

Invitation to Tender for HIHAO Annual External Audit Services

Reference: HIHAO/Audit 2022

Date of Issue: 06 November 2022

Deadline for Submission of Tenders: 14:00 Hours (AFT), 20 November 2022

1. Introduction

Hand in Hand Afghanistan invite the interested qualified Audit Firms to submit their proposals (both technical and financial) for External Annual Audit Service of HIHAO for the year ending at 31 Dec 2022.

Hand in Hand Afghanistan Organization (HIHAO) is a not-for-profit organization based in Afghanistan, started operations in 2007. HIHAO is a member of Hand in Hand global network of independent organizations, working together towards a shared vision to alleviate poverty through job creation. The overall Hand in Hand mission is to promote the economic and social empowerment of women, by supporting the creation of sustainable enterprises, improved livelihoods and jobs.

HIHAO besides its development mandate has also started to provide humanitarian support to households most at risk of food insecurity. HIHAO currently operates through its Head office in Mazar-e-Sharif and sub-offices in Herat and Kunduz provinces. Implementing projects funded by, DANIDA, CAFOD, GIZ, USAID, OCHA, FAO, Hand in Hand International and Hand in Hand Sweden in Balkh, Samangan, Kunduz and Herat provinces.

The HIHAO main objectives are as follow:

- Support unemployed, poor and vulnerable women, men and young people to secure entrepreneurial opportunities that enable financial resilience, provide sustainable employment, and increase diversified income
- Ensure women, men, young people and children who are affected by conflict, who are IDPs, returnees, or who are from underserved host communities in need of humanitarian assistance have access to food, potable drinking water, sanitation facilities, and have good hygiene awareness, health and education services, so they can create and grow livelihoods that enable income generation.
- That local peace mechanisms are in place and actively resolving community conflicts, and that communities are empowered to participate in peace-building processes
- The disaster-prone communities can access natural and other disaster risk reduction training.

For more information about HIHAO please visit the websites: <http://www.handinhand.org.af> .

All requires and correspondence relating to this should be addressed to Dr. Ahmad Kamran Hekmati, Executive Director, Hand in Hand Afghanistan at khekmati@handinhand.org.af and CC: Sama Sahari at cfo@handinhand.org.af

2. Scope of Services

The appointed firm shall perform external audit work in accordance with best professional practice or Generally Accepted Accounting Principles (GAAP) including the standards that required by major international donors.

It is expected that the appointed firm shall provide an external audit service that fulfils the following requirements:

- a. Statutory audit of the HIHAO for the year/period covers (January 1, 2022 to December 31, 2022),

in accordance with the HIHAO Rules and Regulations. The budget for the financial year ending December 31, 2022 is approximately 3million USD.

- b. For subsequent years, this will include contract projects and/or programmes initiated and on-going.
- c. Ad hoc advice in matters related to taxation and compliance.
- d. The appointed firm will be expected to agree performance standards and timetables with HIHAO for the provision of the audit plan, audit reports, and issue of the accounts.

3. Deliverables

On completion of the assignment the firm shall submit the following reports in 3 set of original signed and stamped by the CEO of the firm no later than **15 February 2023**:

- 3.1 A formal management letter to the HIHAO Board highlighting areas that require their attention.
- 3.2 A standard Financial Audit Report of overall HIHAO financial statement with consideration of projects breakdown for the year ending **31 Dec 2022**.
- 3.3 An invoice with the detail of firm's Bank account in AFN/USD.

4. Short listing and evaluation

- 4.1 A shortlist will be drawn up from the tenders received, and the selected firms will be invited to make a presentation to the Tender Panel, and decision will be made by **15 Dec 2022**.
- 4.2 In evaluating tender bids submitted, consideration will be given to not only on the basis of low price but also to quality, relevant experience, references and reputation.

5. Confidentiality and Conflicts of Interest

- 5.1 It is a further condition of tendering that you will keep confidential the information disclosed to you in this invitation to tender and in connection with the invitation and your response to the invitation.
- 5.2 In the same manner, any information received relating to the tendering firms will be treated in the strictest of confidence by the HIHAO.
- 5.3 A firm will not be eligible for appointment if any of its partners, directors or major shareholders is a member of the HIHAO Board or the staff of HIHAO.
- 5.4 Firms must declare, as part of the tender proposal, whether any partners, directors, major shareholders, senior staff, or the partners / spouses of any of these listed, are
- 5.5 Members of HIHAO Board or related to any such member.
- 5.6 An employee of HIHAO or related to any such employee.
- 5.7 Otherwise linked to the governance or management of HIHAO, and if so, how.
- 5.8 Firms should also identify any work they are currently undertaking, or bidding for, which could cause a conflict of interest, and indicate how they will deal with this potential conflict if the contract is awarded.

6. Form of tender – information to be provided

In order to be considered, your tender submission must include the following information. Failure to provide such information, in the requested format where specified, will result in your tender not being considered.

6.1 Information about your firm:

- a. A short profile of your firm with emphasis on the different services you supply. If the firm is part of a group of companies, or is a subsidiary or parent company, please also give details of the group.
- b. Total number of staff and total number of external auditors, both actual and full time equivalent.
- c. Details of training, experience and qualifications of staff (and number of staff who are qualified).
- d. Full name, corporate status, and registered office and its registration status in Afghanistan.
- e. Name, correspondence address and telephone number of main contact.
- f. Organisation chart showing all those staff who will be working on the contract and the reporting structure.

6.2 Experience:

- a. Details of your firm's experience of providing similar services, and in particular experience of working with similar non-profit organisations
- b. Curriculum vitae for the staff who will be undertaking the work, including experience and qualifications, and length of service with your firm.

6.3 Quality:

- a. Any performance standards that you work towards.
- b. Details of how you monitor performance within your firm.

6.4 Insurance:

- a. Details of your professional indemnity insurance (i.e. name of insurer, period and extent of cover).
- b. Details of any claims or litigation in the last three years.

6.5 References:

- a. Details of two clients who can be contacted for references, if required, and who have received similar services from you in the last two years in Afghanistan.

6.6 Other:

- a. Copies of your policies relating to
 - i. Quality assurance, customer care and / or complaints
 - ii. Equal opportunities
 - iii. Data protection

6.7 Costs:

All cost shall be inclusive of all applicable taxes as per taxation law of the government of Afghanistan, www.mof.af

- a. Details on the fee for the first year services specifying what is included in the charges, including:
 - i. Hourly rates for the provision of the external audit service. These should be provided for all levels of staff that you expect to use.
 - ii. An estimate of the minimum number of external audit days you consider appropriate for the size and complexity of Hand in Hand Afghanistan and the ratio of hours to be provided by staff at different levels.
 - iii. All other costs, including details of your policy on travel and disbursements.
- b. An indication of expected fees that would be charged in the subsequent periods of the contract.

7. Submission Procedure

The proposals/bids must be submitted either in hard copy or via email by the deadline of **14:00 Hrs Afghanistan time, 20 November 2022**, late submission will be rejected.

Hard copies of proposal/bids should be submitted in sealed envelopes, marked "Tender for HIHAO Annual External Audit Services" to HIHAO Office, House # 109, Karte Pule Hawaee, Mazar-i Sharif, Balkh – Afghanistan, or email the soft copies to: khekmati@handinhand.org.af and CC: cfo@handinhand.org.af

8. Safeguarding

Hand in Hand Afghanistan is committed to offer safe services by ensuring that behaviours and actions of the organization and its partners/contracting staff do not result in exploitation, abuse or harm, discrimination or stigmatization of any individual or group of individuals directly or indirectly involved in the assignment.

9. Disclaimer

HIHAO is not bound contractually or in any other way to any Proponent to this request for proposal/bid. The organization is not liable for any costs or compensation in relation to the consideration of this Request for submission of proposal/bids by the Proponents whether or not the organization terminates, varies, or suspends the process or takes any other action permitted under this Request for proposals/bids.

The organization may, at its absolute discretion, elect to abandon any part or whole of the process without giving prior notice to the Proponents or potential Proponents.
