

Ref: (PROC-48-2024) PSM-FIN/2024/001

Public Service Media

Date: 22nd September 2024

Male', Republic of Maldives

PROVISION OF EXTERNAL AUDIT SERVICE

Public Service Media (PSM) invites tenders for the external audit service of Public Service Media (PSM), for its financial year ending 31st December 2022 & 31st December 2023 (Both years Separately).

1. AUDITING STANDARDS

The financial statement audit shall be carried out in accordance with International Standards on Auditing (ISAs). And the audit shall be carried out to address the scope of service discussed below. Additionally, other pronouncements of International Auditing and Assurance Standards Board (IAASB) of IFAC may be used by the audit firm as appropriate to deliver various parts of the scope of service.

2. OBJECTIVE AND SCOPE OF SERVICE

3.1 OBJECTIVE

The objectives of the external auditor are;

- To provide a professional opinion on the Financial Statements of the PSM. These Financial Statements, among others, consist of the Statement of Comprehensive Income, Statement of Financial Position, and Statement of changes in equity and Cash Flow Statement and notes, comprising a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standard (IFRS).
- Carry out and report on that scope of work assigned to the external auditor under ***Regulation on the Audit and Accountability of State-owned Enterprises 2021/R-152 (Revised-V01)***

3.2 SCOPE OF THE SERVICE

The scope of the audit service shall include the following.

- The Auditor is required to perform an audit of PSM annual Financial Statements presented to them by the Management and express an independent, professional opinion as to whether the Financial Statements are presented fairly, in all material respects, the financial position, financial performance and cash flows in accordance with the IFRS
- Carry within the scope of the external audit, appropriate work;
 - To produce a report to the Auditor General on *Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement that shall include the following sections:*

- a. Key internal control weaknesses;
 - b. Fraud risk;
 - c. Compliance with Procurement Guidelines and Practices.
 - d. Compliance with Corporate Governance Code of Privatization and Corporatization Board (PCB); and
 - e. Compliance with Other Directives issued by the PCB
- (please refer to **Regulation on the Audit and Accountability of State-owned Enterprises 2021/R-152(Revised-V01)** and other guidance provided on the website of the Auditor General’s Office for addressing these areas in the audit)

2. To produce a management letter to the Company that identifies significant deficiencies in internal controls and provides an analysis of the financial statements, including key financial ratios.

(**note:** An Agreed-upon Procedures engagement in accordance with International Standard on Related Services (ISRS) 4400 in respect to assessing compliance with Corporate Governance Code stated in 1(d) above could be carried out by the external auditor.

3. ELIGIBILITY CRITERIA

The bidder (audit firm) for this audit service shall be registered with Institute of Chartered Accountants of the Maldives as a Public Interest Entity Auditor. And the audit team of the bidder deployed to conduct the audit shall fulfil the following requirements.

1. Engagement partner shall have a minimum of five years of experience in auditing companies. In addition, he/she shall be a member of a professional accountancy organization, such as CA Maldives, ACCA, CIMA, CPA, etc.
2. The engagement manager shall have a minimum of 5 years of experience in auditing companies, and shall be a member of a professional accountancy organization, such as CA Maldives, ACCA, CIMA, CPA, etc.
3. Other team members shall possess educational qualifications and experience appropriate to the work assigned to them on the audit.
4. The audit team:
 - a) Shall be completely impartial and independent from all aspects of management or financial interests of the PSM; and
 - b) Shall not, during the period covered by the audit nor during the course of the audit, be employed by, serve as advisors or mentors for, or have any financial or business relationships with PSM.

4. DELIVERABLES / REPORTING

The auditor shall submit the final version of the audited financial statements together with;

- Auditors Report and the Management Letter for the Year end 31st December 2022
- Auditors Report and the Management Letter for the Year end 31st December 20223

5. TECHNICAL QUERIES

For any technical queries related to bidding for provision of external audit service, please send your requests to the following email: tender@psm.mv. The deadline for submission of queries is 29th September 2024. (Sunday)

6. DEADLINE FOR SUBMISSION OF BID PROPOSAL

The deadline for responses to this tender is 10:00 Maldives time on 03rd October 2024 to the following address:

Public Service Media
TVM Building, Buruzu Magu
Republic of Maldives

7. BID SUBMISSION

Bidders are advised to include in their bids the following standard forms as annexures;

- a) Company Profile
- b) Bidders' references
- c) Comments and suggestions on the scope of Work
- d) Description of the methodology for performing the assignment
- e) Team composition and Tasks assignment
- f) Proposed fees

8. EVALUATION AND COMPARISON OF PROPOSALS

To assist in the examination, evaluation and comparison of bids, PSM may ask the bidder for clarification of its bid. The request for clarification and the response shall be in writing and no change in price or substance of the Proposal shall be sought, offered or permitted.

PSM will examine the Proposals to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the Proposals are generally in order. Arithmetical errors will be rectified on the following basis: If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail, and the total price shall be corrected.

If the Bidder does not accept the correction of errors, its Proposal will be rejected.

If there is a discrepancy between words and figures, the amount in words will prevail.

The Procurement Committee will determine the substantial responsiveness of each Proposal to the Invitation to Tender. For purposes of these Clauses, a substantially responsive Proposal is one, which conforms to all the terms and conditions of the ITT without material deviations.

PSM's determination of a Proposal's responsiveness is based on the contents of the Proposal itself without recourse to extrinsic evidence. A Proposal determined as not substantially responsive will be rejected by the PSM and may not subsequently be made responsive by the Bidder by correction of the non-conformity.

PSM does not bind itself to accept any bid or the lowest bid.

9. BASIS OF AWARD

A formal contract (Letter of Engagement), specifying the scope of the audit shall be prepared and signed between PSM and the audit firm prior to commencement of the engagement. The contract shall also clearly spell out the responsibilities of the two parties. PSM will award a contract to the most economically advantageous tender based on the following criteria

9.1 Technical Bid (Weight: 60%)

- *Adequacy of Audit Methodology and Work Plan.*
- *External Audit Experience of the firm.*
- *Diversity and Experience of audit team, team leader, engagement partner and engagement quality review partner.*
- *Evidence of experience in auditing pension schemes or other financial institutions.*

9.2 Financial Bid (Weight: 40%)

10. PAYMENT METHOD

The payment of fees will be made based on progress of deliverables discussed in section 4. Deliverables of this Invitation to Tender and in line with the terms that shall be agreed between PSM and the audit firm in the Contract for the Service (Engagement letter).

All payments will be made in Maldivian Rufiyaa.

11. PRICES

1. All prices must be quoted in MVR (Maldivian Rufiyaa)
2. There will be no price variation after signing of the contract
3. Prices must be quoted inclusive of all applicable taxes.

12. VALIDITY OF THE BID

The Bid shall be valid for a minimum period of 45 days from the date of closing this tender.

13. ENGAGEMENT PERIOD

Successful bidder will be awarded a contract to conduct a Financial Audit for the year 2022 & 2023.