

**SINDH PUBLIC PROCUREMENT REGULATORY AUTHORITY**

**CONTRACT EVALUATION FORM**

**TO BE FILLED IN BY ALL PROCURING AGENCIES FOR PUBLIC CONTRACTS OF WORKS, SERVICES & GOODS**

- 1) NAME OF THE ORGANIZATION / DEPTT. Sindh Education Foundation Govt. of Sindh
- 2) PROVINCIAL / LOCAL GOVT./ OTHER Government of Sindh
- 3) TITLE OF CONTRACT Hiring of External Audit Firm FY 15-16,16-17 &To conduct AUP
- 4) TENDER NUMBER SEF/NP/17-18/22
- 5) BRIEF DESCRIPTION OF CONTRACT Hiring of External Audit Firm FY 15-16,16-17 &To conduct AUP
- 6) FORUM THAT APPROVED THE SCHEME Senior Management
- 7) TENDER ESTIMATED VALUE PKR. 4,200,000/-
- 8) ENGINEER'S ESTIMATE (For civil works only) N/A
- 9) ESTIMATED COMPLETION PERIOD (AS PER CONTRACT) 29th September, 2018
- 10) TENDER OPENED ON (DATE & TIME) 5th October, 2017 at time 03.30 pm
- 11) NUMBER OF TENDER DOCUMENTS SOLD (Attach list of buyers) 01 issued by Proc. Dept. and 02 downloaded from Website.
- 12) NUMBER OF BIDS RECEIVED 03
- 13) NUMBER OF BIDDERS PRESENT AT THE TIME OF OPENING OF BIDS 02
- 14) BID EVALUATION REPORT (Enclose a copy) (Enclosed a copy)
- 15) NAME AND ADDRESS OF THE SUCCESSFUL BIDDER M/s. Kreston Hyder Bhimji & Co. (Lead Firm)   
 M/s. Ahmed Saif & Co (C/A)
- 16) CONTRACT AWARD PRICE PKR. 4,104,000/=
- 17) RANKING OF SUCCESSFUL BIDDER IN EVALUATION REPORT (i.e. 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> EVALUATION BID). 1st Lowest

18) METHOD OF PROCUREMENT USED :- (Tick one)

- a) SINGLE STAGE – ONE ENVELOPE PROCEDURE \_\_\_\_\_  Domestic/ Local
- b) SINGLE STAGE – TWO ENVELOPE PROCEDURE \_\_\_\_\_ Local
- c) TWO STAGE BIDDING PROCEDURE \_\_\_\_\_
- d) TWO STAGE – TWO ENVELOPE BIDDING PROCEDURE \_\_\_\_\_

PLEASE SPECIFY IF ANY OTHER METHOD OF PROCUREMENT WAS ADOPTED i.e. EMERGENCY, DIRECT CONTRACTING ETC. WITH BRIEF REASONS:

Managing Director

19) APPROVING AUTHORITY FOR AWARD OF CONTRACT \_\_\_\_\_

20) WHETHER THE PROCUREMENT WAS INCLUDED IN ANNUAL PROCUREMENT PLAN?

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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21) ADVERTISEMENT :

i) SPPRA Website  
(If yes, give date and SPPRA Identification No.)

Yes	SPPRA SN# 34438 (15-09-2017)
No	

ii) News Papers  
(If yes, give names of newspapers and dates)

Yes	National Courier on 14/09/2017, Daily Awaz & Daily Jag News on 16/09/2017.
No	

22) NATURE OF CONTRACT

Domestic/ Local	<input checked="" type="checkbox"/>	Int.	<input type="checkbox"/>
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23) WHETHER QUALIFICATION CRITERIA  
WAS INCLUDED IN BIDDING / TENDER DOCUMENTS?  
(If yes, enclose a copy)

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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24) WHETHER BID EVALUATION CRITERIA  
WAS INCLUDED IN BIDDING / TENDER DOCUMENTS?  
(If yes, enclose a copy)

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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25) WHETHER APPROVAL OF COMPETENT AUTHORITY WAS OBTAINED FOR USING A  
METHOD OTHER THAN OPEN COMPETITIVE BIDDING?

Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
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26) WAS BID SECURITY OBTAINED FROM ALL THE BIDDERS?

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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27) WHETHER THE SUCCESSFUL BID WAS LOWEST EVALUATED  
BID / BEST EVALUATED BID (in case of Consultancies)

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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28) WHETHER THE SUCCESSFUL BIDDER WAS TECHNICALLY  
COMPLIANT?

Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
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29) WHETHER NAMES OF THE BIDDERS AND THEIR QUOTED PRICES WERE READ OUT AT  
THE TIME OF OPENING OF BIDS?

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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30) WHETHER EVALUATION REPORT GIVEN TO BIDDERS BEFORE THE AWARD OF  
CONTRACT?

(Attach copy of the bid evaluation report)

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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31) ANY COMPLAINTS RECEIVED  
(If yes, result thereof)

Yes	
No	No

32) ANY DEVIATION FROM SPECIFICATIONS GIVEN IN THE TENDER NOTICE / DOCUMENTS  
(If yes, give details)

Yes	
No	No

33) WAS THE EXTENSION MADE IN RESPONSE TIME?  
(If yes, give reasons)

Yes	
No	No

34) DEVIATION FROM QUALIFICATION CRITERIA  
(If yes, give detailed reasons.)

Yes	
No	No

35) WAS IT ASSURED BY THE PROCURING AGENCY THAT THE SELECTED FIRM IS NOT BLACK LISTED?

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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36) WAS A VISIT MADE BY ANY OFFICER/OFFICIAL OF THE PROCURING AGENCY TO THE SUPPLIER'S PREMISES IN CONNECTION WITH THE PROCUREMENT? IF SO, DETAILS TO BE ASCERTAINED REGARDING FINANCING OF VISIT, IF ABROAD:  
(If yes, enclose a copy)

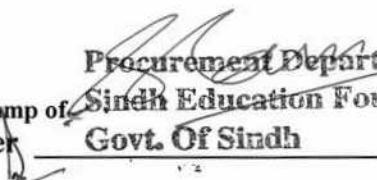
Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
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37) WERE PROPER SAFEGUARDS PROVIDED ON MOBILIZATION ADVANCE PAYMENT IN THE CONTRACT (BANK GUARANTEE ETC.)?

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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38) SPECIAL CONDITIONS, IF ANY  
(If yes, give Brief Description)

Yes	
No	No

  
Signature & Official Stamp of **Procurement Department**  
**Sindh Education Foundation**  
Authorized Officer **Govt. Of Sindh**

**FOR OFFICE USE ONLY**

**SPPRA, Block. No.8, Sindh Secretariat No.4-A, Court Road, Karachi**  
**Tele: 021-9205356; 021-9205369 & Fax: 021-9206291**

Print

Save

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## Bid Evaluation Report

1. Name of Procuring Agency: **Sindh Education Foundation (Govt. of Sindh)**
2. Tender Reference No: **SEF/NP/17-18/22**
3. Tender Description/Name of work/item: **RFP Hiring of Firm for External Audit FY 2015-16 & 2016-17 & To Conduct Agreed Upon Procedure.**
4. Method of Procurement: **QCBS Method**
5. Tender Published: **SPPRA S.N # 34438 (15-09-2017)**  
**Daily JAG News 16/09/2017.**
6. Total RFP documents Issued: **01 issued from Procurement Dept and 2 downloaded from website.**
7. Technical Bid Opening date: (if applicable) **5th October, 2017**
8. Total Bids Received: **03 Bids Received.**
9. No. of Bid technically qualified (if applicable): **02**
10. Financial Bid Opening Date: **26th October, 2017**

	Name of Firm or Bidder	Total Bid, Cost offered by the Bidder	Ranking in terms of consolidated (Technical & Financial) evaluation	Comparison with Estimated cost	Reasons for acceptance/rejection through QCBS selection method and rating calculated by formula (s=stxt%+sfXP%)	Remarks
0	1	2	3	4	5	6
1	M/s. Kreston Hyder Bhimji & Co. (Lead Firm) (Chartered Accountants Firm)	4,104,000	1st	4.2 Million	Accepted because the firm attains the highest combined technical & financial score.	Recommended to award the contract.
2	M/s. Tariq Abdul Ghani Maqbool & Co. (Chartered Accountants Firm)	4,990,500	2nd		Rejected because the firm attains the second highest combined technical & financial score.	Not recommended to award the contract.

### CONSULTANT SELECTION COMMITTEE

*[Signature]*  
26/10/17

Mr. Nawab Zafar Ali  
Deputy Director (M&E)  
Secretary of Consultant Selection Committee  
Sindh Education Foundation  
Government of Sindh

*[Signature]*  
26/10/17

Mr. Mubashir Mirza  
Assistant Director (AASP)  
Member of Consultant Selection Committee  
Sindh Education Foundation  
Government of Sindh

*[Signature]*  
26/10/17

Mr. Taufique Ahmed Shaikh  
Assistant Chief  
Planning & Development Dept. Govt. of Sindh  
Member of Consultant Selection Committee  
Sindh Education Foundation  
Government of Sindh

*[Signature]*  
26/10/2017

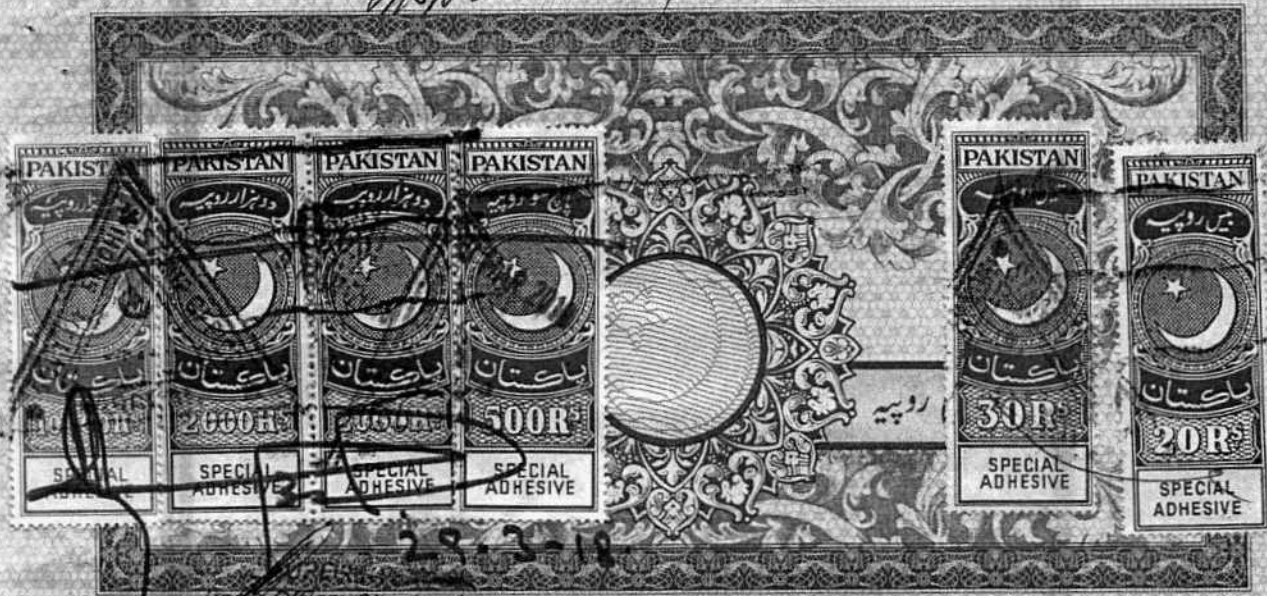
Mr. Muhammad Hossain Soomro  
Deputy Secretary. (B & E - IV)  
Finance Department  
Member of Consultant Selection Committee  
Sindh Education Foundation  
Government of Sindh

*[Signature]*  
26/10/17

Mr. Muhammad Abduallah Abbasi  
Director (General Administration & Co-ordination)  
Chairman: Consultant Selection Committee  
Sindh Education Foundation  
Government of Sindh



N225767 <sup>eff no</sup> 253 14509/ -  
29/3/2018



Stamp Office, City Comd  
S. Majid HO115819  
29 MAR 2018

Off # 30-31  
S.NO  
ISS  
THROU  
PURPOS  
VALUE R  
STAMP VEN

S. Shah Hussain Advocate  
H.C. 7991  
12 FEB 2018

(RECEIVED ONLY)  
14 FEB 2018

### CONTRACT

THIS CONTRACT ("Contract") is entered into this 29<sup>th</sup> Day of March, 2018 by and between *Sindh Education Foundation, Government of Sindh* ("the PA") having its principal place of business at *Plot No. 21-A, Block No. 7/8, OCHS, Ameer Khusro Road, Karachi*, and *M/s. Kreston Hyder Bhimji & Co. Chartered Accountants (Lead Firm)* having its principal office located at *Suite No. 1601, Kashif Centre, Shahr-e-Faisal, Karachi, Pakistan* and *M/s. Ahmed Saif & Co. (Chartered Accountants Firms)* having its principal office located at *Suite # 303, Mumtaz Manzil, Block-16, Gulshan-e-Iqbal, Karachi, Pakistan*, together called as "the Consortium."

WHEREAS, the PA wishes to have the Consultant performing the services hereinafter referred to, and

WHEREAS, the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

1. Services	The Consultant shall perform the services specified in Annex A, "Terms of Reference and Scope of Services," which is made an integral part of this Contract ("Hiring of Firm for External Audit FY 2015-16 & 2016-17 & To Conduct Agreed Upon Procedure").  (i) The Consultant shall provide the reports listed in Annex B, "Consultant's Reporting Obligations," within the time periods listed in such Annex, and the personnel listed in Annex C, "Cost Estimate of Services, List of Personnel and Schedule of Rates" to perform the Services.
2. Term	The Consultant shall perform the Services during the period from the date of commencement of the assigned activity <i>and continuing or the period as mentioned in Annex A</i> or any other period as may be subsequently agreed by the parties in writing.

2/2

<p><b>3. Payment</b></p>	<p>A. <u>Ceiling</u> For Services rendered pursuant to Annex A, the PA shall pay the Consultant an amount not to exceed <i>Rs. 4,104,000/= (Four Million One Hundred &amp; Four Thousand Rupees Only)</i> as the payment term mentioned in Annex C. This amount has been established based on the understanding that it includes all of the Consultant's costs (excluding out of pocket expenses as per Annex D) and profits as well as any tax obligation that may be imposed on the Consultant.</p> <p>B. <u>Payment Conditions</u> Payment shall be made in <i>PAK Rupee</i>, no later than 30 days following submission by the Consultant of invoices in duplicate</p>
<p><b>4. Economic Price Adjustment</b></p>	<p>In order to adjust the remuneration for inflation, a price adjustment provision has been included if the contract has duration of more than 18 months or if the inflation is expected to exceed 8% per annum. The adjustment will be made every 12 months after the date of the contract for remuneration. Remuneration will be adjusted by using the relevant index as per following provision: "Payments for remuneration made in accordance with Clause 3 shall be adjusted as follows:</p> <p>Remuneration pursuant to the rates set forth in Annex C shall be adjusted every 12 months (and, for the first time, with effect for the remuneration earned in the [13] th calendar month after the date of the Contract) by applying the following formula:</p> $R_t = R_{I_0} \times \frac{I}{I_0}$ <p>where <math>R_t</math> is the adjusted remuneration, <math>R_{I_0}</math> is the remuneration payable on the basis of the rates set forth in Annex C for payable remuneration, <math>I</math> is the official rate of inflation for the first month for which the adjustment is to have effect and, <math>I_0</math> is the official rate of inflation for the month of the date of the Contract."]</p>
<p><b>5. Project Administration</b></p>	<p>A. <u>Coordinator</u> The Procuring Agency designates <i>Mr. Muhammad Tasleem, Acting Director- FA&amp;A, SEF</i> as Project Administrator for receiving and approving invoices for payment, and for acceptance of the deliverables by the PA &amp; <i>Mr. Ali Nisar, Senior Officer- IC/C, SEF</i> as Project Coordinator; for the coordination of activities under the Contract.</p> <p>B. <u>Timesheets</u> During the course of their work under this Contract the Consultant's employees providing services under this Contract may be required to complete timesheets or any other document used to identify time spent, as instructed by the Coordinator.</p> <p>C. <u>Records and Accounts</u> The Consultant shall keep accurate and systematic records and accounts in respect of the Services, which will clearly identify all charges and expenses. The PA reserves the right to; review the Consultant's records relating to amounts claimed under this Contract during its term and any extension, and for a period of three months thereafter.</p>
<p><b>6. Performance Standard</b></p>	<p>The Consultant undertakes to perform the Services with applicable standards of professional and ethical competence and integrity as defined in Code of Ethics issued by Institute of Chartered Accountants of. The Consultant shall promptly replace any employees assigned under this Contract that the PA considers unsatisfactory.</p>

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7. Confidentiality	The Consultants shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the PA's business or operations without the prior written consent of the PA. This provision shall not apply to any of the information that we are required by law or by the requirements of any regulators or by specific professional standards to disclose, that is in, or hereafter enters the
8. Ownership of Material	Any studies, reports or other material, graphic, software or otherwise, prepared by the Consultant for the PA under the Contract shall belong to and remain the property of the PA. The Consultant may retain a copy of such documents and software.
9. Consultant Not to be Engaged in Certain Activities	The Consultant agrees that, during the term of this Contract and after its termination, the Consultants and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than the Services or any continuation thereof) for any project resulting from or closely related to the Services. (Not Applicable for professional services provided in normal course of business of Chartered Accountants.)
10. Insurance	The Consultant should take out any appropriate insurance coverage for their personnel and equipment's.
11. Assignment	The Consultant shall not assign this Contract or Subcontract any portion thereof it without the PA's prior written consent.
12. Law Governing Contract and Language	The Contract shall be governed by the laws of Islamic Republic of Pakistan or the Provincial Government and the language of the Contract shall be English.
13. Dispute Resolution	Any dispute arising out of this Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the Arbitration Act of 1940

FOR THE PA

Signed by: \_\_\_\_\_

**Mr. Muhammad Tasleem**  
Acting Director, Finance, Audit & Accounts  
Sindh Education Foundation  
Government of Sindh.

FOR THE CONSULTANT

Signed by: \_\_\_\_\_

**Mr. Shaikh Fahad Ali**  
Partner  
M/s. Kreston Hyder Bhimji & Co.  
Chartered Accountants Firm

Signed by: \_\_\_\_\_

**Mr. Ahmed Saif-uz-Zafar**  
CEO  
M/s. Ahmed Saif & Co.  
Chartered Accountants Firm

**List of Annexes**

- Annex A: Terms of Reference and Scope of Services
- Annex B: Consultant's Reporting Obligations
- Annex C: Cost Estimate of Services

## ANNEX A

### Terms of Reference and Scope of Services

#### 1. OVERALL PURPOSE

The overall purpose of the external audit is to review the effectiveness of the operations of Sindh Education Foundation and of the accounting process & operation of the Foundation, as well as the correct use of funds received from donors and the true and fair view of the disclosed accounting and financial information.

#### 2. SCOPE

##### 2.1. Annual Financial Audit

The audit of FY 2015-16 & 2016-17 are expected to cover all aspects related to finance and accounting, including – but not limited to – the following aspects:

- Cash and Bank accounts management and reconciliations; cash management procedures and their validity in terms of control
- Client loans and savings accounting processes, monthly reconciliation procedures;
- Staff payroll preparation, accounting and control
- Booking of funds received from donors, and compliance of fund use with the terms agreed by the donors
- The accounting ledgers, vouchers and other supporting documents
- The financial statements (balance sheet, profit and loss statement)
- Budget control

And more generally speaking, the audit will aim at carrying out audit of financial statements of the Foundation in accordance with International Standards on Auditing.

##### 2.2. Agreed Upon Procedures

The Auditor' is responsible for performing the agreed-upon procedures on verification of SEF partner school ~~under program Fellowship Program (FSP)~~. The Audit Firm is required to conduct agreed upon procedure for 45 FSP School, for FY 2012-13 to 2016-17, located in different districts of Sindh. The scope of the assignment and ToR are as follows

1. To verify the distribution of books and worksheets received by respective School from Sindh Education Foundation for onwards delivery to Parent Education Committee (PEC).
2. To verify payments/ vouchers/ bills.
3. To verify the bank reconciliation.
4. To verify the cash book.
5. To verify the enrollment of students through General Register (G.R).
6. To verify the personal/ employees record of school.
7. To verify the existence and maintenance of PEC records (Elections, Meeting Minutes, withdraw approval etc.).
8. To verify school building status.
9. To verify the fixed assets provided to each school
10. To check salary payment to staff.

##### 2.3. Preparation of Fixed Asset Register

The Auditor is responsible for preparing the list of fixed asset in respect of additions made during the year FY 2015-16 & 2016-17 from the respective vouchers to assist in updating of fixed assets register.

#### 3. EXPECTED OUTPUT

An audit report on the true and fair view of financial statements in accordance with International Standards on Auditing, and management letter, has to be submitted to the Managing Director of Sindh Education Foundation, for annual audit of FY 2015-16 & 2016-17.

A Finding Report in respect of agreed upon procedures for 45 FSP Schools including receipt and payment account of each FSP School.

The report has to be well-structured, including an in-depth analysis on all the aspects of accounting and financial management as listed above and evidence-based recommendations for consolidation and improvement of Sindh Education Foundation financial management. The final version of the management letter will include the institution's management's response to the listed findings and to the recommendations.

Fixed Asset Register 2015-16 & 2016-17



4. METHODOLOGY:

Desk study and field visits as per requirement are must. The audit is expected to take a risk-based approach.

5. TIMING

1. The Annual Financial Audit of each year is expected to be carried and completed within two (02) months (Sixty days) after start of the each assigned activity at the SEF for each year provided all the required information is made available to the Consultant and proper cooperation is extended. However the timing can be extended as per mutual understanding of the parties.
2. The Agreed upon procedure shall be conducted within 60 (Sixty days) after start of the signed activity at the SEF provided all the required information is made available to the Consultant and proper cooperation is extended. However the timing can extended as per mutual understanding of the parties.
3. The assignment for preparation of fixed asset register shall be conducted within 60 (Sixty days) after start of the signed activity at the SEF provided all the required information is made available to the Consultant and proper cooperation is extended. However the timing can extended as per mutual understanding of the parties.

6. PAYMENT TERM

1. 100% payment of relevant activity upon submission of Draft Audit Report 2015-16.
2. 100% payment of relevant activity upon submission of Draft Audit Report 2016-17.
3. Progressive payments of relevant activity upon submission of Draft Finding Report of FSP schools.
4. Progressive payments of relevant activity on updating of Fixed Asset Register for FY 2015-16 & 2016-17.

*2/2*

*2/2*



**ANNEX B**

**Consultant's Reporting Obligations**

The consultant should directly report to the PA's Coordinator *Mr. Ali Nisar, Senior Officer- IC/C, SEF.*

The consultant should submit report to *Mr. Muhammad Tasleem, Acting Director- FA&A, SEF.*

**ANNEX C**

**Cost Estimate**

**Payment Milestone:**

S. No.	Description	Amount
1	100% payment of relevant activity upon submission of Draft Audit Report 2015-16.	Rs. 729,000
2	100% payment of relevant activity upon submission of Draft Audit Report 2016-17	Rs. 729,000
3	Progressive payments for the activity (Agreed upon procedures on verification of 45 SEF partner schools under Fellowship Program (FSP) for FY 2012-13 to 2016-17, located in different districts of Sindh) as the work progresses.	Rs. 2,430,000
4	Payment of relevant activity will be made in progressively upon submission of Fixed Asset Register for FY 2015-16 & 2016-17.	Rs. 216,000
<b>Total</b>		<b>Rs. 4,104,000/-</b>

**All out of pocket expenses shall be paid by SEF and payable as and when expenses are incurred by the consultants.**

For the period from the date of start of relevant assigned activity and continuing for the period mentioned in Annex A.

**TOTAL COST: Pak Rupees 4,104,000/- (Four Million One Hundred & Four Thousand Rupees Only) (inclusive of all Government Taxes) excluding out of pocket expenses to be borne by SEF.**



Annex-D

FORM FIN-5.

BREAKDOWN OF REIMBURSABLE EXPENSES

Description	Unit	Unit Cost
Per diem allowances (within Karachi)	Day	Rs. 1,000 per day
Per diem allowances (other city than Karachi)	Day	Rs. 3,000 per day
Hotel stay and other related expenses (other city than Karachi)	Day	On actual
Travelling to other cities than Karachi	Trip	On actual
Miscellaneous travel expenses	Trip	Rs. 1,000 per trip
Use of computers, software	Day	Rs. 1,000 per day
Per diem allowances (within Karachi)	Day	Rs. 1,000 per day
Per diem allowances (other city than Karachi)	Day	Rs. 3,000 per day
Hotel stay and other related expenses (other city than Karachi)	Day	On actual

A-37

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No. SEF/997-B/18

(PROCUREMENT DEPARTMENT)

Dated: 02-01-2018

**SAY NO TO CORRUPTION**

To,

M/s. Kreston Hyder Bhimji & Co. (Lead Firm)  
(Chartered Accountants Firm)  
Mr. Shaikh Fahad Ali (Partner)  
Suite No. 1601, Kashif Centre,  
Shahrah-e-Faisal, Karachi.

**SUBJECT: Letter of Award for the Tender Hiring of Firm for External Audit FY 2015-16 & 2016-17 & to Conduct Agreed Upon Procedure Ref No. SEF/NP/17-18/22.**

With reference to above subject, we are pleased to inform you that your submitted bid has been found first lowest and accepted at following detail and price.

**Description: Hiring of Firm for External Audit FY 2015-16 & 2016-17 & to Conduct Agreed Upon Procedure**

**Bid Price: PKR. 4,104,000/- (including of all taxes)**

- Therefore now we would like to share our draft of contract for your review, kindly return us within a week along with your confirmation of acceptance letter and further get immediate visit to our Head office for any prior preparation work.
- Please arrange 5% performance security within given time and contact to Finance Department for required job/services.

**Acting Deputy Director  
(Procurement)**

Enclosure: As stated above

A copy is forwarded for information to:

Director (General Administration & Coordination)-SEF.  
Director (FA&A)-SEF  
P.S to MD, SEF.  
Master File.

FORM FIN-1. FINANCIAL PROPOSAL SUBMISSION FORM

Sindh Education Foundation,  
Government of Sindh.  
Plot No. 21/A, Block No. 7 & 8,  
Overseas Cooperative Housing Society,  
Ameer Khusro Road, Karachi

Karachi - Pakistan  
October 05, 2017

Dear Sirs

We, the undersigned, offer to provide the consulting services for 'Hiring of Firm for External Audit FY 2015-16 & 2016-17 & To Conduct Agreed Upon Procedure' in accordance with your Request for Proposal dated September 2017 and our Technical Proposal.


Our attached Financial Proposal is for the sum of Rupees four million one hundred four thousand only (Rs. 4,104,000). All out of pocket expenses, travelling and lodging will be paid by SEF on actual basis.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Paragraph Reference 9.1 of the Data Sheet.

No commissions or gratuities have been or are to paid by us to agents relating to this Proposal and Contract execution

We understand you are not bound to accept any Proposal you receive.

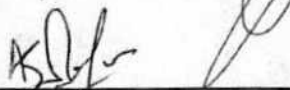
Yours sincerely,

Authorized Signature [Full and initial]: 

Name and Title of Signatory: Shaikh Fahad Ali (Partner)

Name of Firm: Kreston Hyder Bhimji & Co. Chartered Accountants

Address: Suite No. 1601, Kashif Centre, Shahrah-e-Faisal, Karachi

Authorized Signature [Full and initial]: 

Name and Title of Signatory: Ahmed Saif-uz-Zafar (CEO)

Name of Firm: Ahmed Saif & Co. Chartered Accountants

Address: Suite No. 303, Mumtaz Manzil, Gulshan-e-Iqbal, Karachi



FORM FIN-2. SUMMARY OF COSTS

Item	Costs	
	Indicate Foreign Currency	Indicate Local Currency
Total fees for external audit assignment (including government taxes)	N/A	Rs. 1,458,000
Total fees for AUP assignment (including government taxes)	N/A	Rs. 2,430,000
Total fees for preparation of fixed asset register assignment (including government taxes)	N/A	Rs. 216,000
<b>Total Costs of Financial Proposal (including government taxes) *</b>	N/A	<b>Rs. 4,104,000</b>

All out of pocket expenses, travelling and lodging will be paid by SEF on actual on any other mutually agreed basis.

\* Taxes would be charged as per rates applicable at the time of invoicing. Currently SRB rate is 8%.

ASIA

AND

RC



## **TERMS OF REFERENCE (TORs)**

### **1. OVERALL PURPOSE**

The overall purpose of the external audit is to review the effectiveness of the operations of **Sindh Education Foundation** and of the accounting process & operation of the Foundation, as well as the correct use of funds received from donors and the transparency of the disclosed accounting and financial information.

### **2. SCOPE**

#### **2.1. Annual Financial Audit**

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- Booking of funds received from donors, and compliance of fund use with the terms agreed by the donors
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- The financial statements (balance sheet, profit and loss statement)
- Budget control

And more generally speaking, the audit will aim at controlling the compliance of the Foundation's practices with the procedure manuals, as well as the quality of these manuals & as per applicable rules of government.

#### **2.2. Agreed Upon Procedures**

**The Auditor' is responsible for performing the agreed-upon procedures on verification of SEF partner school under program Fellowship Program (FSP). The Audit Firm is required to conduct agreed upon procedure for 45 FSP School, for FY 2012-13 to 2016-17, located in Karachi, Matiari & Khairpur. The scope of the assignment and ToR are as follows**

1. To verify the distribution of books and worksheets received by respective School from Sindh Education Foundation for onwards delivery to Parent Education Committee (PEC).
2. To verify payments/ vouchers/ bills.
3. To verify the bank reconciliation.
4. To verify the cash book.
5. To verify the enrollment of students through General Register (G.R).
6. To verify the personal/ employees record of school.
7. To verify the existence and maintenance of PEC records (Elections, Meeting Minutes, withdraw approval etc.).
8. To verify school building status.
9. To verify the fixed assets provided to each school
10. To check salary payment to staff.

#### **2.3. Preparation of Fixed Asset Register**

The Auditor is responsible for preparing the fixed asset register for FY 2015-16 & 2016-17 from the respective vouchers.

### **3. EXPECTED OUTPUT**

A comprehensive financial audit report comprising all components of financial statements, and a proper management letter, has to be submitted to the Managing Director of Sindh Education Foundation, for annual audit of FY 2015-16 & 2016-17.

A Finding Report against agreed upon procedures for 45 FSP Schools including receipt and payment account of each FSP School.

The report has to be well-structured, including an in-depth analysis on all the aspects of accounting and financial management as listed above and evidence-based recommendations for consolidation and improvement of Sindh Education Foundation financial management. The final version of the management letter will include the institution's management's response to the listed findings and to the recommendations.

Fixed Asset Register 2015-16 & 2016-17

### **4. METHODOLOGY:**

Desk study and field visits as per requirement are must. The audit is expected to take a risk-based approach.

### **5. TIMING**

1. The Annual Financial Audit of each year is expected to be carried and completed within two (02) months (Sixty days) after signature of the contract/Engagement letter.
2. The Agreed upon procedure shall be conducted within 60 (Sixty days) after the Contract.

### **6. PROPOSALS**

The proposals must include a description of the scope of work, timing of conduction of audit, as well as detailed composition of the team, breakdown of the fees and charge. Proposal must be submitted in the booklet/binding form. (**Enclosed at least 5 copies**).

### **7. PAYMENT TERM**

1. 100% Payment against submission of Audit Report 2015-16.
2. 100% Payment against submission of Audit Report 2016-17
3. 100% Payment against submission of Finding Report on 45 FSP schools.