



**RE-ADVERTISEMENT  
INVITATION TO TENDER**

**FOR THE PROVISION OF**

**EXTERNAL AUDIT SERVICES**

**TENDER REFERENCE NO: AB/263/2022**

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## 1 **The Corporation**

- 1.1 The Corporation was founded by Act of Parliament in 1988.
- 1.2 The mission of the Corporation therein later referred to as the Airline is to be an airline of choice in the region through the delivery of high-quality services.

## 2 **Introduction**

- 2.1 The Corporation is seeking to tender for External Audit Services covering Audit and Certification of the Air Botswana Financial Statements and Representation at Corporation's Board Committees.

## 3 **Commencement and Duration of Contract**

- 3.1 The Contract will commence from a date to be agreed after the award of the tender and will operate for a minimum period of three (3) years. The appointing Authority is the Auditor General of Botswana he retains the right to extend the contract period for whatever reason he deems it fit for a stated length of period.

## 4 **Scope of Services**

- 4.1 Please refer to Appendix B for additional notes on the Scope of Services outlined below:

- 4.1.1 The audit and certification of the Corporation's Annual Financial Statements.

- 4.1.2 Attendance as required at the Finance Risk and Audit Committee of the Board of Air Botswana (FRAC).

- 4.1.3 Presentation of the Audit Report together with the Report to Management to FRAC. The report to Management is expected to cover any major issues while a supplementary report may also be prepared to cover procedural and minor matters. These are required to be discussed with management and thereafter circulated to the Finance Risk and Audit Committee no later than two weeks prior to the meeting at which the annual financial statements are to be considered.

- 4.1.4 Providing advice on the adherence to International Accounting Standards, International Financial Reporting Standards as they apply to the Corporation.

- 4.1.5 Liaison as required with the Auditor General, Ministry of Transport and Communication and the Ministry of Finance and Development Planning.

- 4.1.6 Liaison as required with the Corporation's internal audit division to avoid duplication of efforts and waste of financial resources.

4.1.7 Draft Financial Statements are prepared by the Corporation within a timetable agreed with the auditors at the planning stage of each audit. In addition, the Corporation prepares a range of appropriate supporting schedules which will, in the main, be in electronic format.

## 5 **Supplementary Information**

The Financial Statements of the Corporation for the year to **31<sup>st</sup> March 2021** may be collected from the Finance Director at the Corporation's Head Office.

## 6 **Selection Process**

The tenders will be evaluated by an ad-hoc committee formed for the purpose, based on the criteria below.

The successful tendering firm will be advised of their position as soon as possible.

## 7 **Award Criteria**

7.1 Tenders will be assessed on the following criteria, not in any order or importance:

7.1.1 Fee rate and cost structure 20%

7.1.2 Qualification and CVs of the proposed audit team 40%

7.1.3 Local content in the composition of the audit team 10%

7.1.4 Experience and relevant past clients of the Firm 15%

7.1.5 Proposed methodology of audit process and any other work for the Corporation 10%

7.1.6 Cooperation with Finance and Internal Audit Departments 5%

## 8 **Timetable (estimated dates)**

Issue of Tender Document:	12/01/2022
Return of Tenders by:	09/02/2022
Evaluation of Tenders Complete by:	27/02/2022
Award of Contract:	15/03/2022

## 9. **Instructions to Tenderers**

Tenderers are expected to examine all instructions, forms, terms, and specifications in the tender document. Failure to furnish all information required by the tender documents or submit a tender not suitably responsive to the tender

documents in any respect will be at the tenderer's risk and may result in the rejection of the tender proposal.

## 9.1 **Submission of Tenders**

Tender proposals must be submitted in two parts, i.e. Technical Proposal and Financial Proposal.

### **a) Technical proposal**

Under the Technical Proposal, the tenderer shall provide the following information:

#### **i) The Tenderer's Past Experience**

A brief description of the tenderer's organization and outline of experience on provision of external audit services of a similar nature for the last five (5) years.

#### **ii) Staff Qualifications and Experience**

- Number of staff in the audit team;
- Professional membership of the audit team members;
- Qualification of field supervisor on the audit team;
- Relevant experience of field supervisor on the audit team;
- Citizen participation in senior management team (partner, manager, etc.).

#### **iii) Proposed Methodology**

The tenderer must illustrate the methodology and work plan that will be used to execute the services, indicating breakdown of tasks, timelines and milestones and how they intend to meet quality requirements. Timelines should follow the requirements of Air Botswana Act, CAP 74:07.

#### **iv) The following valid and certified documentation should accompany the tender submission:**

- Copy of Certificate of Incorporation
- Copies of Shares Certificates /or Shareholding Status
- Tax Registration Number & Tax Clearance Certificate Number
- Completed and Signed Forms of Tender
- Botswana Institute of Chartered Accountants (BICA) Registration
- Academic Certificates for all the proposed audit team members

## **b) Financial Proposal**

- i) The tenderer shall provide separately from the technical proposal in its financial proposal the proposed fee. It is expected that this fee will be fixed for the period of the appointment subject to any annual revision in the light of movement in the Retail Price Index.
- ii) Similarly, a level of reimbursement of expenses should be stated and will be adjusted on the same basis as the audit fee.
- iii) The Financial Proposal should clearly identify as a separate amount, the local taxes, duties, fees, levies and any other charges that may be imposed under the law.

## **9.2 Submission, Receipt and Opening of Tenders**

The tender shall be submitted as follows:

- a) Technical Proposal shall be clearly marked “**TECHNICAL PROPOSAL**” and in pdf format.
- b) Financial Proposal shall be clearly marked “**FINANCIAL PROPOSAL**” and in pdf format. The proposals must bear the name and address of the tenderer.
- c) Both technical and financial proposals shall be clearly marked “**TENDER NO. AB/263/2022, PROVISION OF EXTERNAL AUDIT SERVICES**” and addressed to The Secretary, Management Tender Committee, Air Botswana, P. O. Box 92, Gaborone.
- d) Tender submissions shall be delivered by email in **pdf format** to **tenders@airbotswana.co.bw** not later than **9th February 2022 at 1400 hours local time.**
- e) Any tender submitted after the closing date and time shall not be accepted.
- g) After the deadline for submission of proposals, the Technical Proposal shall be opened immediately in the presence of the tenderers or their representatives wishing to attend. The Financial Proposal shall remain

sealed and until the technical evaluation is complete after which bidders whose tenders are judged technically responsive will have their financial proposals opened during the presence of those tenderers wishing to witness the opening.

### **9.3 Modification and Withdrawal of Tenders**

- a) A tenderer may modify or withdraw its tender after the tender's submission, provided that written notice of the modification, including substitution or withdrawal of the tenders, is received by Air Botswana prior to the closing date and time prescribed for submission of tenders.
- c) No tender may be modified after the closing date.

### **9.4 Validity of Tenders**

- a) The tender must remain valid for 90 days after the closing date.
- b) In exceptional circumstances, Air Botswana may solicit the tenderers consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. A tenderer granting the request will not be required nor permitted to modify its tender.

### **9.5 Clarification of Tenders**

- a) To assist in the examination, evaluation and comparison of tenders Air Botswana may, at its discretion, ask the tenderer for a clarification of its tender. The request for clarification and the response shall be in writing and no change in the prices or substance of the tender shall be sought, offered, or permitted.
- b) It is incumbent on tenderers to ensure that they have all the information required for the preparation of their tenders and that they satisfy themselves about the correct interpretation of terminology used in the tender documentation. Tenderers must also ensure that they are fully conversant with the nature and extent of the obligations to be accepted by them if their tender is accepted.

### **9.6 Freedom of Information**

- a) All information submitted to the Corporation may need to be disclosed. If you consider that any of the information included in your tender submission is commercially confidential please identify it and explain (in broad terms) what harm might result from disclosure and/or publication. You should be aware that, even where you have indicated that information is commercially sensitive, we

may require disclosing and/or publish it, whether your tender is accepted. We may also require disclosing and/or publish details of unsuccessful tenders.

- b) Whilst information of a sensitive nature in unsuccessful tenders, (e.g. pricing and daily rates) will not normally be disclosed and/or published, in certain circumstances we may require to disclose and/or publish such sensitive information where the public interest in its disclosure and/or publication requires us to do so.

**9.6 Official Contacts for this tender:**

- a) Mr. Thabo Keamogetswe  
Purchasing & Supplies Manager (Ag)  
Telephone: (+267) 71886462    Email: [tkeamogetswe@airbotswana.co.bw](mailto:tkeamogetswe@airbotswana.co.bw)
  
- b) Mr. Peter Kgomotso  
Finance Director  
Telephone: (+267) 71237048    Email: [pkgomotso@airbotswana.co.bw](mailto:pkgomotso@airbotswana.co.bw)



**APPENDIX A FORM OF**

**TENDER**

**Ref:AB/263/2022**

**To:** Secretary  
Management Tender Committee  
Air Botswana  
Head Office Building  
Gaborone

I  
/We the undersigned

.....of

.....

having read the Form of Tender relating to the above-named Services, wish to tender for their provision, and thereby AGREE

1. that this offer and any Contract arising from it shall be bound by the Tender Documentation, and
2. to provide the required services of quality and for the price specified in the attached Schedule of Prices in a manner and to such extent and at such times and locations as the Corporation may direct.

Date: ----- Name

(Print) ----- Title:

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**APPENDIX B SCOPE  
OF SERVICES  
TENDER AB/263/2022**

**Additional Notes**

<b>1 Client's / Employer's objectives:</b>	The Air Botswana requires provision of Audit Services for the financial years 2022/23, 2023/2024 and 2024/25
<b>2 Description of the services:</b>	Provision of Audit Services for the financial years 2022/23, 2023/24 and 2024/25
<b>3 Extent of the services:</b>	Provides audit services in terms of the firm's methodology and issues reports as agreed in the Engagement Letter to enable Air Botswana management to take appropriate actions.
<b>4 Use of reasonable skill and care:</b>	The appointed auditor must apply skill and due care throughout the audit process to ensure delivery of work of highest quality.
<b>5 Co-operation with other services providers:</b>	The Auditor General should be consulted at all stages of the audit (from planning to post reporting) for him/her to give input and approval.
<b>6 Applicable national and international standards:</b>	<ul style="list-style-type: none"><li>i. IFAC Code of Ethics and International Standards on Auditing</li><li>ii. Providing advice on the adherence to International Accounting Standards, International Financial Reporting Standards as they apply to the Corporation.</li></ul>
<b>7 Approvals:</b>	<p>Auditor General – Approves the audit plan, management letter and audit report</p> <p>Air Botswana – Approves the audit plan, audit fee, management letter and audit report.</p>

8	<p><b>Access to land / buildings / sites:</b></p> <p>The auditor shall always have unlimited access to the Air Botswana's land and buildings during official working hours, while reasonable notice should be provided for access outside official working hours.</p>
9	<p><b>Planning and programming:</b></p> <p>As per the agreed engagement letter and audit plan.</p>
9	<p><b>Software application for programming:</b></p> <p>Prior approval should be sort for any software used in the Air Botswana's systems.</p>
10	<p><b>Quality management:</b></p> <p>The auditor should apply the firm's quality management process and that set by national and international professional bodies and should ensure that it is monitored.</p> <p>Air Botswana will occasionally carryout verification tests.</p>
11	<p><b>Key personnel:</b></p> <p>All key personnel as stated in the audit engagement should be professional accountants and members of BICA.</p>
12	<p><b>Management Meetings and Reporting:</b></p> <ul style="list-style-type: none"> <li>i. Only an engagement partner or manager will make presentations to management of Air Botswana regarding audit matters.</li> <li>ii. Attendance as required at the Finance Risk and Audit Committee of the Board of Air Botswana (FRAC)</li> <li>iii. Presentation of the Audit Report together with the Report to Management to FRAC</li> </ul>
13	<p><b>Daily records:</b></p> <p>The auditor is responsible for keeping own daily records of time spent on the assignment.</p>
14	<p><b>Professional indemnity insurances:</b></p>

The auditor is responsible for arranging own professional indemnity insurance.

**15 Payment certificates:**

Invoice will be raised upon completion of the audit and it should be based on the level of skill and time spent on the assignment.

**16 Property provided for the Consultant's use:**

Reasonable office space, telephone and photocopying facilities.

## **APPENDIX C**

### **SERVICE LEVEL AGREEMENT**

The Service Level Agreement will be drawn and signed prior to commencement of service, and will include the following points; however, the Corporation will consider your own Terms.

- Appointment and Qualification
- Responsibilities of the Corporation
- Standards of Audit
- Reporting
- Irregularities including fraud
- Review of corporate governance disclosures
- Other Work
- Access
- Annual Meeting
- Termination
- Fees and fee variation
- Complaints Procedure
- Confidentiality
- Electronic communication
- Applicable Laws
- Agreement of Terms

## APPENDIX D

### SCHEDULE OF PRICES

TENDER REF NO: AB/263/2022

**TITLE: External Audit Services**

Tenderers shall insert their proposal here in accordance with Appendix C and complete the pro-forma below providing details of fee rates for the staff involved for the duration of this contract.

#### THE FOLLOWING SCHEDULE MUST BE COMPLETED

The rates quoted shall be all-inclusive and unless otherwise agreed be inclusive of all travel, expenses, premises and equipment to provide the services specified. Prices will remain fixed and firm for the initial contract period and for any subsequent years should the Corporation decide to take up the options to extend. **All prices to be quoted including VAT.**

Description of works/classification of personnel	Rate per hour (Mon – Fridays)	No of Days to be Spent on the Audit	Rate per day (please specify)	Rate per week (35 hours Mon – Fri)
Audit Partner				
Audit Manager				
Audit Assistant				

### Other Charges

Please detail below any other charges which may be made to the Corporation under the Contract.

Activity	Price (P) excl VAT

### Discounts and Rebates

Please give below details of any discounts or rebates which may apply to the above prices

Prompt Payment Discount	_____ %	For payment within ____ days of invoice
Retrospective Rebate	_____ %	For expenditure exceeding P _____ in any full year
Other Discount/Rebates Please List		

**APPENDIX E CERTIFICATE OF BONA FIDE**

**TENDER NO: AB/263/2022**

The essence of tendering is that the client shall receive bona fide competitive tenders from all firms invited to tender. In recognition of this principle, I/We certify that this is a bona fide tender, intended to be competitive, and I/We have not fixed or adjusted the amount of the tender by or under or in accordance with any agreement or arrangement with any other party. I/We also certify that I/We have not done, and I/We undertake that I/We will not do at any time before the returnable date for this tender, any of the following acts:

- (a) Communicate to a person other than the person calling for these tenders the amount or approximate amount of the proposed tender.
- (b) Enter into any arrangement or agreement with any other person that he or she shall refrain from tendering or as to the amount of any tender to be submitted.
- (c) Offer or pay or agree to pay any sum of money or valuable consideration directly or indirectly to any person for doing or having done, causing or having caused to be done in relation to any other tender or proposed tender for the said work or goods, any act or thing of the sort described above.

I/We also affirm that I/We are not aware of any relationship between this firm, its employees and agents, and Air Botswana, which might lead to a conflict of interest situation.

In this certificate, the words “person” or “party” includes persons and anybody or association, corporate or unincorporated, and “any agreement or arrangement” includes any such transaction, formal or informal, whether legally binding or not, and the plural includes the singular.

**Signed** .....

**On behalf of** .....

**Date** .....