

Information to the Bidders

Proposals for External Audit Service

Reference No: (IUL)179-3.2/1/2014/26

Closing date: 20th September 2016 (11:00hrs)

BACKGROUND

The Capital Market Development Authority ('CMDA' or 'the Authority') is mandated by law with developing and regulating the capital market of the Maldives, whereby it conducts market awareness activities and regulates securities issuers, the stock exchange and other licensed entities. The Authority also carries out supervisory activities of the Maldives Retirement Pension Scheme, with powers conferred by Maldives Pension Act (8/2009).

OBJECTIVE OF THE EXTERNAL AUDIT

The objective of the external audit is to express a professional opinion on the Financial Statements of the Authority. These Financial Statements, among others, consist of the Income and Expenditure Account, Balance Sheet and Cash Flow Statement which show the financial position, surplus and cash flows for the year under review. The statements are also required to express a professional opinion on the soundness of the internal systems of control, compliance with the Public Finance Regulation and compliance with the procedures in respect of Regular Budget and Expenses.

AUDITING STANDARDS

The external audit is carried out in accordance with International Standards on Auditing (ISA) and includes such tests and auditing procedures as the auditor considers necessary for the assignment.

SCOPE OF WORK

The auditor shall be required to;



AUDIT REPORT

The auditor is expected to present two types of reports as noted below;

- a) an opinion on the Financial Statements prepared by the Authority; and
- b) a Management Letter.

The opinion on the Financial Statements shall contain;

- a) a professional opinion on the financial statements and supporting schedules as regard to their true and fair view; and
- b) accounting standards and Financial Rules and Regulations that have been applied indicating the effect of any deviations from them; and
- c) the International Audit standards that were applied; and
- d) whether the Cash Flow Statement and supporting schedules present fairly, the cash receipts and disbursements of the funds and whether they were utilized for the purpose for which they were intended for; and
- e) include all other requirements of cooperating partners as stated in the various cooperating agreements.

The Management Letter, among others, shall contain;

- a) comments and observations on the accounting records, systems and controls that were examined during the course of the audit; and
- b) specific deficiencies and areas of weakness in the systems and controls with recommendations for improvement; and
- c) the degree of compliance of each of the cooperating partners' funding and with comments, if any, on internal and external matters affecting such compliance; and
- d) matters that have come to attention during the audit which might have a significant impact on the implementation and sustainability of the funding; and
- e) areas of risk that need to be flagged out to the management; and
- f) any other matters that the auditor considers pertinent to be brought to the attention of the Authority.

AUDIT OF PROJECTS

The scope of the audit of each project depends on the corresponding cooperation agreements signed between the respective cooperating partners and the Authority.



AUDITOR'S QUALIFICATIONS

- a) The auditor must be completely impartial and independent from all aspects of management or financial interests of the Authority; and
- b) The auditor shall not, during the period covered by the audit nor during the undertaking of the audit, be employed by, serve as advisers or mentors for, or have any financial or business relationships with the Authority; and
- c) The auditor shall be licensed by Auditor General's Office and must demonstrate that employs adequate staff with appropriate professional qualifications and suitable experience in accounting and auditing the accounts of entities comparable in size and complexity to the Authority;
- d) Curriculum Vitae (CVs) must be provided to the Authority by the Partner of the firm of auditors who shall be responsible for signing the opinion, together with the CVs of managers, supervisors and key personnel proposed as part of the audit team. The CVs shall include details of audits carried out by the concerned staff, including ongoing assignments indicating capability and capacity to undertake the audit.

LETTER OF ENGAGEMENT

A formal letter of engagement specifying the scope of audit shall be prepared and signed between the Authority and the auditor prior to the beginning of the assignment. The letter of engagement shall also clearly spell out the responsibilities of the two parties.

PAYMENT PERIOD

The period for payment shall be 14 days from issuance of invoices.

PRICING

1. All prices must be indicated in Maldivian Rufiyaa.
2. There will be a no price variation contract after the signing of the contract.
3. Prices must be inclusive of all applicable taxes within Maldives.

AMMENDMENTS OF PROPOSAL DOCUMENTS

At any point in time prior to the deadline for submission of Bids, CMDA, may for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Proposal Documents by issuing an addendum.



Proposal determined as not substantially conforming will be rejected by the CMDA and may not subsequently be made to confirm by the Bidder by correction of the non-conformity.

The bids will be evaluated as follows;

The Bidder that has offered what is adjudged to be the best technical and financial offer will be offered the

- a) Contract; and
- b) If the Bidder that offered what was adjudged to be the best technical and financial offer declines to accept the offer then the Bidder that is adjudged to have offered the second best technical and financial offer will be offered the contract; and
- c) Each Proposal shall be evaluated by a selection committee utilizing a number of criteria, as specified below:

CRITERIA FOR OVERALL EVALUATION

The weightage given to evaluation criteria are:

#	Details	weight
A	Financial Proposal	70
B	Technical Proposal	
1	Understanding of the Audit Requirements	5
2	Experience of the firm related to the Assignment	5
3	Adequacy of the proposed work plan and methodology in responding to the TOR	5
4	Qualifications of the Proposed Audit Team	15
a	<i>Engagement Partner</i>	
b	<i>Audit Manager</i>	
c	<i>Audit Senior</i>	
d	<i>Audit Assistant(s)</i>	
	Total	100

