



**Terms of Reference**  
**Invitation for submission of Proposals for External Auditor of**  
**Maldives Sports Corporation Limited**

**Reference Number: SportsCo/IUL/2022/02**  
**Date: 08<sup>th</sup> February 2022**

## **Company Background**

The Maldives Sports Corporation Ltd (SportsCo) was established by the President of Maldives under the Sports Act 2015 and became fully operational in March 2016. As per the Act, the Corporation is a 100% government owned independent legal entity, with basic financing for the 1st 3 years of operation provided by the Government of Maldives. From the conclusion of the third fiscal year, the Corporation is obliged to be self-financed, by income generated from investing sports assets transferred to the Corporation in accordance with article 25 of Maldives Sports Act 2015.

The mandate of this Corporation is to: develop sports infrastructure across the country and to ensure development across the field and provide equal access to sports facilities for all types of sports nation-wide.

The objectives of the Sports Corporation are as follows:

- Developing sports infrastructure across the nation
- Developing sports assets transferred to the Corporation as well as development of the Sports Channel of Maldives, conceived under Article 27 of the Sports Act of Maldives
- Paving equal opportunity and access to sports assets for all registered sports associations in the country as well as providing business opportunities (sports related) for interested parties
- Developing the sports field in the country and facilitating opportunities for young talent
- Providing training opportunities for sports personnel
- Developing sports in the country through collaborations with the National Sports Council and initiating any actions necessary for the implementation of the objectives

Maldives Sports Corporation Limited (MSCL) invites tenders for the external audit service of Maldives Sports Corporation Limited (MSCL), for its financial year ending 31st December 2021.

## **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**

### **2.1 OBJECTIVE**

The objectives of the external auditor are;

- a) To express an opinion on the financial statements of MSCL for the financial year ending 31<sup>st</sup> December 2021;
- b) 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*

### **2.2 SCOPE OF THE SERVICE**

The scope of the audit service shall include the following.

- a) Carry out audit of financial statements of MSCL for the year ended 31 Dec 2021
- b) Carry within the scope of the external audit, appropriate work;
  1. 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 Privatisation and Corporatisation 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* 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 organisation, 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 organisation, such as CA Maldives, ACCA, CIMA, CPA, etc.
3. Other team members shall possess educational qualification 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 MSCL; 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 MSCL.

### **4. DELIVERABLES**

The external auditor shall present the following

1. Audited financial statements of the year 2021 to the Board and management of MSCL on or before 30<sup>th</sup> April 2022
2. Management letter to the company by not later 15<sup>th</sup> May 2022
3. Report to the Auditor General on *Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements* by 31<sup>st</sup> May 2022.

## **5. TECHNICAL QUERIES**

For any technical queries related to bidding for provision of external audit service, please send your requests to the following email: [info@sportsco.mv](mailto:info@sportsco.mv) or call on 3336725. The deadline for submission of queries is 12:00pm Maldives time on 17<sup>th</sup> February 2022.

## **6. DEADLINE FOR SUBMISSION OF BID PROPOSAL**

The deadline for responses to this tender is 12:00pm Maldives time on 22<sup>nd</sup> February 2022 to the following address:

**Maldives Sports Corporation Limited**  
**Youth Accommodation Block, 1<sup>st</sup> Floor**  
**Shabnam Magu, Male', 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, MSCL 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.

MSCL 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 Tender 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.

MSCL’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 MSCL and may not subsequently be made responsive by the Bidder by correction of the non-conformity.

MSCL 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 MSCL and the audit firm prior to commencement of the engagement. The contract shall also clearly spell out the responsibilities of the two parties. MSCL will award a contract to the most economically advantageous tender based on the following criteria

Experience of the firm	30%
Qualifications of the audit team	20%
Duration	20%
Price	30%

### Selection and Evaluation Criteria

#### Technical Proposals (70%)

<b>Experience of the firm</b>	Firm’s experience in conducting External Audit.	30%	
	<b>Audit Assignments</b>		<b>Score</b>
	1		6
	2		12
	3		18
	4		24
	5		30
Experience will be assessed based on reference letters/Other relevant documents			

<p><b>Qualifications of the audit team</b></p>	<p><b>Engagement Partner</b></p> <ul style="list-style-type: none"> <li>• Minimum of five years of experience in auditing companies. In addition, he/she shall be a member of a professional accountancy organisation, such as CA Maldives, ACCA, CIMA, CPA, etc.</li> </ul> <p><b>Engagement Manager</b></p> <ul style="list-style-type: none"> <li>• Minimum of 5 years of experience in auditing companies, and shall be a member of a professional accountancy organisation, such as CA Maldives, ACCA, CIMA, CPA, etc.</li> </ul> <p><b>Other Team Members</b></p> <ul style="list-style-type: none"> <li>• Completion of Accounting Related Qualification (Bachelors/Masters, ACCA, CIMA, CPA, etc.) with minimum of <b>TWO</b> years of experience in auditing companies.</li> </ul>	<p>20%</p>						
<p><b>Duration</b></p>	<p>External audit and related services shall be within <b>maximum twelve weeks</b> and <b>minimum eight weeks</b> of signing the engagement letter.</p> <table border="1" data-bbox="507 1153 941 1272"> <tr> <td>Up to 8 weeks</td> <td>20%</td> </tr> <tr> <td>9 to 10 weeks</td> <td>15%</td> </tr> <tr> <td>11 to 12 weeks</td> <td>10%</td> </tr> </table>	Up to 8 weeks	20%	9 to 10 weeks	15%	11 to 12 weeks	10%	<p>20%</p>
Up to 8 weeks	20%							
9 to 10 weeks	15%							
11 to 12 weeks	10%							

Maldives Sports Corporation Limited will use a combined scoring method, (Quality Cost Based Selection) in which the technical proposal will be weighted at 70% and financial proposal at 30%.

To qualify for financial evaluation, technical proposals should obtain a minimum of 50% of the allocated marks for the technical evaluation.

Following documents should be sent along with the technical proposal.

**The Technical proposal shall provide the following documents and information.**

1. Copy of Company/Partnership Registration Certificate including license issued by the Institute of Chartered Accountants of the Maldives
2. Tax registration certificate (if applicable) and Tax clearance report
3. Company profile / work profile
4. Copies of ID card or Passport of Team members
5. Certificate copies of team members (Academic and Professional)
6. CVs of all team members submitted in the format as proposed in Annex 1 which demonstrates their expertise and experience in relevant fields
7. Details of similar assignments undertaken previously (in the format given in Annex 2)

**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 MSCL 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 30 days from the date of closing this tender.

**13. COMPLETION PERIOD**

The completion of external audit and related services shall be within **maximum twelve weeks** and **minimum eight weeks** of signing the engagement letter.



**Annex 1**

(To be filled up separately for each member)

**1. Personal Details**

<b>Name</b>		<b>Mobile</b>	
<b>Address</b>		<b>Email</b>	
<b>Capacity</b>	Engagement Partner	Engagement Manager	Team Member

**2. Areas of Expertise**


**3. Educational Qualification / Background**


**4. Employment Record Relevant to Assignment**

#	Employment Period	Institution/Location	Summary of Activities Relevant to Assignment

**5. Work Experience**

#	Designation	Organization	Duration	Brief Description of Responsibilities	Reference (Name and Contact Details)

**6. Memberships / Affiliations (If any)**


\*If additional space is required, please add extra pages.

\*Please submit supporting documents with each form.

**Annex 2: Internal Audits and Similar Assignments**

#	Internal Audit Assignment/ Project	Client/ Organization	Date of Commencement	Date of Completion	Brief Description of the Assignment/ Project	Reference (Name and Contract Details)

\*Please submit supporting documents.