

11 MAY 2018

QUOTATIONS ARE HEREBY REQUESTED IN ACCORDANCE WITH THE SCM REGULATIONS SECTION 18 OF THE LOCAL GOVERNMENT MUNICIPAL FINANCE ACT 56 OF 2003, FOR THE PURCHASE OF ITEM/S THAT COULD BE ABOVE R30 000.00.

QUOTATIONS MUST BE SUBMITTED IN SEALED ENVELOPES CLEARLY MARKED “**PREPARATION OF ANNUAL FINANCIAL STATEMENTS FOR 2017/18 FINANCIAL YEAR**” TO THE QUOTATION BOX SITUATED AT

SUPPLY CHAIN MANAGEMENT OFFICES (LESEDI OFFICES)

C/O DU PREEZ AND HF VERWOERD STREET

HEIDELBERG

1438

ON OR BEFORE, 00 DATE 2018 @ 12H00. ALL ENQUIRIES REGARDING THE BIDDING PROCEDURE SHOULD BE REFERRED TO MS SIBULELO NXATHI @016 492 0202 AND GUGU MNCUBE (016) 492 0031

DEPARTMENT: FINANCE

CLOSING DATE: 18 MAY 2018 @12h00

SPECIFICATIONS: PREPARATION OF ANNUAL FINANCIAL STATEMENTS FOR 2017/18 FINANCIAL YEAR

- Preparation of the annual financial statements by a suitably Qualified Chartered Accountant with previous experience in preparation of GRAP annual financial statements.
- Preparation must incorporate evaluating the AFS presented against GRAP checklist as per the National Treasury.
- Consider any new GRAP standards that are effective as per Directive 5 of the Accounting Standards Board that may not be included in the GRAP checklist as above and review and report on non-compliance in respect of these standards
- Prepare the accounting file to ensure that it corresponds with material balances and transactions in the annual financial statements.
- Prepare the accounting to ensure that the file format is in accordance with National Treasury prescripts and Municipal standard chart of accounts (mSCOA)
- Prepare the accounting file to ensure that balances are compiled in accordance with GRAP and National Treasury prescripts, as far as possible.
- Agree the prior year comparatives to the prior year audited AFS as disclosed in the annual report
- Ensure that closing balances as per previous trial balance agrees to the opening on the current year trial balance.
- Agree the latest closed off trial balance for the prior year to the prior year’s AFS to ensure all the adjusting journal entries have been processed.

- Agree all amounts per the Statement of Financial Performance to the TB and that all accounts have been correctly mapped.
- Review all reconciliations statements, registers and reports whether they agree to general ledger and AFS.
- Prepare the annual financial statements for completeness of disclosure of GRAP standards using the GRAP disclosure checklist.
- The preparing a report for audit committee 7 days before presentation of the annual financial statements to the Audit Committee of the municipality.
- Prepare of Audit working paper file including working papers.
- Prepare AFS on Caseware.

GENERAL DISCLOSURE

The following must be included in the financial statements:

- Statement of financial performance
- Statement of financial position
- Statement of changes in net assets
- Cash flow statement
- Statement of comparison of budget and actual amounts
- Appropriation Statement
- Accounting policies
- Notes to the annual financial statements
- All totals cost and cross cast

The following information is provided on all the pages of the financial statements and is correct on all the pages:

- Name of the Municipality.
- Statement heading
- Reporting date

The following information is disclosed prominently in the financial statements:

- Presentation currency
- Level of rounding used in presenting amounts
- The sequence of page numbers is correct and complete

PROJECT MANAGEMENT

- The appointed service provider will be expected to provide written progress reports to the Municipal Manager as per agreed upon Service Level Agreement and Project Work Plan. The final financial statements must be ready 7 working days before the legislated submission date.

DOCUMENTATION AND CONFIDENTIALITY

- Ownership of all documentation, material and data produced within the context of this brief, whether hard or digital format, shall remain the property of Lesedi Local Municipality

- Information and data which is generated in the context of the project may not be made available to any third party prior permission of the Lesedi's Municipal Manager.

PROPOSAL CONTENT

The proposal should contain the under-mentioned:

SERVICE PROVIDER

- Identify of firm/ Composition of Consortium
Lesedi Local Municipality is willing to consider individual firms and/ or other firms of entities in a consortium, joint venture, or sub consultancy as appropriate.
- Consultant/or service provider experience
The proposal should provide a brief description of the service provider/consultants experience and relevant recently completed and / or current assignments indicating inter alia:
 - The client
 - The nature of the services provider or consultants involvement
 - The names of resumes of the staff provided,
 - The duration of the assignment, and it is required that the service provider has significant experience in GRAP AFS preparation.

REFERENCES

- Prospective service providers must provide 5 reference letters and contactable references from previous and/or current work on the preparation of the annual financial statements and relevant reference or appointment letters signed by the accounting officer/CFO

PROPOSED APPROACH AND DELIVERABLES

- Service providers are advised to ensure that proposals are as detailed and comprehensive as possible, as this will assist in the evaluation process.

PROJECT BUDGET AND PRICING

- The financial proposed should be prepared on a time and cost basis. Service Providers must propose a pricing schedule appropriate to each component of the project and include the total costs of the project, including travel and subsistence and VAT.
- The preferred service provider shall be appointed on the basis that the budget submitted in the proposal shall be considered to be the final project budget. No escalation of costs shall be allowed for the duration of the project.
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FUNCTIONALITY

CRITERIA	WEIGHTING
<ul style="list-style-type: none"> 5 years' experience in preparation of Local government AFS (reference letters to be attached. 0 letter: 0 point 01 letter: 5 points 2 letters: 20 points 3 letters: 30 points 4 – 5 letters:40 	40
Capacity of the company <ul style="list-style-type: none"> Minimum two Chartered Accountants (CV & qualifications MUST be attached) No sub-contracting. 	20
<ul style="list-style-type: none"> Organogram and reporting lines of individuals who will be working on the project with clear description of functions of the individuals. 	20
<ul style="list-style-type: none"> Project plan with budget per objective as indicated in the plan. 	10
<ul style="list-style-type: none"> Detailed proposal 	10
	Total100

Designated Group: An EME or QSE which is last 51% owned by:	EME	QSE
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		

Name of Company: _____

Fax: _____

Telephone: _____

Date: _____

The following documents must be submitted with the quotation, failure in submitting these documents will result in a quotation being disqualified:

- Copy of tax clearance certificate/Pin Provided by Sars
- Forms listed below (Evaluation Criteria)
- Latest municipal account / Clearance Certificate for Water and Lights

EVALUATION CRITERIA: 80/20 Preference point system as presented in the preferential procurement policy framework Act no 5 of 2000, for this purpose the MBD1, MBD 2, MBD4, MBD 6.1 MBD 8 MBD 9 and the Clearance Certificate for Water & lights can be downloaded from our website on the following link: www.lesedilm.gov.za/key/scm MBD forms should be scrutinized, completed and submitted together with your quotation. All objectives and complains must be lodge within 14 days and in writing to the municipal manager's office.

NB: Bidders who did not submit an original or certified copy of their B-BBEE Certificate will not be allocated preference points. All bidders must ensure that they are registered on the National Treasury Central Supplier Database via the following link: business.support@csd.gov.za. No business will be conducted with any person who is not registered on this database.