REQUEST FOR PROPOSAL FOR THE PROVISION OF EXTERNAL AUDIT SERVICES TO KTVR BUS SERVICE (PTY) LTD

RFP REF	**: KTVR FIN 003/2025**
Date	**: 29 September 2025**
Closing Date	**: 13 October 2025**
Closing Time	**: 4:00 pm**
Electronic Submission	**:** portiad@ktvr.co.za and tenders@ktvr.co.za
Manual Submission	**: 03 Margaret Road, Kempton Park 1619**

1. PREAMBLE

KTVR Bus Service (Pty) Ltd ("KTVR") is a private company incorporated in terms of the Companies Act of 2008. KTVR is a special purpose vehicle that has been established to offer Bus Rapid Transit (BRT) transport service under an interim service agreement of the Phase 1A of the City of Ekurhuleni (CoE) Integrated Rapid Public Transport Network (IRPTN).

KTVR is a company that has been established for the benefit and empowerment of the Ekurhuleni Potentially Affected Transport Operators (PATO) within Phase 1A.

2. REQUEST FOR PROPOSAL (RFP)

KTVR invites proposals from qualified and experienced service providers for the appointment of an external audit firm with proven expertise in both the private and public sectors. The objective is to ensure that the audited financial statements provide users with reasonable assurance regarding the accuracy and integrity of the audit work performed. Accordingly, KTVR seeks the services of a firm of Registered Auditors to conduct the annual statutory external audit for the financial period from 1 July 2025 to 30 June 2026.

3. SCOPE AND EXTENT OF WORK

The appointed audit firm will be required to perform all statutory year-end audit work for KTVR. Required Outputs would include at the minimum the following:

3.1 Providing Audit and Risk Committee with an Audit Planning Strategy by 31 May 2026. Detailing the audit plan, risk areas and the impact this has on the standard audit program.

3.2 A fee for the year must also be proposed based on the plan, with a detailed schedule of the fee being made available for approval by the KTVR Board of Directors.

3.3 Submitting a report to the Audit and Risk Committee, detailing the audit opinion and any other matters to be brought to the attention of the Audit and Risk Committee.

3.4 Reviewing of the draft financial statements for compliance with applicable reporting framework.

3.5 Providing a management report, detailing concerns that require management's attention with recommendations, after allowing for discussion with management to determine the relevance of insights raised.

3.6 Providing Audit and Risk Committee with an audit close-out report by 31 October 2026.

Detailing significant audit findings, opinion on going concern principle, opinion on significant accounting judgements and estimates, schedule of unadjusted audit differences and indicative audit opinion to be expressed on the audited annual financial statement.

3.7 Providing technical assistance and guidance on request.

3.8 The auditors shall express an independent professional opinion as to whether the financial statements present fairly, in all material respects, the financial position of KTVR in accordance with the International Financial Reporting Standards.

3.9 Attend and provide input to the Audit and Risk Committee, and AGM meetings.

4. TECHNICAL REQUIREMENTS

The bidder must be able to demonstrate the following competencies:

4.1 Firm structure, indicating the firm's executive, number of partners, managers and clerks. This should also include details of demographics at each level.

4.2 The firm must be registered with IRBA - Independent Regulatory Board for Auditors. Ability to provide dedicated resources available for the external audit for the duration of the contract, qualifications and experience of such resources, (attach CV's, qualifications, etc.).

4.3 Provide CV's of the proposed partner and manager from the firm - clearly indicating the individual's designation, firm, qualifications and client experience at various sectors. Availability, experience and academic qualification levels of staff to be committed to the audit.

4.4 Professional Competence and Integrity - The firm should be professional and competent in the practice of external audit and have high ethical standards.

4.5 Knowledge of and exposure to the Companies Act, IFRS and MFMA (Municipal Finance Management Act).

4.6 The appointed auditor shall declare their independence in accordance with IRBA requirements and confirm compliance with the mandatory audit firm rotation rules where applicable.

4.7 Track record and reputation - written references attesting to performing external assurance services. The Audit Firm is to have a minimum of five (5) years' experience in conducting audits. Reference letters must be provided on the client's letterhead and must be signed by the client.

4.8 Confirmation of the existence of a technical department, as well as numbers and levels of staff in the technical department. In the absence of this, confirmation of association with the firm that has technical department and support thereof.

5. CONDITIONS OF BID

5.1 Bids will be adjudicated in three stages:

5.1.1 Firstly, on compliance requirements.

5.1.2 Secondly, on functionality which must be done in terms of the evaluation criteria, and the minimum threshold must be met before proceeding to the next stage.

5.1.3 Thirdly, only the qualifying bids will be evaluated in terms of the 80:20 preference points systems, where the 80 points will be used for price only and the 20 points will be awarded in terms of the of the B-BBEE Contributor level as per the B-BBEE Verification Certificate submitted by the service provider.

5.2 The proposal should include, amongst others, the following:

5.2.1 A proposed plan of action in accordance with the scope of work in the paragraph above;

5.2.2 A list of references;

5.2.3 A Valid original Tax Clearance certificate.

5.3 Only bidders who score full compliance with this request for proposal requirements and at least 70% or 70 points for the technical information will proceed for evaluation on the preference points system.

5.4 KTVR reserves the right to invite short listed firms to present their bid proposals for final decision by the Audit and Risk Committee.

5.5 Bidders must be prepared to work at rates not exceeding those prescribed by the office of the Auditor-General or the Department of Public Service and Administration (DPSA).

5.6 KTVR will not be held responsible for any costs incurred by the bidder in the preparation and submission of the bids.

5.7 Please take note that KTVR is not bound to select any of the firms submitted proposals. KTVR reserves the right not to award any of the bids and not to award the contract to the lowest bidding price and further reserves the right to enter into negotiations with the preferred bidder.

5.8 Traveling costs and time spent or incurred between home and office of consultants and KTVR head office will not be for the account of KTVR.

5.9 KTVR has the right to withdraw any request for quotations at any time within the validity of the RFP.

5.10 Quotations should be VAT inclusive.

5.11 KTVR may prior to confirming and acceptance of the quote, cancel the request if;

a) Due to changed circumstances, there is no longer a need for the goods or services requested.
b) Funds are no longer available to proceed with the request.
c) No acceptable bids are received.

5.12 Quotations must be valid for a minimum period of 90 days from the date of issue.

5.12.1 An engagement letter, outlining the terms of the audit engagement, responsibilities of the auditor and management, timelines, and deliverables, shall be signed by both parties before commencement of the audit.

6. EVALUATION CRITERIA

6.1 Stage 1 - Compliance Requirements

The evaluation during this stage is to review bid responses for purposes of assessing compliance with RFP requirements, the requirements include the following:

- Submission of a valid Tax Clearance Certificate.
- Submission of a valid Certificate of Incorporation i.e. CIPC company registration documents.
- Submission of a valid B-BBEE verification certificate.
- Proof of IRBA registration.
- Submission of duly completed Standard Bidding Documents and other requirements, as reflected in this RFP, which cover the following:
  - Technical Proposal in line with the Technical Evaluation Criteria.
  - Financial/ Price Proposal.
- Completed Annexure A - Database Supplier Consent Form.
- Completed Annexure B - Conflict of Interest.
- Completed Annexure C - Compliance Checklist.

6.2 Stage 2 - Technical Evaluation

The evaluation during this level is based on technical criteria (Functionality). The technical evaluation will be conducted as follows:

The technical evaluation will be conducted as follows:

Total points scored by bidder for functionality = Weighted value score Percentage allocated for functionality (100) according to the categories below:

#	Category	Maximum Points
1.	**COMPANY PROFILE** The bidder must provide an overview of their firm, which must include the following: a. Corporate profile. b. Detailed list of other services provided by the firm. c. A list of all companies and public sector companies audited by the firm; and d. Three references including organisation name, contact person and contact numbers.	20
2.	**FUNCTIONAL EXPERTS/ SPECIALISTS** The bidder must have capacity to provide the following functional audit expertise: **The bidder must:** a. Provide a company profile detailing the bidder's capacity to provide functional expertise. b. Indicate any of the audit services that will be outsourced, if any. The information must include names of the parties to which these services are outsourced and the amount of work (in percentage) to be outsourced. c. Indicate their access to technical support when required.	15

#	Category	Maximum Points
3.	**PHILOSOPHY AND METHODOLOGY FOR EXTERNAL AUDIT SERVICES** a. The bidder must demonstrate thorough understanding of the objectives and deliverables of this audit and the applicable regulatory framework. b. The bidder must provide detailed description of their philosophy, methodology/ approach to be used to carry out the scope of work outlined in this RFP, and the extent of their external audit services which include the below: i. Inspect KTVR's accounting records and express an opinion on the presented financial statements; ii. Provide reasonable assurance that the financial statements are free from material misstatements; iii. Identification of significant risks and evaluation of the internal control environment; iv. Report on the accuracy of adopted accounting policies, accounting judgements and estimates; v. Review the tax computation and income tax return and provide an assessment of compliance with the Tax Act of South Africa; vi. Assessment of compliance with Companies Act requirements, accounting standards, and other applicable laws and regulations; vii. Communication of audit findings and audit opinion to management and Audit and Risk Committee; and viii. Preparation of formal management report.	25
4.	**AUDIT PLAN** The bidder must provide their audit plan, which must include risks, control testing, IT control testing, planning resources, reliance on other parties (including internal audit), and combined assurance.	15
5.	**EXPERTISE AND EXPERIENCE OF THE TEAM** The bidder's proposed team must have relevant expertise and experience in providing external audit to bus rapid transit service provision company/entity. The bidders must submit, as part of its proposal, the following: a. The structure and composition of the proposed team, clearly outlining the main disciplines/ specialties of this audit and the key personnel responsible for each specialty.	20

#	Category	Maximum Points
	b. CVs of the key personnel; and the CVs must clearly highlight qualifications, areas of experience/ competence relevant to the tasks and objectives of the assignment as outlined above. c. Organizational chart.	
7.	**COMPLIANCE AND RISK MANAGEMENT** a. Explain your level of compliance with IRBA rules and other applicable legislation. b. Describe risk management competencies within the firm; c. Describe business back-up and business continuity plans within the firm;	5
	TOTAL	**100**

6.3 Stage 3: Pricing and BEE Evaluation

- **Lowest Price weighs 80 points**

Table 1 - Hourly rates

Resource	Hourly rate (Including overheads and VAT)
Engagement partner	
Partner	
Senior Manager	
Manager	
Assistant Manager	
Supervisor	
Senior Auditor	
Trainee Auditor	
IT Specialists	

Table 2 - Price Proposal for a financial year:

Financial Year	Total Hourly rate (Inclusive of VAT)	Total Annual Hours	Total Audit Fees
2025/2026			

- **B-BBEE weighs 20 points (as per table below)**

B-BBEE Status level of Contributor	Number of Points
1	**20**
2	**18**
3	**16**
4	**12**
5	**8**
6	**6**
7	**4**
8	**2**
Non-Contributor	**0**

7. BRIEFING SESSION

Briefing session will be held on the 7 October 2025 via teams. All potential bidders who wish to attend the briefing session must send an email to tshepon@ktvr.co.za and portiad@ktvr.co.za to receive a meeting invitation.

8. SUBMISSION DETAILS

Deadline for submission: **Monday, 13 October 2025, 16h00.**

All enquiries must be to:

Name: Ms Portia Dhlamini

Email: tenders@ktvr.co.za **and** copy portiad@ktvr.co.za

Contact no: 011 823 1672

Annexure A



KTVR BUS SERVICE (PTY) LTD SUPPLIER DATABASE CONSENT FORM

General: In order for KTVR BUS SERVICE (PTY) LTD ("**KTVR**") to consider the supplier's (referenced below) response to the Request for Proposal (RFP) or Request for Quotation (RFQ) to become a supplier to KTVR, and to be included in the KTVR supplier database, it will be necessary for KTVR to process certain personal information which the supplier may share with KTVR for the purpose of the RFP/RFQ, including personal information – which may include special personal information (all hereafter referred to as "**Personal Information**"). KTVR will process the supplier's Personal Information in accordance with KTVR's POPI Policy.

Access to your Personal Information and purpose specification: Personal Information will be processed by KTVR for purposes of assessing the supplier's submission in relation to the RFP/RFQ and for registering the supplier on KTVR supplier database and may be shared and stored internally for the purposes of assessing current and future services required by KTVR. We may also share the supplier's Personal Information with third parties, both within the Republic of South Africa and in other jurisdictions, including to carry out verification, background checks and Know Your Customer obligations in terms of the Financial Intelligence Centre Act, No. 38 of 2001 ("**FICA"**). In this regard, the supplier acknowledges that KTVR's authorised verification agent(s) and service providers will access Personal Information and conduct background screening and checks.

Consent: By [ticking/clicking] "Yes" and signing below, you agree and voluntarily consent to KTVR's processing of the supplier's Personal Information for the purposes of evaluating its RFP/RFQ submission, including to confirm and verify any information provided in the submission and the supplier gives KTVR permission to do so. The supplier acknowledges and understands that it is free to withdraw its consent on written notice to KTVR and the supplier agrees that the Personal Information may be disclosed by KTVR to third parties, including KTVR's affiliates, service providers and associates. Please note that if you withdraw your consent at any stage we may be unable to process your RFP/RFQ and/or continue to retain your details on the supplier database.

Yes ☐

No ☐

Supplier Name	Date	Signature

Annexure B

SUPPLIER CONFLICT OF INTEREST DECLARATION FORM

KTVR operates a procurement process which is fair, transparent and cost-effective. In view of this, KTVR requires that anyone nominated to participate in its procurement processes declares any potential conflicts of interest.

i. Conflict of interest declaration

Potential conflicts of interest include the following (but the list is not exhaustive):-

1. Relationship/ Association with any of the KTVR employees.
2. Previously worked with/for any of KTVR employees.
3. Relationship/Association with Shareholder/ Board Member/ of KTVR.

If you are in any doubt about whether something is a potential conflict of interest, you are advised to declare it below.

A) I have conflicts of interest to declare.

Yes ☐

No ☐

B) If Yes above, I therefore wish to declare the following conflict(s) of interest: -

1. .....

2. .....

3. .....

ii. Confidentiality Declaration

I confirm that the declarations I have made above are, to the best of my knowledge, correct. I fully understand that, if KTVR concludes that the declarations I have made are false or materially misleading, KTVR has the right to disqualify the supplier to participate in the procurement process.

_____	_____	_____
Supplier Name	Date	Signature

Annexure C – Compliance Checklist

No.	A. COMPANY PROFILE	Page Number	Tick if included
1	Corporate profile.		
2	Detailed list of other services provided by the firm.		
3	Indicate any of the audit services that will be outsourced, if any. The information must include names of the parties to which these services are outsourced and the amount of work (in percentage) to be outsourced.		
4	Other value-added services necessary for the provisioning and maintenance of a fully functional network infrastructure.		
5	Three references including organisation name, contact person and contact numbers.		
	B. FUNCTIONAL EXPERTS/ SPECIALISTS	Page Number	Tick if included
1	Provide a company profile detailing the bidder's capacity to provide functional expertise.		
2	Indicate any of the audit services that will be outsourced, if any. The information must include names of the parties to which these services are outsourced and the amount of work (in percentage) to be outsourced.		
3	Indicate their access to technical support when required.		
	C. PHILOSOPHY AND METHODOLOGY FOR EXTERNAL AUDIT SERVICES	Page Number	Tick if included
1	Detailed description of their philosophy, methodology/ approach to be used to carry out the scope of work outlined in this RFP and the methodology should outline the following:		
i.	Inspect KTVR's accounting records and express an opinion on the presented financial statements;		
ii.	Provide reasonable assurance that the financial statements are free from material misstatements;		
iii.	Identification of significant risks and evaluation of the internal control environment;		
iv.	Report on the accuracy of adopted accounting policies, accounting judgements and estimates;		
v.	Review the tax computation and income tax return and provide an assessment of compliance with the Tax Act of South Africa;		
vi.	Assessment of compliance with Companies Act requirements, accounting standards, and other applicable laws and regulations;		

	Communication of audit findings and audit opinion to management and Audit and Risk Committee		
vii.	Communication of audit findings and audit opinion to management and Audit and Risk Committee; and inspect KTVR's accounting records and express an opinion on the presented financial statements		
	D. AUDIT PLAN	Page Number	Tick if included
1	Provide audit plan, which must include risks, control testing, IT control testing, planning resources, reliance on other parties (including internal audit), and combined assurance.		
	E. EXPERTISE AND EXPERIENCE OF THE TEAM	Page Number	Tick if included
1	The structure and composition of the proposed team, clearly outlining the main disciplines/ specialties of this audit and the key personnel responsible for each specialty.		
2	Provide CVs of the key personnel; and the CVs must clearly highlight qualifications, areas of experience/ competence relevant to the tasks and objectives of the assignment as outlined above.		
3	Organizational chart.		
	F. COMPLIANCE AND RISK MANAGEMENT	Page Number	Tick if included
1	Provide level of compliance with IRBA rules and other applicable legislation.		
2	Describe risk management competencies within the firm;		
3	Describe business back-up and business continuity plans within the firm;		
	G. REFERENCE LETTERS	Page Number	Tick if included
1	Written references attesting to performing external assurance services. The Audit Firm is to have a minimum of five (5) years' experience in conducting audits. Reference letters must be provided on the client's letterhead and must be signed by the client;		