

To: Interested Bidders

From: People's Action for Change Organization (PACo)

Subject: External Audit - RFQ-#5

**People's Action for change Organization** is a not for profit, non-governmental organization with a mission to work with the poor, excluded and marginalized sections of the society by empowering them to lead a life with dignity. Our priority objectives include empowerment of people through community organization and capacity development, promoting rights of women and children, ensuring livelihood options to end hunger and food insecurity and respond to calamite and conflicts through humanitarian assistance.

We would like to hire external audit firm to audit our annual statement for 2023, therefore, we appreciate to send us your quotation.

### **Requirements:**

Interested valid audit firms are encouraged to submit their proposal through sealed envelope. The firm should the following documents as supporting document to their quotation.

- Audit firm company profile
- Valid Certificate of Registration.
- Firm Audit Experience
- Bank Account in the name of the company.
- Firms should have Tax Identification Number (TIN)
- Quoted price shall be in AFN

### **Objectives and scope of the audit**

1. The external audit firm should conduct the PACo annual financial statements audit for year 2023
2. The audit shall be carried out in accordance with international audit standards.
3. The audit should include tests and reviews, as the auditor considers necessary. It should pay special attention to:
  - Used funds received within the budget lines presented in the budget annexed to the agreement between PACo and the donor.
  - Aduit and evaluate whether the financial management (evaluate and comment upon the risk of fraud in the financial statements) is satisfactory. The Auditors can refer to the PACo Anti-corruption policy.
  - Audit and review the supporting documentation related to reported expenditure. The size of the sample shall be based on the Auditor's risk analysis and that should be stated in the report. The Auditor shall report the identified amount in case there is any missing supporting documentation.

- Whether accounts were in accordance with approved accounting standards, and complied with current taxation laws, regulations, and their obligations regarding taxes and fees for their employees.
  - Compliance with the Afghanistan tax law
  - Whether projects were carried out according to the agreement.
4. It should be clearly indicated in the report that the audit has been carried out in line with internationally accepted standards and by a qualified Auditor. An audit report and management letter should be provided at the end of assignment.
  5. The audit report should be written in English and should contain the responsible Auditor's title and signature.
  6. An Audit Report (including Audit opinion, Management letter along with audited financial statements) must be an attestation audit and should be submitted to PACo. The reporting shall be signed by the responsible audit firm.
  7. The Audit Management Letter should provide base on the audit scope.

**Confidentiality:**

All information in the contract between the two parties shall be considered as confidential and not be shared with anyone unless legally obliged to do so.

**Payment method:**

Payment will be made through bank transfer.

**Payment terms:**

The audit firm shall invoice PACo for the fee payment in accordance with the deliverables of the work mutually agreed by PACo and the audit company based on the following terms of payment:

Terms	Payment %	Time of Payment
First	50 %	Will be paid once the draft audit report is shared with PACo
Second	50 %	will be paid at submission of signed audit final report with management letter to the client

**Currency:**

Invoice and payment will be in AFN.

**Transportation/Accommodation:**

PACo will not be responsible for the transportation and/or accommodation of auditors. However, there will be food as per PACo regulation and office space during the assignment.

## **EVALUATION CRITERIA:**

### **FINANCIAL EVALUATION:**

The lowest price selection methodology will be used for financial offer / quotation selection.

### **Submission data and location address**

Sealed bid/offer should be submitted (hard copy only) to the following address no later than 15<sup>th</sup> August 2024 4:00 PM Kabul. Bid submissions after the due date will not be considered. The bid should be enveloped, sealed, and pasted on with cover letter that includes the RFQ number, bidder company name, contact number, email address, and signed/stamp.

**Address:** PACo head office, house # 35, Beside Sangkashan Masjeed, Str. 5 (University Road) Silo, PD # 3, Kabul