

Ref: Tradenet-CS/T/2022/03

6th March 2022

PROVISION OF EXTERNAL AUDIT SERVICE

TradeNet Maldives Limited, a 100% state owned enterprise, invites tenders for the external audit service.

1. AUDITING STANDARDS

The financial statement audit shall be carried out in accordance with International Standards on Auditing (ISAs). 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 TradeNet Maldives Limited;
- 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 TradeNet Maldives Limited for the years ended 31st December 2021, 2022 and 2023.
- b) Carry within the scope of the external audit, appropriate work;
 - (i) 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)
 - (ii) 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 the Institute of Chartered Accountants of the Maldives as a Public Interest Entity Auditor. The audit team of the bidder deployed to conduct the audit shall fulfil the following requirements.

1. Engagement partners 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 five 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 TradeNet Maldives Limited; 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 TradeNet Maldives Limited.

4. DELIVERABLES

The external auditor shall present the following;

1. Audited financial statements to the Board and management of TradeNet Maldives Limited on or before 15th May of the succeeding year.
2. Management letter to the company by 31st May of the succeeding year.
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 15th June of the succeeding year.

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@tradenet.com.mv. The deadline for submission of queries is 13th March 2022.

6. DEADLINE FOR SUBMISSION OF BID PROPOSAL

The deadline for responses to this tender is 14:00 Maldives time on 20th March 2022 to the

following address:

TradeNet Maldives Corporation Limited
3rd Floor, H. Palmeyrah, Sosun Magu,
Male' 20069,
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, TradeNet Maldives Limited 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.

TradeNet Maldives Limited 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.

TradeNet Maldives Limited'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 TradeNet Maldives Limited and may not subsequently be made responsive by the Bidder by correction of the non-conformity.

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

Experience of the firm	25%
Qualifications of the audit team	15%
Duration	10%
Price	50%

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 TradeNet Maldives Limited 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 meet the deliverable deadlines stated in section 4.