

Request for Expression of Interest (REOI)

For

Consultancy for Audit of Financial statements of Da Afghanistan Bank for 3 year starting from 1st Jaddi 1398 to 30th Qaws 1401.

Country: Islamic Republic of Afghanistan
Entity Name: Da Afghanistan Bank (Central Bank)
Consultant Service: Audit of Financial statements of Da Afghanistan Bank for 3 year starting from 1st Jaddi 1398 to 30th Qaws 1401. Financed by
Funded by : Government of Islamic Republic of Afghanistan
EOI #: DAB/98/QCBS/CS04
Advertising Date: 9th October 2019
Closing Date: 30th October 2019

1. Da Afghanistan Bank (DAB) was established in 1938 as Islamic Republic of Afghanistan's Central Bank and plays a critical role in the economy and overseeing of the banking system in Afghanistan. The Bank has allocated funding from its internal revenue and intends to apply part of it for payments towards the contract for auditing of its 1 years Financial Statements. Article 103 of Da Afghanistan Bank law 2003 states that "the Accounts and Records of Da Afghanistan Bank shall be audited in accordance with international Auditing Standards by Independent external Auditors appointed By the Council Of Ministers of Afghanistan."

2. Auditors shall conduct audit in accordance with International Standards on Auditing (ISA) with the objective of expressing an opinion whether the Financial Statements give a true and fair view of the state of the bank's affairs as at the statement of financial position date and its financial performance and of its cash flows for the then ending in accordance with international financial reporting standards and requirements of Da Afghanistan Bank Law. The audit will be conducted with the objective of expressing an opinion on the financial statements. The proposed assignment will focus on the following activities:

- Audit will be conducted in accordance with International Standards on Auditing. Those standards require that with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements, report will be addressed to the members of Supreme Council of the Bank.
- A draft audit report should be submitted 15 days before the supreme council meeting and final report should be submitted in three months after financial statement date which can allow Da Afghanistan Bank fulfill its legal responsibility of submitting audited financial statements in three months after financial year end to Afghanistan Parliament.
- External auditors have to present the audit report to supreme council and provide necessary clarifications required by members
- Audit should be carried out in according to ISA (International Standards on Auditing) and DAB Law.

- Sufficient audit evidence should be gathered to substantiate in all material respects the accuracy of financial statements.
- The audit report of the auditors should state if the audit was not in conformity with any of the above and indicate the alternative standards or procedures followed.
- External auditors should arrange a meeting with Chief of audit Committee on necessary basis and at least once in a year.
- The external auditors should examine the reliability and appropriateness of information technology and related systems through which financial statements are prepared and accounts are maintained.
- External auditors should report on appropriateness of internal controls which has direct relation with accuracy of financial statements.

3. The deliverable and responsibilities of the consultant will include the following:

- The annual financial statements, after appropriate adjustments, for periods under review: Balance sheet, Profit and Loss Statement, Statement of changes in Shareholders' Equity.
- The basic audit opinion rendered of the financial statements;
- An enumeration and quantification of all adjustments necessary to fairly present the financial statements;
- In addition to the above, the financial audit report shall be prepared and submitted in Long Form, and shall discuss the following:
- Summary of efforts made by the auditors to verify the reliability of the accounting information processed in the IT system or through manual procedures.
- The auditors must mention any inability to obtain sufficient information or verify any part of work and enter a relevant reservation in judgment.

4. The Da Afghanistan Bank now invites competent and eligible firms to express their interest in providing the above services. Interested firms must provide information indicating that they are qualified to perform the above mentioned services.

- **The consultant shall demonstrate having sound financial situation and capacity in the past three years (should not have incurred losses) by submitting latest financial audit report with an annual turnover of at least AFN 15,000,000 for any of the last 3 (three) years;**
- **The consultant should have been in business since at least last 5 (five) years;**
- **The consultant shall also provide proven experiences of having executed at least one contract of similar nature, each with the value of minimum AFN 10,000,000;**
- **The consultant should have at least AFN 1,000,000 as liquid asset for carrying out the project operations.**

5. Consultants may associate with other firms (local or International) to boost their capacity and enhance the value and quality of their services. If consultants intend to associate with other firms, they should clearly state in their EOI the composition and form of the association and identify the lead Consultant.

6. Consultants will be short listed in accordance with Quality and cost Based Selection (QCBS) procedures set out in the Public Procurement Law (17th September 2016) of the Government of Islamic Republic of Afghanistan . Interested consultants may obtain further

information and collect the Terms of Reference at the address below from 8:30 am to 3.30 pm local time, Saturday to Thursday.

7. Expression of interest (EOI) must be delivered on or before the **16.00 hours Kabul local time Wednesday, 30th October 2019** at the address given below. The EOI submissions shall be made as: One “Original” plus two “Copies” including a soft copy on CD. Consultants may, optionally, submit their EOI by email. If an EOI is submitted by email the consultant must ensure that it is the complete and signed copy that is being attached. An EOI that is not signed will not be accepted.

Address

**Procurement Department
Da Afghanistan Bank (Central Bank)**

Attn: Ms. Meetra Rashidi Procurement Manager- Services

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