



**Office of the Treasurer**  
**Shaheed Benazir Bhutto University Sheringal Dir Upper**

Ph # 0944 -885831,885435 Fax No. 0944885805

**Advertisement No. SBBU/Adv./Td/115-2019**

**TENDER NOTICE/INVITATION TO BID**

**REQUEST FOR PROPSAL (RFP) FOR HIRING OF CHARTERED ACCOUNTANT FIRM FOR AUDIT OF SHAHEED BENAZIR BHUTTO UNIVERSITY SHERINGAL ,DIR (UPPER).**

Shaheed Benazir Bhutto University Sheringal Dir Upper is a public sector University established vide Provincial regulation No. 2009 in October 2009.

The University invites request for profosals from eligible chartered accountant firms to indicate their intrest in providing services for the audit of accounts for the financial years 2010-11 to 2017-18 of developmental and recurring expenditures of the University.

Intersted audit Firms can obtain detailed elegibility/selection criteria from Shaheed Benazir Bhutto University Sheringal Dir (Upper) at any working day and also available on [www.sbbu.edu.pk](http://www.sbbu.edu.pk), [www.info@ppra.org.pk](mailto:www.info@ppra.org.pk).

Intersted firms will be required to submitt their Finincial and Technical proposals on the mention address by 11.00 AM on or before 24.04.2019.

**Treasurer Shaheed BB University Sheringal Dir Upper Phone No 0944-885435/885831 and Fax No 0944-885805.**



# Office of the Treasurer

## Shaheed Benazir Bhutto University Sherigal Dir Upper

Ph # 0944 –885831/885435, Fax No. 0944-885805

### Term of Reference

#### Introduction

Shaheed Benazir Bhutto University Sheringal Dir Upper here in after called as(SBBU) is one of the Pakistan Government of Khyber Pakhtunkhwa public sector university, established under the regulation 2009 on dated October 06, 2009.

#### 1. Need

Under the Section 39(6) without prejudice to the requirement of Audit by an auditor appointed by Government an accordance with provision of any other law enforce, the annual audited statement of accounts of the University shall be prepared inconformity with the Generally Accepted Accounting Principles (GAAP) by a reputed firm of Chartered Accountants and signed by the Treasurer. The annual audited statement of accounts so prepared shall be submitted to the Auditor General of Pakistan for his observations.

#### 2. Objective

The primary objective of the audit of financial statements of the University is to enable the auditor to express a professional opinion on the financial position of the University and of the fund received and expenditure incurred during the Financial Years 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 & 2017-18 of the SBBU fund (Both recurring & Developmental).

#### 4. Existing System

The accounts of the University both for its developmental and non-developmental budget are maintained on modified cash basis of accounting as per international public sector accounting standers (IPSAS).

#### Books of Accounts

For proper accounts keeping, the University under the rules is required to maintain the following books.

- i. Cash Book
- ii. Income & Expenditure ledger
- iii. Bank ledger
- iv. Advances ledger
- v. Grant in Aid Register
- vi. Contractor Ledger
- vii. Scholarships Register
- viii. Medical Claim Register
- ix. Telephone Payments Register
- x. T.A/D.A Register
- xi. Electricity Register
- xiv. Fax and Telephone Register

## **6. Preparation of Financial Statements**

Consulting firm is required to prepare monthly statement of expenditure and receipts as well as the following annual financial statements for the years as mentioned above for both recurring and developmental budgets.

- i. Income Statement
- ii. Balance Sheet
- iii. Trial Balance
- iv. Statement of sources and uses of fund
- v. Cash flow statement
- vi. polices

## **7. Scope of Audit**

**7.1:-** The Audit shall be carried out in accordance with the International Standards of Auditing (ISA) and shall include such test and control as the Auditor considers necessary under the circumstances The financial audit of the SBBU shall be undertaken to cover all areas of activities to ensure that :-

- i. Transactions are properly authorized.
- ii. Transactions have been recorded under proper object of expenditures/receipts.
- iii. Funds have been utilized for the purposes for which they were made available.
- iv. Goods and Services have been procured in accordance with Public Procurement Rules-2004.
- v. Transactions are duly supported by the relevant documents.

**7.2:-** The Auditors shall also consider the adequacy of controls necessary to secure propriety, economy, efficiency, and effectiveness in all areas.

## **8. Financial Statements**

The compilation of Financial Statements and their audit for the years (2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 & 2017-18).

## **9. Deliverables**

**9.1:**The audit firm shall compile and deliver audited Financial Statements separately for the Fiscal Year. (2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 & 2017-18)of the Project and recurring accounts of SBBU.

## **9.2: Audit Opinion**

The audit firm shall give its opinion on the Financial Statements of the University Funds with regard to the maintenance of accounting record in accordance with the generally accepted accounting principles (GAAP). The Annual Audit Report of

SBBU Accounts should include an opinion commenting on accuracy and propriety of expenditures incurred together with the internal controls involved.

### **9.3:Management Letter**

In addition to the Financial Statements together with the audit opinion thereon, the auditor shall prepare a “Management Letter” (to be provided alongwith Audit Report) which shall cover the shortcomings, weaknesses and allied observations that come across during conduct of audit assignment, keeping positive approach for improvement of the systems and procedures, including the following.

- a. Give comments and observations on the accounting records, system examined during the course of audit as well as Academic & Administrative performance of the University as per SBBU Regulation 2009.
- b. Identify specific deficiencies and areas of weaknesses in systems and control and make recommendations for their improvement.
- c. Communicate matters that have come to attention during audit which might have a significant impact on the implementations of SBBU projects and bring SBBU attention to any other matter that the Auditor considers pertinent. The Auditor’s Findings should be summarized to show the value of:-
  - i. **Ineligible expenditure**
  - ii. **Internal Control Weaknesses**

### **9.4: Time Schedule**

The audit assignment shall be completed within 60-days. The report alongwith management letter and certified accounts shall be sent to the Vice Chancellor SBBU within One month after completion of audit.

### **10. Payment to the Audit Firm**

Payment shall be made within 60 days after the delivery of audit reports, financial statements and management letter (including suggestion and discussion with the top management of SBBU on improving internal controls and financial system of SBBU by the audit firm.

### **11. Failure**

The successful bidder will be called formally to carry out the Audit within the given time period, failing which the call deposit will be forfeited in favor of SBBU.

## **Audit Firm selection procedure**

### **Firms Eligibility Criterion.**

- 1- Registered with ICAP and having Valid License of Practice.
- 2- Registered with Income and Sales Tax Departments, who are on Active tax Payer (ATL) list of FBR.
- 3- Having Office in Peshawar.
- 4- A letter showing that a deposit at call @ 2% of rate quoted is attached in Financial proposal.

### **Bidding Process**

Firm will be selected after an open and transparent bidding process in accordance with Public Procurement Regulatory Authority (PPRA) guidelines. Bidding process shall be single stage two envelopes as per PPRA Rule 36(b).

The bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal. Initially, only the envelope marked "TECHNICAL PROPOSAL" shall be opened on the date and time provided in the Invitation to Bid.

The envelope marked as "FINANCIAL PROPOSAL" shall be retained without being opened.

The financial proposals of technically qualified bidders will be opened publicly at a time, date and venue to be announced and communicated to the bidders in advance after evaluation of technical bid.

The financial proposals of technically non-qualified bidders will be returned unopened.

#### **a) Technical Proposal**

Technical Proposals to be submitted by the applicants shall be in compliance with all the requirements laid down in bidding documents. The Technical proposal shall be clearly marked with "TECHNICAL PROPOSAL"

The technical proposal shall include

- i. A covering letter from the head of the firm or an authorized representative of the applicant entailing the objectives and the executive summary.
- ii. Firm complete profile having Partners/Audit team Qualification & Experience details, client details along with all the related documents supporting the Firm's eligibility and technical qualification for bid.
- iii. Compliance against each clause of bidding documents must be attached.
- iv. The Technical Proposal should specifically provide the information of Firm on the following format of evaluation criterion.
- vi. A covering letter which show that the firm has attached the original deposit at call in financial proposal.

**Technical Proposal Evaluation Criterion**

Sr.	Criterion	Marks	Firms Data*
1	Affiliation with International Networks of Accountancy	5	
2	Numbers of Partners: a) In Pakistan b) In Peshawar Office	5 5	
3	Manpower Strength (Nos) a) In Pakistan b) In Peshawar Office	5 5	
4	Active Audit Clients (Nos). a) In Pakistan b) In Peshawar Office	5 5	
5	Active Audit Clients Similar Nature (Nos). a) In Pakistan b) In Peshawar Office	5 10	
6	No of Offices Registered with ICAP	5	
7	Composition of Audit Team a) Partner Overall Experience b) Partner Experience with firm c) Engagement Manager Qualification d) Engagement Manager Experience e) Audit Supervisor Qualification/Experience	5 5 10 10 5	
8	Proposed Audit Team Experience of Audit of similar clients	10	

\* Firms need to fill the information in table above against column "Firm data".  
Bids scoring 60 marks will be technically qualified for financial competition.

Note: Documentary proofs of the above must be attached.

**b) Financial Proposal**

The bidder shall submit Financial Proposals in separate envelope. Envelop shall be clearly marked with "FINANCIAL PROPOSAL"

The Financial Proposals should be submitted in Pak Rupees in separate envelope on following format.

Sr	Service	Fee	Services Sale Tax (Federal/Provincial) if any.	Total
1	Annual Audit			

**Award of contract:** The contract will be awarded to the firm who offer lowest rate.

**Form of Contract**

**Agreement**

This agreement made and entered into this day \_\_\_\_\_ of \_\_\_\_\_ by and between the Shaheed BB University Sheringal Dir Upper, Islamic Republic of Pakistan (hereinafter referred to as the “The University”) and M/S \_\_\_\_\_ having its principal office of business at (No. \_\_\_\_\_ Pakistan (hereinafter referred to as “The Firm”))

Whereas the Vice Chancellor on the recommendation of Purchase Committee of Shaheed BB University Sheringal on the basis of lowest rates in response to **REQUEST FOR PROPOSAL (RFP)** for Selection of Chartered Accountant Firm for conducting Audit of Accounts (Recurring and Developmental) of Shaheed BB University Sheringal for the Fiscal Year 2010-11 to 30/06/2018, select the M/S \_\_\_\_\_, who have agreed to provide services for the Audit of SBBU as per detail in Term of Reference (TOR) in the consideration of the mutual Covenants hereinafter contained, the parties agree as follow:

**Terms & Conditions:**

- The audit assignment shall be completed within 60 days.
- The report alongwith management letter and certified accounts shall be sent to the Vice Chancellor of Shaheed BB University Sheringal within one months after completion of audit.
- Payments will be made within 60-days after the delivery of audit financial statements and management letter.
- The University will provide sharing base accommodation facility to the Auditors in the Guest House free of Cost, while the food arrangement shall be the responsibility of the firm.
- The University will not bear TA/DA and pocket expenditure of the Auditors.
- The successful bidder will be called formally to carry out the Audit within the given time period, failing which the call deposit will be forfeited in favor of the University.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed their respective name and duplicate, each party retaining one (1) on copy thereof.  
\_\_\_\_\_ day of \_\_\_\_\_ as of the day and year first herein before written.

**Witness  
Signature**

Name: \_\_\_\_\_

Title \_\_\_\_\_

CNIC \_\_\_\_\_

**For and on behalf of the University  
(The University Signature)**

Name: \_\_\_\_\_

Title \_\_\_\_\_

CNIC \_\_\_\_\_

**Witness**

Name: \_\_\_\_\_

Title \_\_\_\_\_

CNIC \_\_\_\_\_

**For and on Behalf of the Firm**

Name: \_\_\_\_\_

Title \_\_\_\_\_

CNIC \_\_\_\_\_