local Enterprises (BWOLE).

b. SKILLS DEVELOPMENT

The audit firm must allocate a minimum of two programs for the advancement of black accountants through various initiatives such as:

- i. Bursary programs allocated to black students towards Accounting or Auditing Studies at a South African recognised institution.
- ii. School outreach programmes to encourage black students to pursue accounting and auditing as career of choice such as tutoring programs, and programs to encourage accountancy).
- iii. Improvement of the ratio of black management and partners through mentorship programme.
- iv. Community up-liftment programs.

7. SUBMISSION REQUIREMENTS

The following documentation must be submitted. The documentation submitted must be numbered in accordance with the numbering set out below.

a. General Requirements-envelope A

Failure to submit the following document will lead to your tender being disqualified instantly. Please name documents according to the suggested annexures.

- Annexure A: SBD 4: Declaration Form
- Annexure B: SBD 8 : Declaration Form
- Annexure C: Proof of registration of the firm with IRBA - Independent Regulatory Board for Auditors **and** proof of registration of the partner and manager with SAICA (as CA (SA)'s). Proof must be on IRBA and SAICA letterheads respectively
- Annexure D: BBBEE certificate and scorecard
- Annexure E: Tax Clearance Certificate
- Annexure F: Enterprise Information Affidavit
- Annexure G: Enterprise Information
- Annexure H: Proof of registration with Central Supplier Database of National Treasury

Failure to submit the following in the provided templates will risk the chance of allocating the points due too much irrelevant information.

- Annexure I: Reference letter on past Assignments
- Annexure J: Format for the resume

8. FINANCIAL PROPOSAL – ENVELOPE B

The bid must be split up into the fee proposed for Alexkor SOC, Rehabilitation Trust Fund and PSJV. Follow the format of the Pricing Schedule (next section 9c(ii))

9. EVALUATION PROPOSAL AND CRITERIA

The tender submissions will be evaluated in two stages as follows:

- Stage 1 - Technical and SED evaluation.
- Stage 2 - 90/10 Price and Preference Point System Evaluation.

Evaluation criteria and the minimum thresholds are set below. Tenderers must meet the minimum threshold for stage 1 evaluation (technical and SED) to be considered for stage 2, 90/10 preference point evaluation.

a. Stage 1: Technical and SED Evaluation

A minimum of 65 out of 100 points in the evaluation of Stage 1 (Envelope A -Technical and SED Evaluation) must be obtained in order for a bid to proceed to stage 2 of the evaluation.

| Stage 1 Evaluation Summary | Total Points |
|----------------------------|--------------|
| Technical Evaluation | 75 |
| SED Evaluation | 25 |
| Total | 100 |

b. Technical evaluation

| No | Firms Professional Competence | Points |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| 1. | Proof of registration of the Audit Firm with IRBA | minimum submission requirement |
| 2. | <p>The audit firms working experience in the public sector – indicating the total number of calendar years (not the sum of years for all clients). Firm must indicate the schedule of the public sector audit performed, and provide minimum 2 reference letters* confirming performance of the statutory audit and period during which audit services were rendered. Minimum 5 years' experience required.</p> <p>2 points awarded for every years' experience beyond 5 years to a maximum of 15 points</p> <p><i>* ALEXKOR acknowledges that it may be a challenge to obtain reference letters from clients and for this reason will accept proof in the form of the audit report as presented in publicly available Annual Reports or the Auditor General's assessment of quality checklist.</i></p> | 15 |
| 3. | <p>The audit firms working experience in the private sector[#] – indicating the total number of calendar years (not the sum of years for all clients). Firm must indicate the schedule of the private sector clients performed, and provide minimum 1 reference letter confirming performance of the audit and period during which audit services were rendered. Minimum 5 years' experience required.</p> <p>5 points awarded for every years' experience beyond 10 years to a</p> | 10 |

| | | |
|--|-----------------------|--|
| | maximum of 10 points. | |
|--|-----------------------|--|

| PART | Staff to be committed to the audit | Points |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| | Availability, experience and academic qualification levels of staff to be committed to the audit: | |
| | | |
| 1. | Article Clerks Confirmation that the staff to be assigned to this audit will meet the following requirements | |
| | First year clerk – minimum requirement B Com (accounting)* <i>*Should a tenderer not meet this minimum requirement at the tender stage but still comply with the minimum technical score, then the preferred bidder must propose a replacement candidate to comply with this minimum requirement before contract award.</i> | Submission requirement |
| | Second year clerks – minimum requirement CTA. Firms to provide proposed names of clerks and proof of passing CTA* <i>*Should a tenderer not meet this minimum requirement at the tender stage but still comply with the minimum technical score, then the preferred bidder must propose a replacement candidate to comply with this minimum requirement before contract award.</i> | Submission requirement |
| | Third year clerk – minimum requirement CTA <i>*Should a tenderer not meet this minimum requirement at the tender stage but still comply with the minimum technical score, then the preferred bidder must propose a replacement candidate to comply with this minimum requirement before contract award.</i> | Submission requirement |
| | Accountant-in-charge/Audit Supervisor – minimum requirement – must have passed at least board part 1. Firm to provide proposed name of AIC and proof of passing QE part 1* (<i>Note that this clerk can be one of the parties referred to above as a third year clerk</i>) <i>*Should a tenderer not meet this minimum requirement at the tender stage but still comply with the minimum technical score, then the preferred bidder must propose a replacement candidate to comply with this minimum requirement before contract award.</i> | Submission requirement |
| 2. | Audit Manager – minimum requirement – must have qualified as a CA (SA), with at least 1 year's manager experience in the either public or private sector. Firm to provide the proposed audit manager's CV, clearly indicating relevant experience. Proof of qualifying as a CA (SA) on a SAICA letterhead must be provided. 5 points awarded for every years' experience beyond 1 year to a maximum of 15 points* <i>*Should a tenderer not meet the years of experience requirement at the tender stage but still comply with the minimum technical score, then the preferred bidder must propose a replacement candidate to comply with this requirement before contract award.</i> | 15 |
| | | |

| PART | Staff to be committed to the audit | Points |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 3. | Partner | |
| | <p>The following partner requirements (public sector and private experience) must be met by the engagement partner - multiple partner submissions will not be allocated points.</p> <p>Minimum requirement – must have qualified as a CA (SA). Proof of qualifying as a CA (SA) must be provided. Partner’s working experience in the public sector – indicating the longest number of years (not the sum of years for all clients).</p> <p>Partner must provide a list of the public sector audits performed, and provide a reference letter/(s) confirming this**. The reference letter must at least confirm performing the statutory audit and period during which audit services were rendered. <i>At least 3 years’ experience required as a partner.*</i></p> <p>2 points awarded for every years’ experience beyond 3 years to a maximum of 20 points</p> <p><i>*Should a tenderer not meet this minimum requirement at the tender stage but still comply with the minimum technical score, then the preferred bidder must propose a replacement candidate to comply with this minimum requirement before contract award.</i></p> <p><i>** ALEXKOR acknowledges that it may be a challenge to obtain reference letters from clients and for this reason will accept proof in the form of the audit report as presented in publicly available Annual Reports or the Auditor General’s assessment of quality checklist.</i></p> | 20 |
| | <p>Partner’s working experience in the private sector – indicating the longest number of years (not the sum of years for all clients). Partner must provide a list of the private sector audits performed, and provide a reference letter/(s) confirming this**. The reference letter must at least confirm performing the statutory audit and period during which audit services were rendered. <i>At least 3 years’ experience required as a partner.*</i></p> <p>5 points awarded for every years’ experience beyond 3 years to a maximum of 15 points</p> <p><i>*Should a tenderer not meet this minimum requirement at the tender stage but still comply with the minimum technical score, then the preferred bidder must propose a replacement candidate to comply with this minimum requirement before contract award.</i></p> <p><i>** ALEXKOR acknowledges that it may be a challenge to obtain reference letters from clients and for this reason will accept proof in the form of the audit report as presented in publicly available Annual Reports.</i></p> | 15 |
| Maximum Total | | 50 |

| Technical Evaluation Summary | Total Points |
|------------------------------------|--------------|
| Firm’s Professional Competence | 25 |
| Staff to be committed to the audit | 50 |
| Total | 75 |

i. Management Control and SED Evaluation

Should a tenderer not meet the below SED minimum targets/requirements at the tender evaluation stage but still be appointed as a preferred tenderer by virtue of having scored the highest overall score, then the preferred bidder must propose a plan to comply with this requirement before tender award and failure to do so the preferred tenderer will be disqualified.

| Part | Management Control and Firms Structure | Points |
|------|----------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 1. | Diagrammatic presentation of the Audit firm's structure, indicating firm's executives and the business units making up the firm. | Submission requirement |
| 2. | Percentage black staff | |
| | Percentage of black Partners and Managers exceeds 35%, 5 points. For every 5% thereafter 2 points up to a maximum of 4 points. | 9 |
| | Percentage of black clerks exceeds 35%, 3 points. For every 5% thereafter 1 points up to a maximum of 3 points. | 6 |
| | | 15 |

| PART | Supplier and Enterprise Development, Skills development and Community Upliftment Programmes | Points |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| | <p>Summary of programs undertaken for the advancement of black accountants through various initiatives such as:</p> <ol style="list-style-type: none"> 1. Skills development choose minimum one for the duration of the contract <ol style="list-style-type: none"> 1.1. bursary programs, 1.2. school outreach (such as tutoring programs, and programs to encourage accountancy), 1.3. improvement of the ratio of black management and partners, 2. Supplier and Enterprise Development allocated minimum 10% of procurement spent per year, choose minimum one below for the duration of the contract <ol style="list-style-type: none"> 2.1. Other emerging firm partnerships or equivalent 2.2. Programs to enhance BEE spend. 3. Community up-liftment programs <p>The cost for each program must also be indicated. This summary must clearly distinguish between each initiative, the current and projected cost of each initiative and the period remaining to which the firm is committed to each initiative.</p> <p>A minimum of 2 initiatives are required, which must extend beyond a period of 1 year.</p> | |
| PART | Supplier and Enterprise Development, Skills development and Community Upliftment Programmes | Points |

| | | |
|----------------------|-----------------------------------------------------------------------------------------------------------|-----------|
| | Points will be awarded as follows: | |
| | 5 points for every initiative beyond the minimum requirement of 2 compulsory initiatives, up to 10 points | 10 |
| | | |
| Maximum Total | | 10 |

| Management Control and SED Evaluation Summary | Total Points |
|---------------------------------------------------------------------------------------------|---------------------|
| Firm's Structure | 15 |
| Supplier and Enterprise Development, Skills development and Community Upliftment Programmes | 10 |
| Total | 25 |

c. Stage 2 : Price and Preference

i. Preference Point System

ALEXKOR will evaluate all Proposals in terms of the Preferential Procurement Policy Framework Act, No.5 of 2011 (PPPFA). The scoring methodology will apply. A copy of the PPPFA regulations can be downloaded from www.treasury.gov.za

The weighting of the preference point system evaluation criteria is as follows:

BBBEE points = 10
Price points = 90

ii. PRICING SCHEDULE

Pricing to be included in the bid amount as per the table below should be only for the **first** year of the audit, as this bid amount will be used for the evaluation.

Price escalation for the subsequent 2 years of audit will be based on a negotiation process with management where factors such as cost escalation, change in audit scope, improved client efficiencies, improved audit efficiencies and changes in the environment will be considered. The fee for all years will be subject to approval by the Board of ALEKOR and PSJV, who will not unreasonably withhold such approval where plausible reasons for escalation have been aptly communicated and agreed upon with management.

Alexkor SOC

| | Financial Evaluation Criteria | | Unit of measure | Quantity | Rate | Total Cost |
|------------------------------|----------------------------------------------|----------------------------|-----------------|----------|------|------------|
| | | | | | | |
| | All Sections – Statutory Audit | | | | | |
| Audit Firm | Required Personnel | Partner | Hours | | | |
| | | Manager | Hours | | | |
| | | Supervisor | Hours | | | |
| | | 3 rd year clerk | Hours | | | |
| | | 2 nd year clerk | Hours | | | |
| | | 1 st year clerk | Hours | | | |
| Total statutory audit | | | | | | |
| | Non audit Services – provide lump-sum | | | | | |
| | NT AFS template | Total fee | Sum | | | |

| | Financial Evaluation Criteria | Unit of Measure | Quantity | Rate | Total Cost |
|--|-------------------------------|-----------------|----------|------|------------|
| | | | | | |
| | Total | | | | |

PSJV

| | Financial Evaluation Criteria | Unit of measure | Quantity | Rate | Total Cost |
|------------------------------|---------------------------------------|----------------------------|--------------|------|------------|
| | All Sections – Statutory Audit | | | | |
| Audit Firm | Required Personnel | Partner | Hours | | |
| | | Manager | Hours | | |
| | | Supervisor | Hours | | |
| | | 3 rd year clerk | Hours | | |
| | | 2 nd year clerk | Hours | | |
| | 1 st year clerk | Hours | | | |
| Total statutory audit | | | | | |
| | | | | | |
| | Financial Evaluation Criteria | Unit of Measure | Quantity | Rate | Total Cost |
| | | | | | |
| | Total | | | | |

REHABILITATION TRUST FUND

| | Financial Evaluation Criteria | Unit of measure | Quantity | Rate | Total Cost |
|------------------------------|---------------------------------------|-----------------|----------|------|------------|
| | All Sections – Statutory Audit | | | | |
| Audit Firm | Required Personnel | Partner | Hours | | |
| | | Clerk | Hours | | |
| | | | | | |
| Total statutory audit | | | | | |
| | | | | | |
| | Financial Evaluation Criteria | Unit of Measure | Quantity | Rate | Total Cost |
| | | | | | |
| | Total | | | | |

10. PAYMENT TERMS

The following payment terms will apply:

| Phase | Completion of work done | Payment (30 days or earlier from original tax invoice received by ALEXKOR/PSJV) | Deliverables |
|-------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| Interim audit | February/March Or earlier for the 1 st year | Percentage of audit fee to be negotiated based on audit plan | |
| Presentation to Audit and Risk Committee of Draft AFS and Audit report | June | Percentage of audit fee to be negotiated based on audit plan | Reviewed draft Annual Financial Statements, and Auditors report to the Audit and Risk Committee |
| Final sign-off of the Annual Report | July | Percentage of audit fee to be negotiated based on audit plan | Signed audit opinion |
| Signed off report of the National Treasury AFS template | July | 100% of NT AFS template fee | Signed report to accompany NT AFS template |
| Other non-audit services | Adhoc | To be agreed upon with audit firm | |

11. DISQUALIFICATION CRITERIA

As previously indicated, ALEXKOR will disqualify any tenderers who do not meet the following requirements:

- a. Failure to submit proof of registration with IRBA by the firm.
- b. Registration with SAICA for Audit Managers and Partners (proof of registration must be submitted, failure to which will disqualify your submission).
- c. Do not score the minimum 65 points for technical evaluation (envelope A).
- d. Do not complete and sign SBD 4 and 8 Declaration Forms.
- e. Do not have valid tax clearance and BBBEE certificate.
- f. The Audit Firm does not submit proof of five (5) years' experience in conducting audits on government entities and five (5) years' experience in the audit of private sector clients.
- g. The affidavit in terms of the (audit firm) Enterprise Information
- h. Lack of proof of registration to the Central Supplier Database of the National Treasury

12. REQUIREMENTS PRIOR TO CONTRACT AWARD

The following requirements must be met prior to a contract award being made to the preferred bidder. Should a preferred bidder not respond positively to ALEXKOR's written request within 7 working days of delivery of such request (if this has not been submitted with the tender), that tenderer will be disqualified and the next ranking bidder will be considered.

- a. Should a tenderer fail to submit proof of professional indemnity insurance with the tender documents, but still comply with the minimum technical score, then the preferred bidder must provide ALEXKOR with such proof before contract award.