MBD1

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE THULAMELA MUNICIPALITY					
NOTICE NUMBER:	01/2023/2024	CLOSING DATE:	18 AUGUST 2023	CLOSING TIME:	11:00 AM
DESCRIPTION	REVIEW OF ANNUAL FINANCIAL STATEMENT FOR 2022/2023				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX
SITUATED AT *(STREET ADDRESS*

OLD AGRIVEN BUILDING
THOHOYANDOU
0950

SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE			NUMBER	
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE			NUMBER	
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		**OR**	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		☐ Yes ☐ No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE **IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR **THE GOODS /SERVICES /WORKS OFFERED?**		☐Yes ☐No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED			**TOTAL BID PRICE**		**R**
SIGNATURE OF BIDDER	………………………………		**DATE**		
CAPACITY UNDER WHICH THIS BID IS SIGNED					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		**TECHNICAL INFORMATION MAY BE DIRECTED TO:**	
DEPARTMENT	FINANCE	CONTACT PERSON	MUDZANANI L
CONTACT PERSON	MUDZILI TP	TELEPHONE NUMBER	015 962 7707
TELEPHONE NUMBER	015 962 7629	FACSIMILE NUMBER	015 962 4020
FACSIMILE NUMBER	015 962 4020	E-MAIL ADDRESS	
E-MAIL ADDRESS	mudzilitp@thulamela.gov.za		

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PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.

1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE**

1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.

2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.

2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.

2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.

2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO

3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO

3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO

3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO

3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER: ……………………………………………

CAPACITY UNDER WHICH THIS BID IS SIGNED: ……………………………………………

DATE: ……………………………………………

THULAMELA MUNICIPALITY

INVITATION TO NOTICE

REVIEW OF ANNUAL STATEMENT FOR 2022/2023 FINANCIAL YEAR

Thulamela Municipality invites prospective service providers for provision of the following service:

Notice Number	Description	Non-Refundable Bid Price	Contact Person	Evaluation Criteria
N01/2023/2024	Review of Annual Financial statement for 2022/2023 Financial year	R3.00 per page or can be downloaded from Thulamela website (**www.thulamela.gov.za**) for free	Ms Ramboho L.C. (015 962 7710) and/or Mr Mudzili T.P. (015 962 7629)	80/20 preference points system and functionality.

Tender documents are obtainable from Procurement Office, Office No. 02 at Thulamela Local Municipality Head Office, during the following times: 08:00 to 15:30 (Monday to Friday) at a **Non-refundable bid price of R3.00 per page** as from **08 August 2023** or can alternatively be downloaded from Thulamela website **(www.thulamela.gov.za)** for free. . The tenderer(s) should also download SCM forms that are found in the SCM-FORMS sub folder on the website and complete as part of the Bid documents.

The service providers must submit the completed Bid documents (in black ink) and hand deliver or courier them to Thulamela Municipality. All completed Bid documents (hand delivered or couriered) must be dropped in the BID BOX before the closing date and time of the Bids closure. The onus is on the service providers to make sure the Bid documents are submitted on time and late submission will not be accepted.

Interested service providers will be expected to submit the Bid documents with the following compulsory requirements.

- **Tax Compliance Status Letter or Tax Compliance Pin Number.**
- **Company registration documents (e.g., CK).**
- **Proof of registration on CSD.**
- **Valid proof of company membership registration to accounting statutory professional bodies.**
- **Certified ID copies of owners/directors**
- **Proof of municipal rates and taxes or municipal service charges owed by the bidder AND ALL its directors, not in arrears for more than 3 months. (The proof of municipal rates and taxes or municipal service charges to be submitted must not be older than three (3) months from the closing date of the bid).**
- **List of similar projects completed in the last 5 years by the company with client's contact details, description, and contract values (Attach appointment letters and/or purchase orders)**
- **Proof of registration with registered regulated accounting professional body as qualified Chartered Accountant of proposed project leader.**
- **The proposed cost of the project must exclude reimbursements/disbursements e.g., accommodation, subsistence and travelling costs. These expenses will be reimbursed according to cost containment regulations.**

NB: Service Bids will be assessed under the provisions of the following Acts and its Regulations
: Municipal Finance Management Act, (Act 56 of 2003); PPPFA, Supply Chain Management Policy of the municipality in accordance with the specifications and in terms of **80/20 preferential points system and functionality.**

Specific Goals Categories (CSD will be used for verification)	**Number of Points (80/20 system)** **20 Points breakdown**
1. 100% Black ownership	**10**
2. 100% Women ownership	**5**
3. Youth	**3**
4. Disability (Medical certificate will be used to verify the disability status of the bidder).	**2**

Functionality will be scored out of 100% and bidders who score less than 70% will not be considered for further evaluation. The following is the functionality schedule.

DESCRIPTION	POINTS ALLOCATED
Experience, Qualification, and professional board registration (Director):	Max – 10 Points
Experience, Qualification, and professional board registration (Project Manager)	Max – 10 Points
Understanding of scope	Max – 20 Points
Similar Experience	Max – 20 Points
Unqualified audit opinion	Max – 35 Points
Skills transfer plan	Max – 05 Points
TOTAL	**100 Points**

Sealed bid documents must be submitted in envelopes clearly indicating ***"BID NUMBER AND DESCRIPTION"*** on the outside and must reach the undersigned by depositing it into the official Bid Box at the front of the main entrance to **Thohoyandou Civic Centre, Old Agriven Building, Thohoyandou** by no later than **11H00 on, 18 August 2023**.

The Municipality is not bound to accept the lowest Bid and reserves the right to accept any part of a Bid. Bids must remain valid for a period of ninety (90) days after closing date of the submission thereof.

Bids may only be submitted on the bid documentation provided by the municipality.

NB:

Bids which are late, incomplete, unsigned, completed by pencil, sent by telegraph, facsimile, electronically (Fax), or E- mail and without the compulsory requirements will be disqualified.

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MAKUMULE M.T.
MUNICIPAL MANAGER

07 . 08 . 2023
DATE

THULAMELA LOCAL MUNICIPALITY

NOTICE NO.: N01/2023/2024 *REVIEW OF ANNUAL STATEMENT FOR 2022/2023 FINANCIAL YEAR*

TERMS OF REFERENCE REVIEW OF ANNUAL FINANCIAL STATEMENT FOR 2022/2023 FINANCIAL YEARS.

1. BACKGROUND

1.1. Section 122(a) and (b) of the MFMA requires that, every municipality must for each financial year prepare Annual Financial Statements. Thulamela Municipality intends to carry out a procurement exercise to solicit proposals from experienced and a Qualified Chartered Accountant Firm to perform the duties as listed on point 3 below. (Scope of service required).

1.2. To ensure that the Annual Financial Statements fairly present the state of the municipality against its budget, its management of Revenue, Expenditure, Assets and Liabilities, its business activities, its financial results, and financial position as at the end of the financial year. Disclose the information required in terms of sections 123,124 and 125 of MFMA Act 56 of 2003.

2. Scope of service required

2.1 Review of current accounting policy document and amend to align with current year GRAP amendments. Assist the municipality on implementation of GRAP and mSCOA standards any new Accounting Standard as approved by the ASB for implementation in 2022/2023 Financial year.

2.2 Advice on the preparation of the transaction for the applicable financial year and recommendation of the correction and / or adjustments to comply with GRAP and mSCOA – and National Treasury guidelines and requirement.

2.3 Guidance to the municipality by reviewing the submission of information to complete the notes to the AFS.

2.4 Preparation of review notes of Annual Financial Statements for the period ended 30 June 2023 by using a GRAP compliant Excel tool containing linkages to substantiate the amounts and balances contained therein.

2.5 In the event that the municipality's records are not sufficient for disclosure purposes, inform and advise the municipality of such instances and assist in the appropriate actions to address such shortcomings.

2.6 Assist with the preparation of responses to communication of audit findings, management letters with regards to the Annual financial Statements.

2.7 Compilation of audit working file.

2.8 Transfer of skills to the municipal officials in line with scope of work.

2.9 Ensure that the Annual Financial Statements balances with the system generated the trial balance.

2.10 Ensure that prior year queries raised by the Auditor-General are correctly addressed during the preparation of the Annual Financial Statements.

2.11 Perform any other actions that will ensure that the quality of the Annual Financial Statements is enhanced prior to submission to the auditors.

2.12 Ensure that all Financial Performance information have been reconciled.

2.13 Assist with the current budget structures to ensure compliance to GRAP and mSCOA requirements.

3. Scope of Annual Financial Statement review required

Component	Description
• Reviewing Accounting Policies for compliance with GRAP and adopted municipal policies	• One-to-one practical training during projects • Review of the Accounting Policies • Provision of technical guidance to finance team on the changes in laws and regulations affecting current policies • Review the Annual financial statement to TB, Notes and schedules • Review the annual financial statement for completeness and accuracy • Review applicable GRAP standards applicable to a MFMA • Review current accounting policy document and amend to align with current year GRAP amendments. All new GRAP standards should be implemented. • Review the GRAP compliant annual financial statements;

• Reviewing of Annual Financial Statements.	• One-to-one practical training during project • Provision of technical guidance to finance team on the changes in laws and regulations affecting current policies • Review depreciation for the financial year. • Guaranteeing that where necessary and applicable all major Financial Performance items have been reconciled. • Ensure that prior year queries raised by the Auditor-General were correctly addressed during the preparation of the financial statements. • Review the annual financial statements and the trial balance for accuracy and balancing with the financial system;
• Assisting with the Preparation of Audit file and year end journals	• Practical hands-on and workplace training courses held either onsite or offsite. • Provision of technical guidance to finance team on the changes in laws and regulations affecting current policies
	• Review current budget structures to ensure compliance to GRAP requirements. • Perform any other actions that will ensure that the quality of the financial statements is enhanced prior to submission to the auditors Assist in compilation of entries to process corrections after the overall review of the financial statements. • Review the audit file for completeness.

3 PERIOD TO BE COVERED

Review of Annual Financial Statements for the year ended 30 June 2023 financial year. Duration of the contract will be from date of signing of the contract with inclusive audit support (the service provider will be required to give maximum support during audit as part of the contract). Financial Statements must be submitted on or before 31st of August 2023 to the Office of the Auditor-General.

4 RESPONSIBILITY OF THE BIDDER.

4.1. Bidders must submit a comprehensive proposal with full details on how the above scope of work will be achieved.

4.2. Provide detailed information of resources to be provided to achieve the above-mentioned Scope of work.

5 PRICING

The proposed cost of the project/price must include reimbursements/disbursements e.g., Subsistence and Travelling costs. These expenses will be reimbursed according to cost containment regulations.

1. FUNCTIONALITY CRITERIA:

EVALUATION CRITERIA	Scoring Criteria	Weight	Point scored
Experience, Qualification, and professional board registration (Director/s):	Relevant Experience (at least 3 years of experience in the Review of Annual Financial Statements in accordance with GRAP standards. Experience and Qualification of the Company Director/s (Should be a Chartered Accountant (CA) with proper local government experience). Attached CV and Professional Qualifications registered with regulated accounting professional body: • less than 5 years' experience = 05 Points • 5 years and above experience = 10 points maximum • Minimum qualification (degree) and registered as chartered accountant = 10 Points	10 points max. on experien ce 10 points max on qualificat ion & CA registrati on	
Experience, Qualification, (Project Manager)	Experience and Qualification of the (Project Manager) Attached CV and Professional Qualifications (Minimum qualification should be a degree in accounting field or higher) • Minimum qualification (degree) and less than 5 years' experience = 05 Points • Minimum qualification (degree) and 5 years' or more experience = 10 points maximum	10	

Understanding of scope (GRAP standards requirements per specification and giving a clear methodology of given task in response to TOR (detailed proposal)	Systematic Approach and methodology • Poor Approach and Methodology = 0 • Good Approach and Methodology = 05 • Excellent Approach and Methodology = 10 maximum	10	
Similar Experience of the firm related to the assignment (preparation of AFS).	Company relevant experience in preparation of GRAP Compliant AFS for the municipality (Attach appointment letters) • 1 appointment letters = 05 points • 2 appointment letters = 10 points • 3 appointment letters =15 points • 4 or more appointment letters =20 points maximum	20	
Company Review of the AFS in obtaining unqualified audit opinion in the municipality.	COMPANY PROVEN AFS REVIEW in obtaining unqualified audit opinion within the municipality (Attach appointment letters, reference letters and signed audit reports of clients) • 1 Unqualified audit opinion = 05 points • 2 Unqualified audit opinion = 15 points • 3 Unqualified audit opinion = 25 points • 4 or more Unqualified audit opinion = 35 points maximum	35	
Skills transfer plan (attach detailed plan)	Skills transfer to Municipal officials • plan not attached = 0 • detailed plan attached = 05 points maximum	05	

Functionality Threshold (Minimum)		**70**	
Total Points for Functionality		**100**	

Bidders should note the following: Functionality will be scored out of 100 and the minimum threshold to qualify is 70%. Bidders who fail to meet the minimum threshold will not be considered for further evaluation.

2. **LIST OF RETURNABLE DOCUMENTS**
    - Tax Compliance Status Letter or Tax Compliance Pin Number.
    - Copy of Company registration documents (e.g.CK)
    - Company profile
    - Valid proof of registration on CSD
    - Valid Proof of company membership registration to accounting statutory professional bodies
    - Certified ID Copies of owners/directors
    - Proof of municipal rates and taxes or municipal service charges owed by the bidder AND ALL of its directors, not in arrears for more than 3 months. (The proof of municipal rates and taxes or municipal service charges to be submitted must not be older than three (3) months from the closing date of the bid
    - List of similar projects completed in the last 5 years by the company with client's contact details, description and contract values (Attach appointment letters and /or purchase orders)

NB: Certification on the documents should not be older than three months. Bidders will be disqualified for failure to submit any of the returnable documents listed above (with the exception of BBBEE status level certificate).

- **NB: The proposed cost of the project must exclude reimbursements/disbursements e.g., accommodation, subsistence and travelling costs. These expenses will be reimbursed according to cost containment regulations.**

The following is a statement of similar work executed by the company/ies in the last five (5) years:

Employer, Contact person and telephone number	Description of contract	Value of work inclusive of VAT (Rand) if applicable	Date Completed