



TENDER NO. GA 3/1/5-I 00097/2016-2017

**ITT FOR PROVISION OF EXTERNAL AUDIT SERVICES FOR THE
GAMBLING AUTHORITY**

FOR FINANCIAL YEARS 2016/17 TO 2019/20

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1. INTRODUCTION

The Gambling Authority is an institution set up as a body corporate through the Gambling Act, passed by Parliament of Botswana in September 2012. The Authority is guided by a Board of Directors drawn from both the Private and Public Sector, and headed by the Chief Executive Officer.

The Act is to regulate gambling in Botswana; to establish the Gambling Authority; and to provide for all matters incidental thereto.

The Act may be cited as the Gambling Act, 2012

Prior to the Gambling Act, was the following:

- The Lotteries and Betting Act
- The Casino Control Act

The regulator was known as the Casino Control Board and it worked with a Secretariat housed in the Ministry of Trade and Industry (MTI), renamed the Ministry of Investment Trade and Industry (MITI)

2. **FORMAT OF RESPONSE AND REQUIREMENTS**

The response and requirements should be in the following format:

Responses must consist of the following mandatory parts (in their order):

- Form of Response
- Statement of Capability
- Statement of commitment.
- Certified copy of the Value Added Tax (VAT) Registration
- Certified copy of a valid Tax Clearance certificate
- Valid practicing certificate from the Botswana Institute of Chartered Accountants (BICA)
- Written references from clients (at least three).
- Form 2 (List of directors and shareholders of the company, and their nationality).
- Proof of registration with PPADB Accounting & Audit Services

2.1. **Form of Response**

The following information must be provided:

Company Name	
Company Registration Number	
Country of Registration	
Physical Address	
Postal Address	
Telephone Number	
Fax Number	
Email & URL	
Contact Address in Botswana	

Project Title	
Tender No.	
Proposed Price^ψ	
Designated/Authorized Representative for this Project	Name: Position: Qualifications: Tel: Fax: Email:
Company Referees	1. 2. 3.
Signed: Respondent's Authorized Representative	

2.2. Statement of Capability

Applicants shall include a statement of capability, which will detail the level of resources available within the firm to deliver the goods and services requested to the standards defined below.

These include:

- The Auditors should be qualified to audit Public Interest Entities.
- Background and size of the firm, profile of the firm.
- Information on the management structure, technical structure and disclose the citizenship of the partners or shareholders.
- A brief introduction to the audit firm including a description of how the firm accesses new research in audit methodologies and technical reviews of new accounting standards.
- A brief description of the firm understands of the Gambling Authority audit engagement including identification of key audit areas/issues and the firm's proposed approach to these issues/areas.

- Proposed audit scope, main areas of focus, audit approach and understanding the Gambling Authority’s requirements including techniques for audit planning, information systems assurance and other value added services.
- Any specific measures or techniques the firm proposes to employ to enhance audit effectiveness and/or efficiency.
- Details of the firm’s professional staff, their qualifications, experience and nationalities.
- Curriculum vitae of the proposed engagement partner, engagement manager, in-charge auditor and other members of the proposed audit team.
- A brief description of the firm’s audit methodology.
- Technical resources available, both locally and internationally, to resolve technical issues arising during the audit.
- A brief description of how the firm resolves technical issues arising during audits.
- A brief description of the technical support available to the firm and its staff.
- The firm’s internal quality assurance processes (e.g., concurring review arrangements in place for concurring reviews prior to the issuance of an audit opinion).
- The extent to which the firm proposes to rely on the work of the Authority’s Internal Audit Section.

2.3. Statement of Commitment

Companies are required to provide a signed commitment to the following conditions. This may be in the form of a blanket agreement. If the Applicant wishes to vary the response to individual sections, then the Statement of Commitment should be extended. See the example Statement of Commitment below.

2.4. Example of Statement of Commitment

Company XYZ commits to the conditions of tender as specified in **Tender No GA 3/1/5-I 00097/2016-2017 “Proposal for Provision of External Audit Services for Gambling Authority”**.

Signature :.....
 Position :.....

Or

Company XYZ commits to the conditions of tender as specified in **Tender No GAXX/2016-2017 “Proposal for Provision of External Audit Services for Gambling Authority”**. except as indicated below.

Pricing Conditions

Pricing in this response is valid for 3 months.

Signature :.....

Position :.....

3. PRICING FORMAT

The cost proposal shall encompass the lump sum fees for the audit services.

3.1. Price/Cost Detail Format

The lump sum costs shall be all inclusive, including all cost relating to the provision of the services (manpower, travel and transport, disbursements etc.). The proposed audit budget and fee estimates should give a detailed breakdown of:

- The proposed audit fees for the three years of the engagement and a detailed description of how the proposed fee has been arrived at, i.e. applicable rates and budgeted hours.
- On the proposed fees, the firm should briefly explain the rationale for any proposed changes in audit fee when compared to the first year of the engagement, if any, e.g. increase by annual inflation rate as reported by Statistics Botswana.
- How the firm proposes to invoice the Authority for the proposed audit fee (i.e., how much is payable at what stage of the audit?).
- How the firm proposes to take care of its initial set up costs.

All costs shall be quoted in Botswana Pula and should include VAT where applicable.

4. TERMS OF REFERENCE

- Must be able to provide a thorough understanding of the Authority's business needs and business systems, both for accounting and information technology.
- Carry out a review on the processes and financial statements of the Authority and advise management accordingly on the improvement of the controls on financial reporting.
- Provide assurance on the reliance of management systems and business information systems.

- Evaluate general, application, access and other controls in the IT System used by Gambling Authority.
- Review the information processing facilities and perform Computer Aided Auditing Techniques (CAATs) to ensure data integrity.
- Ensure that the necessary financial procedures and administration are in place to ensure that statutory and financial reporting activities are discharged accurately.
- Review findings and conclusions with management on the strategic and business process analysis and risk assessment.
- The consultant shall be expected to perform any other tasks and render advise as may be requested from the Gambling Authority to ensure that the objectives of the Gambling Authority in executing this project are fully met.

5. EVALUATION PROCESS

The evaluation will be conducted in two stages of Technical Evaluation and Financial Evaluation as outlined below. The evaluation process will involve assessment of the following:

- Tender Eligibility
- Professional and Technical Capability (Weighted at 70%)
- Financial Proposal (Weighted at 30%)

5.1. Tender Eligibility

A bidder whose bid does not meet all the mandatory requirements stipulated below will be disqualified and not evaluated further:

- Statement of commitment.
- Certified(BURS) copy of the Value Added Tax (VAT) Registration
- Certified(BURS) copy of a valid Tax Clearance certificate
- Valid practicing certificate from the Botswana Institute of Chartered Accountants (BICA)
- References from clients (at least three).
- Form 2 (List of directors and shareholders of the company, and their nationality).
- Proof of registration with PPADB for Accounting & Audit Services.
- The Auditors should be qualified to audit Public Interest Entities.

6. TECHNICAL EVALUATION

STAGE 1:

The criteria and weightings for the technical evaluation will be as follows:

Criteria	Score	Weight	Weighted Score
Firm Profile	0 -10	1.0	15
Citizen Participation	0 -10	1.0	15
Experience of company	0 -10	3.0	40
Technical support	0 -10	2.0	20
Client References	0 -10	2.0	10
Total			100

Bidders who have achieved a Technical score of 70% will be eligible for shortlisting and progression to the evaluation of the Financial Proposal.

7. FINANCIAL EVALUATION

STAGE 2

- The financial evaluation will be carried out as follows:
- The Bidder with lowest complete price (L), will be awarded 100%
- and Bidders with price P, will be awarded a financial score = $(L / P) * 100\%$

8. FINAL SCORE

The final evaluation score will be made of the weighted technical score and the weighted financial proposal.

9. GENERAL CONDITIONS

9.1.1. Tax, Currency and Payment terms

Respondents are required that all taxes be clearly identified in the response.

All prices must be stated in Botswana Pula, and shall remain valid for at least **three months**. Prices must be VAT inclusive.

The Gambling Authority payment terms are 30 days after receipt of an invoice.

9.1.2. Delivery

The Gambling Authority aims to appoint an independent external auditor/audit firm that will add value to the Authority and be involved with and work in partnership with the Executive Committee, Internal Audit, Finance Department and the Finance & Audit Committee throughout the year in meeting the Authority's requirements.

The expected service provider will work with and involve the Authority's staff in the following:

- Audit planning process, this will including agreeing on time table and making available all relevant information
- Identifying and documenting the risks in the Authority's' business processes.
- Reviewing the internal processes to ensure these are adequate to meet audit standards and recommending areas of improvement
- Assessing and reporting on the work/effectiveness of Internal Audit Section

The Gambling Authority will prepare its Financial Statements in accordance with applicable Acts and Financial Reporting Standards which will be reviewed by the auditor.

The auditor will bring to management's attention all significant issues they note during the performance of the audit.

10. TERMS AND CONDITIONS OF SUBMISSION

Quotations and all supporting documents, manuals, brochures, descriptions, compliance statement, shall be submitted in **(5 copies and 1 Original), and in plain and well-sealed packages bearing only the following inscription: -**

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PROPOSALFORPROVISION OF EXTERNAL AUDIT SERVICES FOR THE GAMBLING AUTHORITY

And shall be delivered and deposited in a tender box to the address given below and to arrive not later than **1200 hours, 28th July2016**. Tenders shall be opened immediately after closing time on the same day at the board room of the address mentioned below. Tenderers wishing to attend the tender opening are free to do so.

GAMBLING AUTHORITY
FAIRSCAPE PRECINT
BUILDING 3
FAIRGROUNDS OFFICE PARK
PRIVATE BAG BR 161, GABORONE, BOTSWANA

TEL : (267) 395 7672

FAX : (267) 318 2585

Tenders shall remain valid for **90 days (3 months)** from the date of submission.

2. Faxed, e-mail and Telex, and telefaxed Tenders submissions will not be accepted. Late and incomplete Tenders will not be accepted.
3. All enquiries shall be in writing and addressed to the Secretary Tender Committee jmatome@gamblingauthority.co.bw or fax 318 2585 and must be received at least four days before the closing date.

4. The Gambling Authority staff is not permitted to discuss tender matters or to give any verbal clarifications to any persons. Written clarifications will be given by an authorized Authority official. Tenderers should indicate to the address given in 1 above, the name and address of the relevant company official to which answers to tender queries can be given.
5. All recipients of the tender documents for the proposed contract for the purpose of submitting a proposal (whether they submit it or not) shall treat the details of the documents as **“Private and Confidential”**
6. In the event of a decision not to respond to the tender, Tenderers are requested to return the documents and all other associated documents as they are **“Private and Confidential”**.
7. Tenderers shall not under any circumstances be reimbursed for any expenses incurred in the preparation of this quotation.
8. Tenders will be evaluated on the basis of compliance with these instructions, the specifications, experience and price. There is no obligation on the Authority to accept any tender or to assign any reason for its acceptance or rejection.
9. The Authority reserves the right to split the tender and award a partial Tender.
10. The Gambling Authority is also not bound to choose the service provider with the lowest financial bid.
11. This document supersedes any previous document advertised or sent by the Authority to prospective bidders for the **PROPOSAL FOR PROVISION OF EXTERNAL AUDIT SERVICES FOR THE GAMBLING AUTHORITY**.
12. The undersigned hereby offers to provide **PROPOSAL FOR PROVISION OF EXTERNAL AUDIT SERVICES FOR THE GAMBLING AUTHORITY** at Gaborone, Botswana as described the tender documents for the sum of:(12% Vat inclusive)

In (figures)

The undersigned confirms the validity of this proposal, the Price and supporting documents attached for a period of three calendar months from the closing date of the Tender.

Dated this _____ day of _____ 2016

Name _____ Signature _____

In capacity of _____

Duly authorized to sign Tenders for and on behalf of:

Whose registered address is at:

Telephone numbers _____

Fax Numbers _____

Telex Numbers _____

Company Stamp:

11. APPENDIX A, ALTERATION OF TENDER

Alteration of Tender:

Should the Tenderer desire to make any departure from or modifications to the Conditions of Contract, Specifications, or other terms stated in this Tender, these departures should be clearly stated hereunder, or alternatively stated in the covering letter attached to the Tenderers' tender and referred to hereunder.

If no departures, modifications are desired, the schedule hereunder is to be marked "NIL" and signed by the Tenderer.

Page	Clause or item
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Name : _____

Signature : _____

Date : _____

END OF DOCUMENT