

REQUEST FOR PROPOSALS

(RFP Reference Number- AUDITFSTC2025/01)

Request for Proposal (RFP): Provision of External Audit Services

CLOSING DATE: MONDAY, 20 OCTOBER 2025

TIME: 16h00

COUNCIL MEMBERS

TRADE ASSOCIATIONS: Mfundo Nkuhlu (Chairperson) Bongi Kunene, Kaizer Moyane, Vivienne Pearson, Ronald King, Vuyo Lee **GOVERNMENT:** Njabulo Sithabe, Alvinah Thela, Jacob Maphutha. **COMMUNITY:** Molly Dhlamini, Tebello Radebe. **ABSIP:** Mark Davids **LABOUR:** Moses Lekota, Jan Mahlangu.

DIRECTORS

Jan Mahlangu (Chairperson), Thabo Tlaba-Mokoena, Tebello Radebe, Vivienne Pearson, Lister Saungweme, Nontobeko Lubisi, Lizelle van der Merwe, Vuyo Lee, Khaya Sithole, Nobambo Mlandu (ex-officio).

The Financial Sector Transformation Council Reg No 2006/006846/08

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reporting@fstc.org.za www.fstc.org.za

Terms of Reference (ToR) for the Appointment of External Auditors

1. Background

The Financial Sector Transformation Council (FSTC) is an industry-wide institution established to oversee, monitor, and report on transformation in the South African financial sector. The Council operates as a small- to medium-sized enterprise, funded primarily by member contributions, and is accountable to its stakeholders for sound governance, compliance with applicable legislation, and transparent financial reporting.

In line with its fiduciary responsibilities, the FSTC requires the services of an independent, suitably qualified external auditor to undertake the statutory audit of its Annual Financial Statements (AFS) for the year ending 31 December 2025.

2. Objective of the Assignment

The primary objective is to secure the services of an external audit firm to conduct an independent audit of the FSTC's 2025 AFS in accordance with applicable legal, statutory, and professional requirements. The external auditor is expected to provide assurance to the Council, Board, and stakeholders regarding:

- The fair presentation of the financial position and performance of the FSTC;
- Compliance with the International Financial Reporting Standards (IFRS) applicable to SMEs;
- Compliance with the Companies Act, relevant tax legislation, and other applicable regulatory requirements.

3. Scope of Work

The scope of the audit shall include, but not be limited to:

3.1 Audit of Financial Statements

- Perform a full audit of the FSTC's financial statements for the year ending 31 December 2025.
- Express an independent opinion on whether the statements present fairly, in all material respects, the financial position and results of operations.

3.2 Review of Internal Controls

- Evaluate and comment on the adequacy and effectiveness of internal controls related to financial reporting.
- Identify risks and recommend improvements where necessary.

3.3 Regulatory and Compliance Review

- Confirm compliance with relevant legislation, tax laws, donor/grant agreements (if applicable), and FSTC policies.

3.4 Management Letter

- Provide a detailed management report highlighting audit findings, risks, weaknesses, and recommendations.

3.5 Engagement with Governance Structures

- Present the AFS and management report to the Audit, Finance & Risk (AFR) Committee and to the Board.
- Respond to any queries arising during AFR Committee and Board review.

4. Deliverables

- Signed and audited Annual Financial Statements for 2025;
- Independent Auditor's Report;
- Management Letter with findings and recommendations;
- Attendance at one (1) Audit & Risk Committee meeting and one (1) Board meeting to present and discuss the results.

5. Duration

- The engagement will cover the audit of the financial year ending 31 December 2025.
- The final audited AFS must be submitted no later than 30 April 2026, in line with statutory and Council reporting requirements.

6. Eligibility and Qualification Requirements

Interested firms must demonstrate:

- Registration with the Independent Regulatory Board for Auditors (IRBA);
- Proven experience in auditing SMEs, industry associations, or similar entities;
- Knowledge of IFRS for SMEs;
- Independence from the FSTC (no conflict of interest);
- Capacity to deliver within the stipulated timeframe.

7. Proposal Requirements

Bidders must submit proposals that include:

- Written confirmation of no conflict of interest;
- Company profile, legal status, and registration details;
- Confirmation of IRBA registration;
- Relevant experience with similar organisations (minimum of 4 references);
- Proposed team (CVs of audit partner and key staff);
- Audit methodology and approach;
- Fee structure and total cost (inclusive of VAT);
- B-BBEE status level verification certificate.

8. Evaluation Criteria

Proposals will be evaluated based on:

- Technical capacity (experience, qualifications, references);
- Audit approach and methodology.
- Value for money (fees vs. scope);
- B-BBEE level of contribution.
- Demonstrated ability to meet timelines.

9. Submission Details

- Proposals must be submitted electronically to: vutlharis@fstc.org.za
- Closing Date: **20 October 2025**
- Late submissions will not be considered.
- Only short-listed candidates will be contacted.

10. Inquiries

All inquiries must be submitted in writing to Vutlhari Shihundla at vutlharis@fstc.org.za

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| Disclaimer |
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This RFP does not constitute an offer by the FSTC, but an invitation to eligible and interested service providers to submit proposals.

- No contractual obligation shall arise from this process until a formal contract is signed;
 - The FSTC reserves the right to withdraw, amend, or foreclose the RFP at any stage;
 - Non-compliance with submission instructions will result in automatic disqualification;
 - The service provider shall bear all costs of preparation and submission;
 - By submitting information, the service provider consents to the processing of personal information in terms of the Protection of Personal Information Act (POPIA), No. 4 of 2013, and indemnifies the FSTC against any claims arising from non-compliance.
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