



RFP NUMBER	SACP01/01/2025
RFP DESCRIPTION	REQUEST FOR PROPOSAL TO RENDER EXTERNAL AUDIT SERVICES
RFP ISSUE DATE	28 JANUARY 2025
BRIEFING SESSION	NONE
CLOSING DATE & TIME	TUESDAY, 11 FEBRUARY 2025 at 16:00PM
SUBMISSIONS	EMAIL TO: scm@sacnasp.org.za SUBJECT: EXTERNAL AUDITORS (SACP01/01/2025)

1. PURPOSE

The South African Council for Natural Scientific Professions (SACNASP) invites proposals from qualified and reliable service providers to supply external audit services.

2. BACKGROUND

The South African Council for Natural Scientific Professions (SACNASP) is the legislated regulatory body for the Natural Science Professionals in South Africa. SACNASP recognises and registers natural scientific practitioners and fosters ethical practise and training of practitioners.

In terms of the Section 16 (1) of the Natural Scientific Professions Act (Act 27 of 2003), the Council must, within six months from the close of each financial year provide the Minister with an annual report including the annual financial statements regarding its activities during that financial year for tabling in Parliament.

SACNASP therefore requires the services of Registered Auditors who will perform the annual statutory external audit in accordance with the Public Audit Act of South Africa for a period of three (3) years commencing with the 2023/24 financial year end.

SACNASP currently falls under the public entities where the AGSA has indicated that it will not perform an audit of the entity in terms of section 4(3) of the Public Audit Act (PAA). Therefore, this appointment will be subject to the Auditor General of South Africa Directives issued in terms of the PAA.

3. OBJECTIVE AND SCOPE OF WORK

The objective of the audit is for the auditors to perform audit functions in terms of the Public Audit Act 25 of 2004 and to report on the annual financial statements of the Council. In doing so, the Auditors will conduct audit reviews as follows:

- a. The Auditors shall express an independent professional opinion as to whether the financial statements present fairly, in all material respects, the financial position of SACNASP in accordance with the International Financial Reporting Standards for Small and Medium Entities (IFRS for SMEs) and requirements of best practices for statutory bodies.
- b. Perform statutory annual audit of the financial statements in terms of the applicable framework as may be contained in the Public Audit Act of South Africa, the International Standards on Auditing, the Independent Regulatory Board of Auditors of South Africa, the Accounting Standard Board of South Africa and specific directives issued by the National Treasury of the Republic of South Africa and the Auditor General of South Africa where applicable,
- c. The Auditors in their duties shall comply with the duties imposed upon them by the Audits Professions Act 26 of 2005.
- d. Perform its functions as auditor in terms of the Auditing Profession Act, Act No. 26 of 2005 (APA) and the Public Audit Act (PAA). The audit firm has the same general auditing powers as assigned to the AGSA in terms of section 15 of the PAA.
- e. The Auditors should submit a management letter after the completion of the audit in which auditors will:
 - i. Identify specific deficiencies or areas of weakness in systems and controls, and make recommendations for their improvement;
 - ii. Examine on a test basis the appropriateness of supporting documents, records and books of accounts relating to all project activities;

- iii. Include management responses to audit findings and recommendations;
- iv. Any matters that come to the Auditor's attention during the audit that might have a significant impact on the going concern status of the Council.
- v. Examine, assess and report on compliance with the terms and conditions of the agreement between funding partners and SACNASP and applicable laws and regulations within accounting and taxes;
- f. The audit will also include:
 - i. evaluating the appropriateness of the accounting policies
 - ii. assessing the accounting principles used and significant estimates made by management.

4. DELIVERABLES

The external auditors will be required to adhere to the following during the different phases of the annual audit:

1. Submit detailed Audit Planning Memorandum.
2. Submit detailed budget in line with the Audit Planning Memorandum.
3. Draft and issue audit reports upon completion of audit assignments.
4. Attend meetings of the Audit & Risk Committee and Council as necessary.
5. Present the final Audit Report to the Audit & Risk Committee and Council.

5. REQUIREMENTS FOR RFP

- a) SACNASP'S Bid Adjudication Committee will do the adjudication after the proposal submission deadline. The selection criteria will include the following:
 - i. Eligibility - Authorisation by the State Board of Accountants to conduct audits.
 - ii. Experience of the firm in relation to the scope of audits for statutory bodies.
 - iii. A list of similar organisations served by your firm.
 - iv. Your staff assignments and availability to complete the audit on a timely basis.
 - v. Participation of senior audit personnel assigned to the engagement (number of partners, number of managers and number of final year articled auditors)
 - vi. Depth of technical resources (CV of the assigned team leader).
 - vii. Availability of the Audit firm's staff to respond to questions within the scope of the engagement and the hourly charge, if any, for services outside the scope of the audit.

- viii. Audit firm staff stability history - assurances that can be provided regarding the assignment of your permanent personnel to the engagement.
- ix. Proposed fee for the engagement including a schedule for additional services that may be necessary beyond the scope of the audit engagement. The proposal should indicate anticipated fees for the second and third years.
- x. Detailed audit plan/methodology including your approach to risk and fraud detection.
- xi. Estimated number of hours to complete the audit by classification of your employees, i.e. partners, senior, junior.
- xii. Detail of expenses expected to be incurred, i.e. mileage, per diem, telephone, etc.
- xiii. Time Requirements.

5.1. STAGE 1: MANDATORY REQUIREMENTS

The following requirements are mandatory:

- Service providers must submit a proof of registration on the Centralised Supplier Database (CSD) held by National Treasury;
- Service provider must submit proof of Business Registration with CIPC;
- The contracted service provider is required to provide an original SARS tax clearance certificate;
- An original or certified copy of the B-BBEE Certificate or an original affidavit signed by a Commissioner of Oaths with regard to the B-BBEE status that has been provided;
- Standard Bidding Document (SBD) 4 – Declaration of interest;
- SBD 6.1 – Preference points claim form in terms of the Preferential Procurement Regulation 2017;
- SBD 8 – Declaration of bidder's past supply chain management practices;
- SBD 9 – Certificate of independent bid determination.
- Quotations must reflect the cost breakdown where applicable as well as the total cost of the project. Prices quoted must be inclusive of VAT.

Failure to submit ANY of the required documentation above will lead to disqualification.

5.2. STAGE 2: FUNCTIONALITY ASSESSMENT

An assessment of functionality will be scored as per the scoring range below and service providers must score a minimum of 70% or more to proceed to the next stage of evaluation. The following scoring system will be utilised for this evaluation:

Criteria	Details	Weight
Criterion 1: Company Experience Bidder must submit their company profile indicating the number of years the firm has been rendering external audit services including specialized skills, expertise and value-added services. The company profile should clearly indicate the number of years the company has been in operation and for how many years the company has been offering external audit services.	1 to 3 years = 3 4 to 7 years = 6 8 to 10 years = 10 > 10 years = 15	15%

Criteria	Details	Weight
Criterion 2: Experience in the external audit of entities with Revenue >R15m. The Bidder should provide reference letters from different clients as evidence of the external audits conducted of entities with a revenue above R15 million. The reference letters should include: • Project description • Revenue • Contactable reference • Project value. The reference letters should not be older than five years, the letters should be on the letterhead of the previously serviced client and should indicate the name of the client, the title of the related work conducted, the year conducted, and the completed contactable reference name.	2 References = 5 4 References = 10 5 References = 15 >5 References = 20	20%

Criteria	Details	Weight
Criterion 3: Staff Compliment The bidder should clearly indicate the staff compliment of the company. The description should include office support as well as a description of the IT systems used to perform the audit.	0 to 10 staff = 3 10 to 30 staff = 6 30 to 50 staff = 10 >50 staff = 15	15%

Criteria	Details	Weight
Criterion 4: Team Expertise Relevant qualifications and experience of key personnel involved in the external audit services, including project managers, coordinators, and other critical roles.	Partner, Manager, Senior auditor and Article clerk = 10 2 Partner, Manager, Senior auditor and 2 Article clerk = 20 >2 Partner, Manager, Senior auditor and >2 Article clerk = 30	30%
Criterion 5: Experience in the external audit of public entities The Bidder should provide reference letters from different clients as evidence of the external audits conducted of entities in the public sector. The reference letters should include: • Project description • Revenue • Contactable reference • Project value. The reference letters should not be older than five years, the letters should be on the letterhead of the previously serviced client and should indicate the name of the client, the title of the related work conducted, the year conducted, and the completed contactable reference name.	2 References = 5 4 References = 10 5 References = 15 >5 References = 20	20%
Total		100%

5.3. STAGE 3: POINTS AWARDED FOR B-BBEE STATUS LEVEL CONTRIBUTOR

Formal quotations will be evaluated and adjudicated in terms of the 80/20 Preference Point System for Price and B-BBEE prescribed by the Preferential Procurement Policy Framework Act 2017 Regulations. Stage 3 will evaluate the price and preference points of those bids that meet the minimum threshold for functionality.

It is understood that external audits are based on hourly rates and that budgets are compiled once the appointed auditor has assessed the likely extent of the work. Financial proposals will be compared on the basis of average hourly rates. All prices provided must be inclusive of Value-Added Tax (VAT).

In accordance with the Preferential Procurement Regulations, 2017 pertaining to the Preferential Procurement Policy Framework Act (No. 5 of 2000), the 80/20-point system will be applied in evaluating proposals that qualify for further consideration, where price constitutes 80 points and a maximum of 20 points will be awarded based on the bidder's B-BBEE Status Level Certificate as follows:

B-BBEE Status Level of Contributor	Number of points (80/20 system).
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

6. SUBMISSIONS

Submission must have a minimum of 5 documents organized and labelled as follows:

- 1) Mandatory Documents
- 2) Company Profile
- 3) Project Proposal
- 4) Pricing (if not included in the proposal)
- 5) References

All documents should be forwarded via email to:

Email: scm@sacnasp.org.za

Tel: 012 748 6500

All technical enquires should be directed to:

Contact Person: Pontsho Mamabolo

Designation: Financial Accountant

Email: Pontsho.Mamabolo@sacnasp.org.za

Tel: 012 748 6522

SACNASP reserves the right to reject any or all proposals and to waive any irregularities or informalities in the proposals received. This RFP content provides a comprehensive outline for potential service providers to understand the organization's requirements and submit proposals accordingly.