



MOHOKARE
LOCAL MUNICIPALITY



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CONTRACT NO: SCM/MOH/10/2024

**PREPARATION OF GRAP COMPLIANT
ANNUAL FINANCIAL STATEMENTS AND
THE COMPILATION OF A GRAP
COMPLIANT FIXED ASSET REGISTER
(MOVABLE AND IMMOVABLE) FOR THE
2023/2024 FINANCIAL YEAR**

CLOSING DATE: 29 JULY 2024(14:00)

Prepared by:
Mohokare Local Municipality
Hoofd Street
Zastron
9950

NAME OF BIDDER	
CSD REGISTRATION NO	
SARS PIN	
AMOUNT (VAT incl.)	R

ADDRESS	
TELEPHONE NUMBER	
FAX NUMBER	
E-MAIL ADDRESS	



The following particulars must be furnished /attached failure to do so WILL result in your bid being disqualified

No.	Details	Tick(x)
1.	Proof that the supplier is registered on the Centralised Suppliers Database (CSD)	
2.	Original municipal account of company , if renting and the lessee is not responsible for municipal rates and taxes as stipulated in the lease agreement only a signed lease agreement /if renting and the lessee is responsible for municipal rates and taxes as stipulated in the lease agreement both signed lease agreement and municipal account not older than 3 months	
3.	Compulsory site briefing attended (if applicable)	
4.	Certificate of authority of signatory not older than 3 months	
5.	Valid BBBEE certificate issued by SANAS accredited agencies or certified Sworn Affidavits and certificate or evidence of specific goal specified for the tender	
6.	Joint Venture Agreement (if applicable)	
7.	Completed and signed form of offer and Completed and signed MBD forms (ALL MBD forms in the tender)	

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MBD 1 INVITATION TO BID

You are hereby invited to bid for the requirements of the Mohokare Local Municipality

BID NUMBER: SCM/MOH/10/2024 DESCRIPTION: RE-ADVERT: PREPARATION OF GRAP COMPLIANT ANNUAL FINANCIAL STATEMENTS AND THE COMPILATION OF A GRAP COMPLIANT FIXED ASSET REGISTER (MOVABLE AND IMMOVABLE) FOR THE 2023/2024 FINANCIAL YEAR CLOSING DATE: 29 JULY 2024 CLOSING TIME: 14:00

The successful bidder will be required to fill in a written Contract Form (MBD 7) and sign a service level agreement

BID DOCUMENTS SHOULD BE DEPOSITED IN THE BOX SITUATED AT THE MUNICIPAL OFFICES OR MAY BE POSTED:

**MOHOKARE LOCAL MUNICIPALITY
HOOFD STREET
ZASTRON
9950**

Enclose the envelope with the contract number and the closing date.

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 5 days a week (Monday to Friday), from 08:00 to 16:30.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED OR PHOTO COPIED)

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER CONDITIONS OF CONTRACT

THIS BID WILL BE EVALUATED AND ADJUDICATED ACCORDING TO THE FOLLOWING CRITERIA:

1. Relevant specifications
2. Value for money
3. Capability and capacity to execute the contract
4. PPPFA & associated regulation
5. 80/20 preference point system

NB: NO BID WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (see definition on MBD 4 attached)

**THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

NAME OF BIDDER _____

POSTAL ADDRESS _____

STREET ADDRESS _____

CONTACT PERSON _____

TELEPHONE NUMBER CODE _____ NUMBER _____

CELLPHONE NUMBER _____

FASCIMILE NUMBER CODE _____ NUMBER _____

VAT REGISTRATION NUMBER _____

HAS ORIGINAL VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED (MBD2)?

YES/NO

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/
SERVICES OFFERED BY YOU? (IF YES ENCLOSE PROOF)

YES/NO

SIGNATURE OF BIDDER _____

DATE _____

CAPACITY UNDER WHICH THIS BID IS SIGNED _____

TOTAL BID PRICE (R) _____

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

MUNICIPALITY : Mohokare Local Municipality

DEPARTMENT : Supply Chain Management

CONTACT PERSON : Acting-Chief Financial Officer – Mr. V Litabe

TEL NUMBER : +27 (051) 673 9600

FAX NO. : +27 (051) 673 1550

ANY ENQUIRIES REGARDING THE TECHNICAL INFORMATION MAY BE DIRECTED TO:

CONTACT PERSON : Acting-Senior Finance Manager - Ms. T Mabote

TEL NUMBER : 051 673 9600

FAX NO. : 051 673 1550

MBD 2 APPLICATION FOR TAX CLEARANCE AND TAX CLEARANCE CERTIFICATE REQUIREMENTS

2. Trade Name: _____

[illegible][illegible][illegible][illegible][illegible]

Name: _____

Address: _____

Date: 20____/____/____

PLEASE NOTE THAT THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICES (SARS) WILL NOT EXERCISE HIS DISCRETIONARY POWERS IN FAVOUR OF ANY PERSON WITH REGARD TO ANY INTEREST, PENALTIES AND /OR ADDITIONAL TAX LEVIABLE DUE TO THE LATE – OR UNDERPAYMENT OF TAXES, DUTIES OR LEVIES OR THE RENDITION RETURNS BY ANY PERSON AS RESULT OF ANY SYSTEM NOT BEING YEAR 2000 COMPLIANT.

TAX CLEARANCE CERTIFICATE REQUIREMENTS

IT IS A CONDITION OF THE BIDDER THAT: –

1. The taxes of the successful bidder must be in order, or that satisfactory arrangement has been made with Receiver of Revenue to meet his/her tax obligations.
2. The attached form “Application for Tax Clearance Certificate” (in respect of bidders), must be completed in all aspect and submitted to the Receiver of Revenue where the bidder is registered for tax purposes. The Receiver of Revenue will then furnish the bidder with a Tax Clearance Certificate that will be valid for the period of twelve (12) months from the date of issue. This Tax Clearance Certificate must be submitted in the original together with the bid. Failure to submit the original and valid Tax Clearance may invalidate the bid.
3. In bids where Consortia /Joint Venture / Sub-contractors are involved each party must submit a separate Tax Clearance Certificate. Copies of the application for Tax Clearance Certificate are available at any Receiver’s Office.

MBD 4 DECLARATION OF INTERESTS

1. No bid will be accepted from persons in the service of the state.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegation of favouritism, should be resulting bid, or part thereof, be awarded to person connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating /adjudicating authority and /or take an oath declaring his/her interest.
3. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

3.1 Full Name: _____

3.2 Identity Number: _____

3.3 Company Registration Number: _____

3.4 Tax Reference Number: _____

3.5 VAT Registration Number: _____

3.6 Are presently in the service of the state* **YES/NO**

3.6.1 If so, furnish particulars.

3.7 Have you been in the service of the state for the past twelve months? **YES/NO**

3.7.1 If so, furnish particulars

MSCM Regulations: "in the services of the state *means to be: –

(a) member of

(i) any municipal council;

(ii) any provincial legislature; or

(iii) the National Assembly or the National Council of Provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipal or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

3.8 Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?
YES /NO

3.8.1 If so, furnish particulars.

3.9 Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with evaluation and or adjudication.
YES/NO

3.9.1 If so, furnish particulars.

3.10 Are any of the company's directors, managers, principle shareholders or stakeholders in service of the state?
YES/NO

3.10.1 If so, furnish particulars.

3.11 Are any spouses, child or parent of the company's Directors, Managers, principal shareholders or stakeholders in service of the state?
YES/NO

3.11.1 If so, furnish particulars.

CERTIFICATION

I, THE UNDERSIGNED (NAME) _____

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT. I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVES TO BE FALSE.

Signature

Date

Position

Name of Bidder

MBD 6.1 PREFERENCE CLAIM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL
PROCUREMENT REGULATIONS 2022**

PURCHASES

This preference form must form part of all bids invited. It contains general information and serves as a claim form for B-BBEE status preference points as well as a summary for preference points claimed for attainment of other specified goals.

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000: PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

GENERAL CONDITIONS

1.1 The following preference points system are applicable to all bids;

- The 80/20 system for requirements with Rand value of up to R 50 000 000,00; and
- The 90/10 system for requirements with Rand value above R 50 000 000,00.

1.2 The value of this bid is estimated to not exceed R 50 000 000,00 and therefore the 80/20 shall be applicable.

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE rating certificates, issued by either verification agency accredited by the **South African Accreditation System (SANAS)** or by registered auditors approved by the Independent or **Certified Sworn Affidavits**.

1.4 The points for this bid are allocated as follows:

	POINTS
1.4.1 PRICE	80
1.4.3 SPECIFIC GOALS	20

Separate Preference Points Claim Form will be used for the promotion of the specific goals for which points have been allocated in paragraph 1.3 (b) above.

Failure on the part of a bidder to fill in and/or to sign this form may be interpreted to mean that preference points are not claimed.

1.5 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

GENERAL DEFINITIONS

1.6 **“Acceptable bid”** means any bid which, in all respects, compiles with specification and conditions of bid as set out in the bid documents.

1.7 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Empowerment Act;

1.8 **“B-BBEE status level of contribution”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment Act;

1.9 **“Bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods, work or services.

1.10 **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration

1.11 **“Consortium or joint venture”** means as association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.

1.12 **“Contract”** means the agreement that results from the acceptance of a bid by an organ of state.

1.13 **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulation 2017. In addition to above-mentioned goals, the Regulations [12. (1)] also make provision for organs of state to give particular consideration top procuring locally manufactured products.

1.14 **“Control”** means the possession and exercise of legal authority and power to manage the assets goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing his operations of the business.

1.15 **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.

1.16 **“Management”** an activity inclusive of control and performed on a daily basis, by person who is principal executive officer of the company, by whatever name that person maybe ignited, and whether or not that person is a director.

1.17 **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interest as demonstrated by an examination of the substance, rather than the form of ownership arrangements.

1.18 **“Person”** includes reference to a juristic person.

1.19 **“Rand value”** means the total estimated value of a contract in rand denomination that is calculated at the time of bid invitations and includes all applicable taxes and excise duties.

1.20 **“Small, Medium and Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (No 102 of 1996).

1.21 **“Sub – contracting”** means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

1.22 **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.

1.23 **“Trustee”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.

1.24 **“specific goals”** means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in *Government Gazette* No. 16085 dated 23 November 1994;

ADJUDICATION USING A POINT SYSTEM

1.24 The bidder obtaining the highest number of points will be awarded the contract.

1.25 Preference points shall be calculated after prices have been brought to a comparative basis.

1.26 Points scored will be rounded off to 2 decimal places.

1.27 In the event of equal points scored, the bid will be awarded to the bidder scoring the highest number of points of specified goals.

POINTS AWARDED FOR PRICE SYSTEM

1.28 THE 80/20 PREFERENCE POINT SYSTEMS

A maximum of 80 points is allocated for price on the following basis:

80/20

$$Ps = 80 \left(1 - \frac{(Pt - P_{\min})}{P_{\min}} \right)$$

Where:

Ps = Points scored for price of bid under consideration

Pt = Rand of bid under consideration
Pmin = Rand value of lowest acceptable bid

MBD 6.1

POINTS AWARDED FOR ATTAINING THE B-BBEE STATUS

1.29 The 80/20 preference point system for acquisition of services, works or goods up to a Rand value of R50 million

Points will be awarded for attaining the B-BBEE status level of contribution in accordance with the following table below:

B-BBEE Status level of contributor	Number of points
1	10
2	8
3	6
4	4
5	2
6	2
7	2
8	2
Non-compliant contributor	0

- (i) A maximum of 20 points may be allocated in accordance with the table above.
- (ii) The points scored in respect of B-BBEE contribution contemplated in the table above will be added to the points scored for the price.

1.30 The 90/10 preference point system for acquisition of services, works or goods above Rand value of R50 million

Points will be awarded for attaining the B-BBEE status level of contribution in accordance with the following table below:

B-BBEE Status level of contributor	Number of points
1	5
2	4
3	3
4	2
5	1
6	1
7	1
8	1
Non-compliant contributor	0

- (i) A maximum of 10 points may be allocated in accordance with the table above.
- (ii) The points scored in respect of B-BBEE contribution contemplated in the table above will be added to the points scored for the price.

BID DECLARATION

Bidders who claim points in respect of equity ownership must complete the Bid Declaration at the end of this form.

1. B-BBEE STATUS CLAIMED IN TERMS OF PARAGRAPH 2.3 ABOVE.

B-BBEE Status level of contributor	Number of points claim

2. Specific Goals.

Specific Goals	Number of points claim
BBBEE	
Local Area of service	
Within the boundaries of Mohokare Local Municipality = 10	
within the boundaries of Xhariep District= 6	
Within the boundaries of Free State = 4	
Outside the boundaries of the Free State =2	

.....
MBD 6.1

DECLARATION WITH REGARD TO B-BBEE

1.31 Name of firm : _____

1.32 VAT Registration number : _____

1.33 Company Registration number : _____

TYPE OF FIRM

- ☐ Partnerships
- ☐ One-person business / sole trader
- ☐ Close Corporation
- ☐ Listed Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers e.g. transporters, etc.

[TICK APPLICABLE BOX]

MUNICIPAL INFORMATION

Municipality where business is situated: _____

Registered Account No.: _____

Stand No.: _____

CONSORTIUM / JOINT VENTURE

1.34 In the event that preference points are claimed for B-BBEE by consortia / joint ventures, the following information must be furnished in order to be entitled to the points claimed in respect of the B-BBEE Status.

Name of Company (to be consistent with paragraph 9.8)	Percentage (%) of the contract value managed or executed by the Company

1.35 I/We, the undersigned, who warrant that he/she is duly authorised to do so on behalf of the firm certify that points claimed, based on the equity ownership, indicated in paragraph 8 of the foregoing certificate, qualifies the firm for the preference(s) shown and I/we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) The Equity ownership claimed is in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 8, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iv) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy-
 - (a) recover costs, losses or damages incurred or suffered as a result of that person's conduct; and
 - (b) cancel the contract and claim any damages suffered as a result of having to make less favourable arrangements due to such cancellation;

MBD 6.1

WITNESSES:

1.

.....
SIGNATURE(S) OF BIDDER(S)

2.

DATE:.....

ADDRESS:

.....

.....

.....

BID ADVERTISEMENT



Call for Bids

PREPARATION OF GRAP COMPLIANT ANNUAL FINANCIAL STATEMENTS AND THE COMPILATION OF A GRAP COMPLIANT FIXED ASSET REGISTER (MOVABLE AND IMMOVABLE) FOR THE 2023/2024 FINANCIAL YEAR

Mohokare Local Municipality wishes to invite bidders for the above mentioned tender.
The minimum specifications are detailed in the bid document.

Tender documents are obtainable at **R 500.00 non-refundable deposit per set**.
(Crossed cheques payable to the **Mohokare Local Municipality**).

Closing: 06 OCTOBER 2023

Contact Person for queries:

Acting-Chief Financial Officer – Mr. V Litabe

Instructions dealing with the depositing of bids:

Address bids to:

**Mohokare Local Municipality
Hoofd Street
ZASTRON
9950**

and endorse the envelope with the contract number and the closing date.

Please note:

1. Late bids, telegraphic bids or bids sent by fax will not be considered.
2. The lowest or any bid will not necessarily be accepted and the Municipality reserves the right to accept where applicable a portion of any bid.
3. Section 217 of the Constitution of the Republic of South Africa requires an organ of state to contract for goods and Services in accordance with a system which is fair, equitable, transparent, competitive & cost effective.

4. This Supply Chain Management Policy of the Municipality has been drawn up to give effect to these principles and Preferential Procurement Legislation, and furthermore comply with the provisions of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) and regulations promulgated in terms thereof.
5. Bids that are invalid, non-responsible in terms of Clause 7.2.14 of the Supply Chain Management Policy will be disqualified at the opening of the bids.
6. Bid documents must be deposited in the bid box not later than **14H00** on the closing date (06 OCTOBER 2023)

**Mr. M Mohale
Acting Municipal Manager**

BID SPECIFICATIONS

**PREPARATION OF GRAP COMPLIANT ANNUAL FINANCIAL STATEMENTS AND
THE COMPILATION OF A GRAP
COMPLIANT FIXED ASSET REGISTER (MOVABLE AND IMMOVABLE) FOR THE 2023/2024
FINANCIAL YEAR**

SCOPE OF WORKS

Employer's Objective

The Employer's objectives are to compile a set of GRAP Compliant Annual Financial Statement and Fixed Asset Register for the 2023/2024 financial year.

Overview of the works:

1. Part A : PREPARATION OF ANNUAL FINANCIAL STATEMENT(AFS) AND COMPILATION OF FIXED ASSET REGISTER FOR 2023/2024 FINANCIAL YEAR

1.1 Overall Objectives

- 1.1.1 In awarding this proposal, Mohokare Local Municipality expects to, at a minimum, achieve the following objectives
 - 1.1.1.1. Prepare the Annual Financial Statements (AFS) for the 2023/2024 financial year that fully complies with the applicable Generally Recognized Accounting Practice (GRAP) standards.
 - 1.1.1.2. Compile the Fixed Asset Register (movable and immovable) for the 2023/2024 financial year which complies with the applicable Generally Recognized Accounting Standards
 - 1.1.1.3. Improved audit evidence and well-prepared audit files in line with the national treasury guidelines.
 - 1.1.1.4. Skills transfer to key employees within municipality who will be seconded to the project.
 - 1.1.1.5. Improve on the current audit opinion
- 1.1.2. Prospective Service Provider (PSP) must demonstrate specific experience in providing the service required by Mohokare Local Municipality regarding AFS and FAR compilation. Furthermore, PSPs must demonstrate that they have a proven track record in preparing AFS and compiling FAR for municipalities, more specifically for local municipalities

- 1.2.1 Proposals submitted must include a project plan in the form of a Gantt chart detailing key activities and tasks with key milestones and projected dates of delivery, considering legislated dates
- 1.2.2 It is the intention of the Municipality to finalize the evaluation/ adjudication processes and issue an appointment letter by the 2nd of August 2024. As such project plan must be considered from this date. However, PSP must indicate the time frame for each deliverables as monitoring compliance with the schedule will be based on the number of hours/days allocated per deliverable
- 1.2.3 PSP must develop a Gantt chart in line with the submission date (31 August 2024) for submission of AFS, FAR and audit file to the Auditor General (AGSA). No assumption should be made that there will be an extension in terms of submission.
- 1.2.4 PSP must indicate the Team that will be seconded to this project by at least indicating their names; qualifications and relevant experience in terms of similar assignment/ project (Please note that this team must be available on full time basis from date of appointment till conclusion of the audit). Summarized Curriculum Vitae of officials to be seconded to this project must be submitted together with the proposal, specifically highlighting where similar work has been undertaken.
- 1.2.5 Assessment will be done on an individual basis as far as experience is concerned (i.e., the employee to be assigned to the project to eliminate the instances where a company with a good track record on this assignment, assign individuals/employees with limited experience to the municipality). Experience of a company (as a juristic person) will also be considered as a methodologies used by the company in previous similar work maybe vested in the company.
- 1.2.6 Detailed skills transfer program for the purpose of skills transfer to municipal officials who will be seconded to this project. At a minimum, the municipality will avail relevant officials for the purpose of skills transfer on all deliverables.

1.3 OTHER IMPORTANT MATTERS

- 1.3.1 Should the need arise, your company may also be expected to present its proposal to the municipality at the date, time and place which will be determined by the municipality should your company be short-listed. Travelling cost to this effect will be borne by the PSP (and shall not form part of the reimbursement).
- 1.3.2 If your company is successful, it will be expected to enter into a Service Level Agreement with the Municipality, prior to commencement of the work. The Municipality reserves the right to cancel the appointment made with a Service Provider who is not willing to conclude a Service Level Agreement with the Municipality. It is specifically recorded that the terms of appointment are those of the municipality and as such the agreement to be concluded will be provided by the municipality and the PSP has limited or no say as far as the terms of appointment.

- 1.3.3 No faxed or emailed proposals will be accepted, and the municipality is not bound to accept the lowest proposal and reserves the right to accept the proposal wholly or partially.
- 1.3.4 PSPs who are not registered on the Central Supplier Database are urged to urgently register as such (Non- registration will lead to disqualification as of the closing date for submission of proposals and should further update their status on a regular basis (Especially regarding tax matters).
- 1.3.5 Failure to comply with the above mentioned- conditions may invalidate your proposal.

1.4 PROJECT DETAILS/SCOPE

- 1.4.1 Compile AFS and FAR that complies with MFMA and GRAP Standards in terms of National Treasury Template and compile the Audit File that supports the amount/disclosures/notes entailed in the AFS.
- 1.4.2 Compile quality/credible set of 2023/2024 AFS by ensuring that the correct votes are being used to compile AFS; that the AFS agrees to prior year audited AFS and annual Report and current year schedule: that the AFS are correctly casted and cross-casted, that the notes to the AFS are properly numbered and correctly linked to the AFS; ensure consistency of accounting policies in the AFS with the standards of GRAP and policies adopted by council and that the AFS agrees to the fixed assets register, debtors age analysis and other supporting documentation, etc
- 1.4.3 The Project will entail detailed analysis and correction of specific problems (i.e., misallocations, known errors,etc)
- 1.4.4 Review of the financial records and assistance with adjusting journals to ensure accuracy/ correctness of the Trial Balance figures (to ensure that there is no material adjustments to the AFS).
- 1.4.5 Compile AFS (including Notes, Workings and Schedule) using CaseWare. Therefore, it is essential that PSP is well conversant with this software. AFS to be compiled using latest version of CaseWare. CaseWare experienced person must be on site during the period of the project implementation until 30 November 2024. (See evaluation criteria on this aspect under functionality assessment)
- 1.4.6 Compile the final set of AFS for 2023/2024 for submission to Auditor General of South Africa (AGSA) by the 30th of August 2024.
- 1.4.7 Review of the AFS and FAR by an independent person (Chartered Accountant) (Other than personnel involved in the preparation of the AFS and FAR) to minimize possible misstatements/adjustments.
- 1.4.8 Addressing audit queries raised by Auditor General during audit (that is on the 2022/2023 AFS and 2023/2024) and adjust accordingly where necessary/ as agreed upon with the AGSA.

- 1.4.9 Detailed skills transfer program for the purpose of skills transfer to municipal officials who will be seconded to this project.

1.5 COSTING AND EVALUATION OF THE PROPOSAL

- 1.5.1 PSPs are requested to follow the model below so that proposals can easily be comparable:

AFS Component	R.....
FAR Component	R.....
VAT (where applicable)	R.....
Total	R.....
Disbursements	R.....
Total Cost	R.....

- 1.5.2 PSP who submits proposal for AFS may not make provision to pay for “post-retirement benefits”. The municipality will appoint an actuary.
- 1.5.3 PSP must provide the total cost of the project and not provide estimates as this makes it difficult to compare prices during evaluation. Therefore, if the total price for the service cannot be determined at the evaluation stage, PSP will be regarded as non-responsive and be eliminated.
- 1.5.4 Travelling/ claim for kilometres must be quoted at the rates as provided by the Department of Transport on a month-to-month basis for ‘private vehicles.
- 1.5.5 Criteria to determine functionality will entail qualifications and skills based on project personnel’s curriculum vitae; reference of similar work/general experience in compilation of AFS and FAR; experience in compiling AFS and FAR specifically for local municipality; methodology of compiling the AFS and FAR, preparation of the audit and skills transfer plan, etc.(the full details are entailed in the latter part of this section).
- 1.5.6 All invoices will be accompanied by a Progress Report to the Municipality.
- 1.5.7 PSP will be subjected to functionality and technical capability/ ability of the PSP to perform/render the required services successfully. PSPs who score less than 70% at this stage will not qualify for the next stage.
- 1.5.8 The Municipality understands that companies (as juristic persons) do not compile AFS and FAR but the individual employees (natural person) compile AFS and FAR. Accordingly, major emphasis will be on the individual employees to be seconded to the project. This is to guard against companies which have a proven track record over the years, to which there is no more adequate skills/personnel to sustain such. Nonetheless, the municipality also understand that

companies (juristic person) may hold methodologies that have proven to be successful in terms of AFS and FAR compilation. Accordingly, such will also be considered in the evaluation/adjudication.

1.6 CONTRACTUAL AND REPORTING

- 1.6.1 Management of the tasks listed above will be managed as per the description in the relevant Service Level Agreement (SLA) to be concluded and signed between the municipality and the successful service provider.
- 1.6.2 With respect to the project, the successful service provider will work with designated Project Sponsor from the municipality including municipal officials who will be seconded to the project for the purpose of skills transfer.
- 1.6.3 Service Providers must identify a Project Manager that will be duly mandated to represent the successful service provider during the duration of the contract, who will serve as liaison between the Service Provider and the Municipality.

Note should be taken that the municipality is the one appointing the service provider and that such appointment is subjected to the successful Service Provider concluding a SLA with the Municipality. The terms and conditions of appointment (including consequence management) will be discussed with the successful Service provider (and where there is no agreement in this regards, the municipality reserves the right to consider appointing an alternative Service Provider who will undertake the provision of these service under the same terms and conditions).

1.7 REPORTS

- 1.7.1 Progress reports will be submitted every week by Friday (or Monday) from the date of appointment until the project completion.
- 1.7.2 Progress report should compare the actual performance against the planned performance as detailed in the project plan to determine if the process is on track to meet the agreed upon time frames (deadlines).
- 1.7.3 Ad hoc reports may be requested by the Municipal Manager/ Chief Financial Officer/ Directors at given time during the duration of the project.
- 1.7.4 Close-out report will be required as determined in SLA, immediately after AFS and FAR is submitted to the AGSA (this report must highlight the risk arrears identified and recommendations on how such should be managed during the audit period) and final close-out report must be submitted to the municipality immediately after the Audit Report (Audit opinion) has been issued by AGSA at the end of 2023/2024 audit(this should include recommendations on how the municipality can maintain/improve the audit outcome that would have been issued by AGSA).

1.8 CONTRIBUTION BY THE MUNICIPALITY

- 1.8.1 The Municipality will provide working space for the successful Service Provider.
- 1.8.2 Provide the relevant information and access to key officials to enable the successful Service Provider to complete their task.
- 1.8.3 Make available staff to be seconded to the project for skills transfer purposes.
- 1.8.4 The Municipality will not making available the Management Report and Fixed Asset Register to any PSPs due to risk factors associated with such documents being in the public domain. Final MR and FAR will only be shared with the successful bidder.

(NB: Full details regarding the obligations of the successful service provider and that of the municipality will be included in the SLA).

Specification? (Is your bid in line with the specification?) * YES/ NO.....

If not to specification, indicate deviation(s).....

Note: All costs must be included in the bid price and attach cost breakdown.

SCOPE OF WORK - ASSETS

The Municipality has the following assets all of which form the scope of work required:

No	Description	GRAP Standard(s)
1.	Land, Buildings, Infrastructure, Community Assets, Capital work in progress	GRAP 17: Property, Plant and Equipment (PPE); GRAP 21 & 26: Impairment of assets
2.	Movable assets (Furniture, Office Equipment, Motor vehicles etc)	GRAP 17: Property, Plant and Equipment (PPE); GRAP 21 & 26: Impairment of assets
3.	Investment Property	GRAP 16: Investment Property; GRAP 21 & 26: Impairment of assets
4.	Intangible Assets	GRAP 31: Intangible Assets; GRAP 21 & 26: Impairment of assets

5.	Heritage assets	GRAP 103: Heritage Assets; GRAP 21 & 26: Impairment of assets
6.	Provision for Landfill-sites	GRAP 19: Provision for landfill sites rehabilitation and determine the impact of iGRAP 2

Terms of reference

- 1) Physical verification and labelling of all assets of the Municipality, to ensure completeness and existence of property, plant and equipment;
- 2) The municipality will provide barcodes or request the appointed service provider to provide a quote for the provision of these barcodes.
- 3) Assign and effect a unique asset identification number by bar-coding and capturing new assets not included in the current fixed asset register;
- 4) Review/Compile an asset register for all assets in accordance with the accounting practices as prescribed by GRAP, MFMA and National treasury guidelines;
- 5) Reconcile capital work in progress noting amounts that require capitalisation and unbundling;
- 6) Preparation of reconciliation between asset register and general ledger and post adjusting journals required;
- 7) The re-assessment of useful lives, residual values and depreciation method of Property, Plant and Equipment;
- 8) Calculations of the adjusting journals for the re-assessments of the useful lives, residual values and depreciation method;
- 9) Investigate and correct prior year errors in any thereby assisting the entity in successfully addressing the audit findings and qualifications on PPE as per the Auditor-General's report;
- 10) Review and update a Fixed Asset Management Policy – GRAP17 compliant;
- 11) Obtain GPS co-ordinates for immovable assets;
- 12) Review contracts payments for possible misallocation of asset related payments;
- 13) Provide detail methodology applied for assessment and impairment of assets where applicable; Identification, measurement and recording of possible impairment losses;
- 14) Prepare an Audit file with supporting documents for all adjustments made, including additions;
- 15) Calculate the provision for rehabilitation of landfill sites in terms of GRAP 19
- 16) Provide support during the audit process and resolve all queries relating to this appointment, including accompanying auditors on site visits and attend meetings to resolve audit findings in order to achieve a clean audit opinion;
- 17) Transfer of skills to the Municipal Officials;
- 18) Compliance to the municipal Standard Chart of Accounts (mSCOA) regulations incorporating the seven (7) segments.
- 19) Aid during the audit process, including accompanying auditors on verification and

SCOPE OF WORK - AFS

The Scope of work required for the preparation of AFS is as follows;

FINANCIAL STATEMENT AREA	Scope
Prior period errors	<ul style="list-style-type: none"> • Review AGSA Management letter and audit report for 2022/2023 and identify all unresolved audit findings and help management to resolve them; • Prepare and audit file for prior period error adjustments; • Restate the opening trial balance and prepare GRAP compliant restatement note;
	Engage AGSA so that they can audit opening balances;
VAT	<ul style="list-style-type: none"> • Identify all VAT sensitive accounts as per Chart of Accounts and using VAT 419 guideline, verify that all transactions for the year were treated correctly for VAT; • Reconcile the VAT 201 and VAT SA from SARS to the VAT votes on general ledger;
Chart of Accounts	Verify that vote descriptions clearly describe the accounts relating to different sections of the Trial Balance to allow for ease of use, trail and general understanding of users.
Journals entries into the general ledger	<ul style="list-style-type: none"> • Obtain all journals posted into the general ledger and verify that they are accurate and adequately supported by underlying documentation; • Conduct In-house training sessions for the staff responsible for posting transactions to ensure that they are continuously on the look-out for erroneous postings, and understand the adequacy of information supporting journals;
Inventory (Consumables)	<ul style="list-style-type: none"> • Verify accuracy of inventory quantities at year end both current and prior. Make sure the stock sheets are complete and accurate; • Correct /update stock item descriptions so that the descriptions on the stock valuation report correctly describe the nature and type of inventory items; • Verify completeness and accuracy of stock issues and receipts in the general ledger; • Determine that NRVs of closing inventory in both current and prior year and prepare restatement journals and notes;

Inventory (Land)	<ul style="list-style-type: none"> • Reconcile the land inventory register to the valuation roll; • Trace land inventory to the registers at the deeds offices and verify accuracy of details on register; • Determine the appropriateness of valuation of land at NRV (lower of cost or Net Realisable value); • Determine the accuracy of classification of land inventory as either inventory, property plant and equipment or investment property; • Trace all land parcels on the list on land inventory to the Billing system and make sure no billings are raised on them; • Perform reconciliation of opening to closing land inventory and trace land sales to cost of sales;
Revenue – (Rent Income)	<p>Reconcile the investment Properties register to the rent received, lease agreements and receipts;</p> <p>Verify that all properties rented are supported by lease agreement; Verify that all rental income is accurately recorded in GL and that the VAT element is treated correctly;</p> <p>Update Investment property register with properties that are on rentals register;</p> <p>Verify that the investment properties register indicates the status of the investment property (Vacant, rented out etc);</p> <p>Trace all the properties on the investment property register to the billing system and make sure there is no billing happening thereon;</p> <p>Identify Old inactive tenant accounts and isolate all income billed in respect of such former tenants is reversed and that such accounts be closed to avoid overstating rental income and debtors.</p> <p>Rent accruals – Reconcile rent income accrued to the signed lease Agreements;</p> <p>Identify all investment properties that are occupied by tenants but they have no lease agreements and are not paying rent and quantify revenue loss. Advise council on an appropriate way forward. All properties with expired lease agreements should have the lease agreements renewed before end of year;</p> <p>Isolate all rent accounts on the debtors age analysis and make sure they are accurate and recoverable;</p>

	<p>Roll must be removed from the system as any income accruing from such will not be collectible;</p> <p>— Identify all Municipal properties from the valuation roll and reverse all property rates revenue billed thereon. Also make sure that these are marked as such on the system so that future billings will not happen on same.</p>
Revenue (Motor Vehicle Licensing)	<p>Verify that all transactions relating to each financial year are recorded in the correct financial year.;</p> <p>Make sure that the accounting system must be adjusted to ensure that all Motor Vehicle Licensing income votes are marked for VAT exclusion. Make adjustments to remove all VAT incorrectly accounted for on vehicle licenses. However, the agency fee should have VAT charged on it;</p> <p>Reconcile third party transactions making sure that they are treated correctly in terms of GRAP;</p>
Revenue (Prepaid Electricity)	<p>Reconcile sales reports received from CG Sales against the sales that are recorded on the system on a monthly basis;</p> <p>Reconcile sales reports received from CG Sales against money that is deposited into the bank by CG Sales as well as record the commission paid to CG Sales as an expense in the books of the municipality;</p> <p>Check Cut- off at year end to make sure debtors and revenue relating to prepaid electricity sold near year-end are recorded in the correct accounting period;</p> <p>Deferred income - calculate a reasonable estimate of deferred income on Prepaid Electricity sold but not yet utilised by customers at year end. The income deferred in the previous year must then also be realised in the statement of financial performance.</p>
Revenue (Traffic Fines)	<p>Reconcile traffic fines on E-Natis to the General ledger;</p> <p>Analyse the traffic fines debtors and verify recoverability of them. Prepare the listing of all traffic fines outstanding and age them.</p>
Revenue (Selling of Municipal Land)	<p>Analyse the land sales receipts and verify that the revenue vote, amongst all other, includes income recorded with the correct VAT treatment. VAT should be deducted from the selling price of land and the output should be declared to SARS.</p>

Revenue - (Conventional Electricity and Water Sales)	Carry out an exercise to identify all meters that have not been accruing charges and get correcting entries processed. The same applies to water meters which also have the same issues. All unread meters should be followed up and be billed in the following month. At year end, all missed billings should have adjustments posted by way of estimating the consumption.
Debtors	<p>Complete master file information - the system master file for all debtors in the system be completed with all required details to identify a customer;</p> <p>Identify all Municipal properties and deactivate them from billing;</p> <p>Perform Sub-Ledger to General Ledger Reconciliation and clear all differences;</p> <p>Recalculate provision for doubtful debts for both current and prior year and make adjustments into the general ledger;</p> <p>Review and clear all suspense accounts;</p>
Payables	<p>Review/Perform monthly Creditors Reconciliations to ensure that records are accurate;</p> <p>Review and reverse year-end accruals in the following financial year so that records for payables are not misstated;</p> <p>Assist the municipality with reconciling retentions between the general ledger and projects' files;</p> <p>└ Assist the municipality with reconciling and clearing any differences in the water and sanitation accounts and transactions between itself and the District Municipality.</p>
Employee Costs	Review/Perform Payroll reconciliations to ensure that payroll reports and general ledger agree. Variances noted from the reconciliation process must be posted to the respective GL accounts to bring the account in to balance and / or any discrepancies noted on the Payroll must be investigated and resolved timeously.
Bank and Cash	Review bank reconciliations and make sure all reconciling items are valid and cleared timely;
Supply Chain Management	Assist the Municipality with reconstructing the list of all irregular expenditures and then investigates all the expenditures in terms of the regulations and follow through all the legislated consequences management steps as stipulated in the Act.

Training and skills transfer	<ul style="list-style-type: none"> • Carry out formal training and on the job training with the municipal staff on the following: <ul style="list-style-type: none"> • Preparation of audit files; • Preparation of financial statements of Case Ware; • GRAP items affecting the Municipality;
	<ul style="list-style-type: none"> • The service provider must note that all its work must be done together with municipal officials so that there will be an effective skills transfer.
Preparation of financial statements	<ul style="list-style-type: none"> – Prepare draft financial statements for the Municipality in compliance with GRAP using Case Ware;
	<ul style="list-style-type: none"> • Prepare an audit file supporting all financial statement areas of the AFS; • Reconcile AFS to the audit file and supporting schedules to ensure they are accurate and complete;
Audit support	<ul style="list-style-type: none"> • Remain on the premises of the municipality for the entire project until audit is complete; • Attend audit steering committee meeting and respond to /advise the municipality of audit/AFS issues; • Respond to auditors requests for information and queries;

- Clearing of all suspense accounts as at year end
- Complete review and balancing of control accounts
- Compilation of actual AFS/Audit file for all AFS line items and disclosure

Perpetual Skills Transfer

- GRAP updates – at the inception of AFS compilation, provide any accounting standards board GRAP stand updates on each GRAP Standard, how to apply each GRAP standard to the pertinent AFS Line item and/or disclosure item
- For each AFS Component completed, provide a detailed skills transfer, explanation training to the designated official(Log book and signed off)

- CaseWare skills transfer
 - on how to import the TB to the CaseWare
 - How to map account votes/line items
 - How to check if the AFS do balance
 - How to process journals on CaseWare
 - How to review accounting policies
- Handover of all AFS related information to the designated official and/ or CFO/MM including the final (Audited) MUNSOFT TB and GL. Also Final(Audited) CaseWare TB and all adjustment
- Assist the municipality with the following during audit period
 - Responding to the audit findings
 - Resolving of all audit findings

The work to be carried out includes the compilation of a set of GRAP compliant annual financial statement and preparation of supporting documentation, reconciliations and asset AFS disclosure notes.

BID EVALUATION CRITERIA

The overall adjudication of this bid will be evaluated in terms of Section 4 (1) of the Preferential Procurement Regulations 2022 (80/20) Preferential System) and specific goals.

The criteria for evaluation will be as follows:

- Functionality and;
- Pricing and Preference Points System

FUNCTIONALITY

Not all bids will be invited on the basis of functionality as a criterion. The need to invite bids on the basis of functionality as criterion is depending on the nature of the required commodity or service taking into account quality, reliability, viability, and durability of a service and the bidder's technical capacity and ability to execute a contract.

Invitation to bids on functionality

The following would be taken into account before inviting bids on the basis of functionality:

Evaluation criteria for measuring functionality

- The evaluation criteria will include consultant's relevant experience for the assignment, the quality of the methodology approach proposed, the qualification of the key staff proposes, transfer of skills/knowledge etc.

Weigh of each criterion

- The weight that is allocated to each criterion would not be generic and would be determined separately for each bid on each case on its own merit basis.

NO	CRITERIA	WEIGHT
1.1	Organisational Experience in Similar projects: Previous experience of similar tasks (Please attach appointment letters and reference letters) Over 5 projects (2 AFS and 3 Assets) 3-5 projects 1-2 projects	40 30 20 10
1.2	Reference letters indicating unqualified audit outcomes on similar work either AFS or Assets prepared by the tenderer in the past years from public sector clients (Provide reference letters and Audit Reports) * <i>* A reference letter indicating that the service provider managed to improve an audit outcome relating to the work similar to this advertised task, following first appointment by a client *Reference letters to be Stamped/Signed by client.</i> The tenderer did not provide reference letters The tenderer provided 5 or less reference letters The tenderer provided six and above reference letters	10 0 5 10
2.	Qualification and experience (Please provide CV and <u>certified</u> qualifications) 2x Chartered Accountants (5 marks each) Asset management Specialist (CASM)* The Asset Management Specialist is not a CASM The Asset Management Specialist is a CASM <i>* Certified Senior Practitioner in Asset Management (CASM) is a qualification awarded by the South African Asset Management (SAAMA)</i> Engineers (ECSA Member) 1x Electrical 1x Civil	45 10 0 25 5 5
4.	Methodology No methodology was provided The methodology presented is unlikely to lead to achievement of the project objectives and/or: Does not address the full scope of the project Is unclear Does not take into consideration project risks, timelines, or other important considerations	15 0 5

	A clear, robust methodology was presented that fully addresses the scope of work to be performed over the entirety of the contract period. Key project risks were identified, and mitigation measures proposed. A project plan has been submitted that considers statutory submission dates and other key considerations. The skills transfer plan should form part of this methodology.	15	
	TOTAL		100

The minimum qualifying score for functionality that must be obtained for a bid to progress to the next stage is 70.

SECTION A

YOUR MAIN CONTROLLING COMPANY

Supply information regarding the following

1. NAME

2. ADDRESS

3. SHAREHOLDERS of your controlling Company

(Indicate extent of shareholding especially shareholding of previously disadvantaged groups in your Controlling Company)

4. DIRECTORS

Initials & Surname	ID Number	Citizenship	B-BBEE Compliant Yes/No

5. MANAGEMENT STRUCTURE

Kindly supply information regarding positions held by Black people as defined in the B-BBEE act.

* **DEFINITION** *"Black People" is a generic term which means Africans, Coloureds and Indians*

CONTRACT FORM – RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)in accordance with the requirements and task directives/proposal specifications stipulated in Bid Number..... at the price/s quoted. My Offer/s remains binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid
 - Tax Clearance Certificate
 - Proof of banking
 - Municipal rates and taxes
 - Registration documents
 - Pricing schedule(s)
 - Filled in task directive/ proposal
 - Preference claims in terms of the Preferential Procurement Regulations 2017
 - Declaration of interest
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (Specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding

price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorized to sign this contract

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1.

2.

DATE:

CONTRACT FORM – RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. Iin my capacity asaccept your bid under reference numberdated for the rendering of services indicated hereunder and/ or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 days after receipt of an invoice.

Description of service	Price (VAT Incl.) R	Completion date	Preference Points claimed for B-BBEE status

4. I confirm that I am duly authorized to sign this contract.

SIGNED AT **ON**

NAME (PRINT)

WITNESS

1.

2.

DATE:

SIGNATURE&MUNSTAMP

MBD 8 DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1. This Municipal Bidding Document forms part of all bids invited.

2. It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

3. The bid of any bidders may be rejected if that bidder or any of its directors have:

- (a) Abused the municipality's/municipal entity's supply chain management system or committed any improper conduct in relation to such system;
- (b) Been convicted for fraud or corruption during the past five years;
- (c) Wilfully neglected, reneged on or failed to comply with any government, municipal or other sector contract during the past five years; or
- (d) Been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention; and Combating of Corrupt Activities (No 12 of 2004)

4. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid:

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector (Companies or person's by the National Treasury after the audi alteram partem rule was applied).		
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004) (To access this Register enter the National Treasury's website, number (012) 326 5445.		
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?		
4.3.1	If so, furnish particulars:		
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?		
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?		
4.5.1	If so, furnish particulars:	Yes	No

CERTIFICATION

I, the undersigned (full name)certify that the information furnished on this declaration from true and correct.

I accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

MBD 9 CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging). Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - (a) take all reasonable steps to prevent such abuse;
 - (b) reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - (c) cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of:

that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (A) has been requested to submit a bid in response to this bid invitation;
 - (B) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (C) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

(a) prices;

(b) geographical area where product or service will be rendered (market allocation)

(c) methods, factors or formulas used to calculate prices;

(d) the intention or decision to submit or not to submit, a bid;

(e) the submission of a bid which does not meet the specifications and conditions of the bid; or

(f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

.....

Signature

.....

Position

.....

Date

.....

Name of Bidder

FORM OF OFFER AND ACCEPTANCE (AGREEMENT)

CONTRACT NO: SCM/MOH/10/2024

PREPARATION OF GRAP COMPLIANT ANNUAL FINANCIAL STATEMENTS AND THE COMPILATION OF A GRAP COMPLIANT FIXED ASSET REGISTER (MOVABLE AND IMMOVABLE) FOR THE 2023/2024 FINANCIAL YEAR

OFFER

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a Contract in respect of the following works:

PREPARATION OF GRAP COMPLIANT ANNUAL FINANCIAL STATEMENTS AND THE COMPILATION OF A GRAP COMPLIANT FIXED ASSET REGISTER (MOVABLE AND IMMOVABLE) FOR THE 2023/2024 FINANCIAL YEAR

The Tenderer, identified in the offer signature block below, has examined the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the Tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance, the Tenderer offers to perform all the obligations and liabilities of the Contractor under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the Contract Data.

THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE-ADDED TAXIS

.....
..... rand [in words]; R [in figures],

This Offer may be accepted by the Employer by signing the acceptance part of this Form of Offer and Acceptance and returning one copy of this document to the Tenderer before the end of the period of validity stated in the Tender Data, whereupon the Tenderer becomes the party named as the Contractor in the Conditions of Contract identified in the Contract Data.

Signatures (s)

Name(s)

Capacity

.....
[Name and address of organisation]

Name and signature
Of witness

.....Date.....

ACCEPTANCE

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the Tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the Conditions of Contract identified in the Contract Data. Acceptance of the Tenderer's Offer shall form an agreement between the Employer and the Tenderer upon the terms and conditions contained in the Agreement and in the Contract that is subject of this Agreement.

The terms of Contracts are within the Tender Document.

The Tenderer shall within two weeks after receiving a completed copy of this Agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange to the delivery of any bonds, guarantees, proof of insurance and other documentation to be provided in terms

Notwithstanding anything contained herein, this Agreement comes into effect on the date when the Tenderer receives one fully completed original copy of this document. Unless the Tenderer (now Consultant) within five working days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this Agreement, this Agreement shall constitute a binding Contract between the parties.

Signatures (s)

Name(s)

Capacity

.....
[Name and address of organisation]

Name and signature
Of witness Date.....

GENERAL CONDITIONS OF BID

1. INTERPRETATION

The word “Bidder” in these conditions shall mean and include any firm of Contractors or any company or body incorporated or unincorporated.

The word “Municipality” in these conditions shall mean the Mohokare Local Municipality.

2. EXTENT OF BID

This contract is for the **PREPARATION OF GRAP COMPLIANT ANNUAL FINANCIAL STATEMENTS AND THE COMPILATION OF A GRAP COMPLIANT FIXED ASSET REGISTER (MOVABLE AND IMMOVABLE) FOR THE 2023/2024 FINANCIAL YEAR**

3. CONTRACT TO THE BINDING

The formal acceptance of this Bid by the Municipality will constitute a contract binding on both parties, and the Municipality may require sureties to its satisfaction from the contractor, for the due fulfillment of this contract.

4. MODE OF BID

All Bids shall be completed and signed: All forms, annexures, addendums and specifications shall be signed and returned with the Bid document as a whole. ***The lowest or any Bid will not necessarily be accepted.***

The Municipality wishes to deal on a prime contractual basis with the successful Bidder being responsible and accountable for all aspects of the entire solution or service offered.

5. QUALITY

Should the specifications and / or descriptions not address any aspects of quality as specified, this should be clarified with the Municipality prior to the submission of a Bid.

6. INSURANCE CLAIMS, ETC.

The Council and Municipality shall not be liable in any manner in respect of any claims, damages, accidents and injuries to persons, property or rights or any other courses of civil or criminal action that may arise from the carrying out of this contract.

The contractor shall insure his / her / their personnel and any plant, machinery or other mechanical or electronic equipment involved in the fulfillment of this contract and shall indemnify the Council and the Municipality against all risks or claims which may arise. It will be required from the successful Bidder to submit proof of insurance

or any other valid form of indemnification to Council for scrutiny. Failure to do so within 14 (fourteen) days of acceptance of this Bid will be deemed to be a material breach of this contract and will render the contract null and void.

7. SIGNING OF DOCUMENTS

Bidders are required to return the complete set of documents duly signed.

8. PERIOD OF VALIDITY FOR BIDS AND WITHDRAWAL OF BID AFTER CLOSING DATE

All Bids must remain valid for a period of 120 (hundred and twenty) days from the closing date as stipulated in the bid document.

8.1 PENALTY PROVISION

Should the successful Bidder:

- [a] Withdraw the Bid during the afore-mentioned period of validity; or
- [b] Advise the Municipality of his / her / their inability to fulfill the contract; or
- [c] Fail or refuse to fulfill the contract; or
- [d] Fail or refuse to sign the agreement or provide any surety if required to do so;

Then, the Bidder will be held responsible for and is obligated to pay to the Municipality:

- [a] All expenses incurred by the Municipality to advertise for or invite and deliberate upon new Bids, should this be necessary.
- [b] The difference between the original accepted Bid price (inclusive of escalation) and:
 - [i] A less favorable (for the Municipality) Bid price (inclusive of escalation) accepted as an alternative by the Municipality from the Bids originally submitted; or
 - [ii] A new Bid price (inclusive of escalation).

9. VALUE ADDED TAX

In calculating the cost of the supply and delivery of services and / or material, the supplier will issue a "Tax Invoice" for all services rendered and / or materials supplied, which will reflect the exclusive cost of such services, goods or materials with the relevant Value Added Tax being added to the total.

VAT must be included in the Bid price, but must be shown separately.

10. PRICE ESCALATION

No claim in respect of any price escalation will be considered by the Municipality unless it is specifically stated in the Pricing Annexure that the Bid is subject to price escalation. When escalation is claimed for during the contract period, proof of such escalation must be furnished and the calculation itself must be submitted to corroborate such proof. Escalation will only be calculated on the official index figures supplied by the Department of Statistics or the Price Controller, which ever may be applicable. All orders placed will be based on the current Bid prices. It is the responsibility of the Bidder to inform Council of any escalation prior to implementation of the escalated price. Failure to do so will negate any such claims to Council.

11. AUTHORITY TO SIGN BID DOCUMENTS

In the case of a Bid being submitted on behalf of a company, close corporation or partnership, evidence must be submitted to the Municipality at the time of submission of the Bid that the Bid has been signed by persons properly authorized thereto by resolution of the directors or under the articles of the entity.

12. SAMPLES

No sample required.

13. DURATION OF THE BID

It is envisaged that the successful Bidder will be appointed within the 120 (hundred and twenty) days of the tender validity and will be required to deliver within 21 days upon appointment.

14. DELIVERY PERIODS

Delivery periods, where indicated must be adhered to. Notwithstanding the termination date of the assignment the bidder will be required to submit progress reports to the Municipality on the contract, form and frequency and dates thereof to be stipulated and agreed upon by the parties upon the awarding of the Bid.

15. CLOSING DATE / SUBMITTING OF BIDS

Bids must be submitted in sealed envelopes clearly marked ***“PREPARATION OF GRAP COMPLIANT ANNUAL FINANCIAL STATEMENTS AND THE COMPILATION OF A GRAP COMPLIANT FIXED ASSET REGISTER (MOVABLE AND IMMOVABLE) FOR THE 2023/2024 FINANCIAL YEAR”*** the Bid must be deposited in the bid box, Mohokare Municipal Offices, Hoofd Street, Zastron, by no later than 14H00, **06 OCTOBER 2023**. Thereafter bids will be opened in public.

Bids which are not submitted in a properly sealed and marked envelope and/or deposited in the relevant bid box on or before the closing date and time will not be considered. Faxed or e-mailed Bidders will not be considered.

16. BID ENQUIRIES

Supply Chain related queries : Acting Senior SCM Accountant
Mr. P Lesenyeho 061 267 1582
pule@mohokare.gov.za

Technical related queries : Acting-Senior Finance Manager
Ms. T Mabote 051 673 9600
tsoho@mohokare.gov.za