

TERMS OF REFERENCE

THIRD PARTY FINANCIAL AUDIT OF THE ACCOUNTS OF 10 MEDICAL TEACHING INSTITUTIONS KHYBER PAKHTUNKHWA

1. INTRODUCTION

Regulation of healthcare services is a priority of the Government of Khyber Pakhtunkhwa and in order to ensure quality of care and safety in health care system, the provincial government established the Khyber Pakhtunkhwa Health Care Commission (KP HCC), as body corporate through the Khyber Pakhtunkhwa Health Care Commission Act, 2015. The Act envisages regulation of both public and private health care establishments in the province to improve quality. On the Instruction of Government of Khyber Pakhtunkhwa, the Commission intends to conduct financial audit of the public sector Medical Teaching Institutes and requires qualified and experienced audit companies/firms to express their interest in conducting an independent financial audit as per scope of work mentioned below:

2. SCOPE OF WORK

The scope of work is to conduct statutory audit of the following MTI hospitals covering the financial year 1st July 2023 to 30th June 2024:

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| 1. Hayatabad Medical Complex, Hayatabad Peshawar | 6. Mardan Medical Complex, Mardan |
| 2. Khyber Teaching Hospital, Peshawar | 7. Qazi Hussain Ahmad Medical Complex, Nowshera |
| 3. Peshawar Institute of Cardiology, Hayatabad Peshawar | 8. Khalifa Gul Nawaz Hospital, Bannu |
| 4. Lady Reading Hospital, Peshawar | 9. Mufti Mahmood Teaching Hospital, D I Khan |
| 5. Ayub Teaching Hospital, Abbottabad | 10. Bacha Khan Medical Complex, Swabi |

The overall scope of the audit is as follows:

- Auditor's report is required to be submitted in 2 months of issuance of work order;
- The subject audit will cover annual audit as per scope and duties / liabilities defined in the Companies Act 2017, International Standards on Auditing and Accounting, compliance with IFRS and other applicable financial reporting standards/regulations;
- Review and recommendations for internal controls to minimize the risk of errors and fraud;
- Implementation of accounting best practices to enhance financial transparency and accuracy;
- Preparation of a management letter detailing all the necessary information such as material weaknesses, recommendations to rectify identified weaknesses etc.
- Any other relevant matters deemed necessary for a comprehensive financial audit; and

3. SHORTLISTING CRITERIA FOR AUDIT FIRMS

The audit firm may apply as a single organization or as Joint Ventures (JVs). The firms applying as JVs will be assessed jointly and will be shortlisted according to the following criteria:

- i. Registration with Security & Exchange Commission of Pakistan or other relevant registration body;
- ii. Registration with the FBR and Khyber Pakhtunkhwa Revenue Authority;
- iii. Registration with the Institute of Chartered Accountants of Pakistan (ICAP);
- iv. Satisfactory most recent QCR Rating of ICAP;
- v. Active audit firm for at least the last ten years;
- vi. In depth experience of delivering similar/comparable services to Public Sector Companies/Organizations; and having International association with Audit Firms; at least 10 partners and 50 professional staff;
- vii. Sufficient financial stability, having at least PKR 200 million yearly turn over with audited financial statements available for the last three years; and
- viii. Not blacklisted by any Government Department

4. REQUIRED DOCUMENTS

Interested firms should submit the following details:

- i. Profile of audit firm;
- ii. Details of similar assignments undertaken and in hand;
- iii. List of current/past clients;
- iv. Existing Human Resource/personnel available for the said job;
- v. Copies of Audited Financial Statements for the past 3 years;
- vi. Copy of registration/accreditation with the relevant regulatory body;
- vii. National Tax Number and KPRA Registration document must be attached.
- viii. No-conviction certificate, submitting an attested affidavit stating that they are not blacklisted by any Government Department.

Expression of Interest with covering letter should reach at the following address on or before 16 May 2025 (1100 hours). In case of any queries regarding the assignment, please email at procurement.hcc@kp.gov.pk or call 091 9217013.

Director Operations, Khyber Pakhtunkhwa Health Care Commission, Sector B-3, Phase V, Hayatabad, Peshawar