



**WATER CORPORATION OF ANGUILLA**

***INVITATION TO TENDER***

***Provision of External Audit***

***February 2012***

## **CONTENTS**

- 1.0 Invitation to Tender
- 2.0 Instructions for Tendering
- 3.0 Background
- 4.0 Scope of Services required
- 5.0 Programme
- 6.0 Tender Information
- 7.0 Requirements for Tender Submission
- 8.0 Form of Contract
- 9.0 Contact for further information

## **Appendices**

- Appendix A Tender Fee Submission
- Appendix B Form of Tender

## 1.0 INVITATION TO TENDER

- 1.1 Tenderers are invited to tender for the provision of external audit services for the Water Corporation of Anguilla.
- 1.2 Tenderers must comply with the Instructions to Tenderers and all other requirements of this Invitation to Tender. Non-compliance may lead to a tender not being considered by the Water Corporation of Anguilla.

## 2.0 INSTRUCTIONS FOR TENDERERS

- 2.1 The following terms shall have the following meanings:

Invitation to Tender	This Document
Project Manager	Chief Financial Officer WCA Audit Committee Crocus Hill. The Valley, Anguilla
Company	Water Corporation of Anguilla.
Tenderer	The person/organization submitting a tender bid to the Company under this tender.

- 2.2 A detailed specification of the services required by the Company is contained in section 4 of this document. The legal obligations of the Company and the Tenderer will be contained in the contract entered into between each Company member and the successful Tenderer. Each Tenderer should ensure that it is thoroughly familiar with the Tender Documents and understands the obligations that will apply if the Tender is accepted by the Company.

- 2.3 The Company's intended procurement programme is as follows:

Submission of tenders	Chairman WCA Audit Committee Crocus Hill The Valley, Anguilla
Evaluation of tenders	w/c 2 <sup>nd</sup> April, 2012
Interviews, if necessary	w/c 9 <sup>th</sup> April, 2012

- 2.4 Any queries relating to the Tender Documents should be sent in writing to the Project Manager to arrive no later than five days before the date for submission of the tender. The Project Manager may if necessary issue

written circulars to Tenderers amending or clarifying the Tender Documents and Tenderers shall comply with these.

- 2.4 The Company will accept the most economically advantageous tender subject to receiving final approval from the Board of Directors of the Water Corporation of Anguilla.
- 2.5 In the event that a conflict of interest exists between the most economically advantageous Tenderer and the Company, the said Tenderer's bid will not be accepted. The next most economically advantageous Tenderer will be awarded the contract.

### **3.0 BACKGROUND**

#### **3.1 Anguilla Water Corporation**

The Water Corporation of Anguilla is the successor organization to the Water Department. It was created in 2008 with the passage and enactment of the Water Corporation of Anguilla Act No. 14/2008. All the equity in the Corporation has been provided by the Government of Anguilla. WCA has exclusive responsibility under the act for the distribution of potable piped water for public consumption. The Corporation has also assumed responsibility for water production, waterworks, wayleaves and other water supply infrastructure which was once vested in the Crown, The Government and the Water Board.

#### **3.2 Regulatory Control**

The regulatory control of the Water Corporation is currently provided by two Ministries of Government, The Ministry of Infrastructure Communication and Utilities and the Minister of Social Service through the water laboratory. It is envisaged that within the next three years most, if not all of the regulatory oversight currently provided by the Ministry of Infrastructure Communication and Utilities will be transferred to a statutory regulator, the Public Utilities Commission, who currently regulates the telecommunications sector on the island.

#### **3.3 Customer Base**

WCA currently serves approximately 6,000 customers. One hundred percent (100%) of the water supplied is produced using the reverse osmosis process with approximately sixty percent (60%) of it being produced by the Crocus Bay seawater reverse osmosis plant currently operated by General Electric (GE), while the other forty percent is produced by the Crocus Hill brackish water reverse osmosis plant operated by TSG, the raw water supplied for this plant comes from the Valley well field located about one kilometer away from the plant site. Due to the spatial distribution of the island inhabitants, the Water Corporation

has to operate and maintain an extensive pipe distribution network which allows a ready supply of potable water to reach all its customers.

### 3.4 Product and Service

As a product and service delivery organization, the Water Corporation is aspiring to meet and surpass all expectations of its stakeholders. Firstly, by producing and distributing a high quality product which meets or surpasses all WHO quality guide levels and standards. The current quality of our product, meets all the threshold indicators as provided for by the World Health Organization. Secondly, by operating and maintaining a distribution system which provides our customers with consistency, adequacy, reliability and affordability of supply. To this end the Corporation has embarked on two (2) projects that will move us along the continuum in the objectives outlined above. The two projects are an active and aggressive leakage detection scheme which will assist us in improving our effectiveness and efficiency and a pressure surveillance and regulation scheme, which will address the adequacy, consistency and affordability issues.

Fundamental to meeting these objectives, both in the short and long term, has been the initiation of a holistic approach towards improving the Company's performance. This broad-based strategy, oriented towards our customers, has provided the Company with a firm platform from which further goals will be achieved in the coming years.

The Company's head office is at Crocus Hill and we distribute water to all districts on the island through twenty (20) different routes.

The Water Corporation has identified a list of properties and equipment which it has agreed with Government should be transferred to the Corporation. The list of properties and equipment is currently being evaluated and upon completion they will be legally transferred to the Corporation to be used in the functioning of the utility.

The Water Corporation has maintained the former relationship which existed between the Inland Revenue Department. Thus, this government department has continued to collect and deposit monies collected on behalf of the Corporation. This relationship should be formalized during the ensuing year.

### 3.5 Financial Reporting Software

The Water Corporation is presently using DacEasy version 16; financial reporting software. This system was designed for small to medium size businesses and it currently meets the requirements of the Corporation.

The Water Corporation only utilizes the accounting Module with the following features;

- ◆ General Ledger (complete audit trail)
- ◆ Account
  - Ability to track all outstanding invoices to vendors
  - Pay bills by computer generated cheques or manually
- ◆ Cash
  - Ability to have computer generated cheques
  - Cash other cash received via billings that can be received into the module.
- ◆ Account Receivable
  - If used for new installations can keep track of outstanding balances;
  - All other outstanding balances, and
  - Ages received reports available as well.
- ◆ Fixed Assets Schedule
- ◆ Customer Report Writing
- ◆ Purchasing
- ◆ Billing

DacEasy also has different levels of security which when activated limits access to personnel to specific areas of the Programme, with the administrator retaining over all control including assigning of the level of access to individuals. DacEasy can be a single or multi-user system, allowing up to a maximum of five users at any one time. It also possesses the ability to interface with other financial software including the Continental Utility Solution, Inc (CUSI) billing system presently used by WCA.

#### **4.0 SCOPE OF AUDIT SERVICES**

- 4.1 As indicated in section 3, the transfer and evaluation of assets has not been completed to date, therefore the successful tenderer will be required to audit draft financial accounts for the years 2009, 2010 and 2011 that have been drawn up on a receipts and payments basis to comply with the Cash-based International Public Sector Accounting Standards (Cash-based IPSAS). The accounts for 2012 and future years will be completed on the accruals basis to comply with the International Financial Reporting Standards (IFRS).
- 4.2 The successful Tenderer will produce the Audited Financial Statements for the Company for each of years outline in section 4.1, and they will work closely with the Water Corporation staff to review the internal processes to ensure these are adequate to meet the international audit standards as required.

This work will include the Audited Financial Statements, notes and disclosures for Board approval (including attendance at Finance and Audit Sub-group and Board) and adoption including Management Letter.

## 5.0 PROGRAMME

5.1 The headline dates for the contract are:

Contract commences May 2012

Contract Term The term of the contract is intended to cover the audit of the five (5) years of accounts from 2009 to 2013 inclusive. The Water Corporation reserves the right to terminate without penalty if the successful tenderer is not able to honour the terms and conditions specified by the contract.

## 6.0 TENDER INFORMATION

6.1 The Company invites Tenderers to submit a fixed price for providing the services outlined in section 4 of this document.

6.2 Tenderers are required to submit detailed proposals on how they will deliver this contract

6.3 Tenders are invited in accordance with the information in this pack. Should Tenderers believe that they require further information, they are invited to contact the Project Manager.

6.4 A tender fee submission form for completion by Tenderers is attached at **Appendix A** with a form of tender at **Appendix B**.

6.5 It is the responsibility of each Tenderer to obtain for itself at its own expense any additional information necessary for the preparation of the tender. All information supplied by the Company in connection with this invitation to tender shall be treated as confidential except that such information may be disclosed so far as it is necessary for the purpose of obtaining the sureties, guarantees and quotations necessary for the preparation and submission of the tender.

6.6 Each Tenderer will be required to demonstrate its ability to provide the services as set out in section 4 of this document.

6.7 The tender shall be submitted on the Form of Tender incorporated herein. The Form shall be signed by each Tenderer and submitted in the manner

and by the date and time stated below in section 7.4 together with the documents listed duly completed.

6.8 Tenderers shall submit the following documentation to the Project Manager by the date and time stipulated in section 7.4.

- Detailed proposals for carrying out the work (section 7.2)
- Tender fee submission (**Appendix A**)
- Form of tender (**Appendix B**)

6.9 Tenderers shall highlight where a conflict of interest exists or may exist between a Tenderer's duty to a Company member under the proposed contract and its duty to a Company member under an existing contract for services. In this event only a Tenderer may submit a tender in respect of the non conflicted Company member alone.

## **7.0 REQUIREMENTS FOR TENDER SUBMISSION**

7.1 Tenders must be supported by the following method statements, each should be referenced.

7.1.1 Proposed methodology for undertaking the services set out in section 4 of this document which shall include as a minimum:

- Your proposed approach to the services required by the Company including meeting legislative requirements, continuous improvements, added value and experience with similar organisations;
- Detailed work programme indicating proposed frequency of visits;
- Reporting and liaison arrangements during the contract.

7.1.2 A completed pricing schedule including a breakdown of costs for the commission which should include as a minimum the number of days input from each member of staff, and which tasks those staff will be allocated to complete.

7.1.3 Details of your proposed team including a named leader, the proposed management structure, qualifications, competence and relevant experience of the people to be employed on this project.

7.1.4 A copy of the full annual report and audited accounts of the organisation and any intermediate and ultimate parent undertaking for the most recent three financial years for which they are available.



- 7.1.5 The organisation's public liability insurance and professional indemnity insurance including names of insurer, policy numbers, expiry date, limits for any one accident and the excesses under the policy.
  - 7.1.6 Any other information deemed to be appropriate and relevant to your tender submission.
  - 7.1.7 Services required from the Company in support of your tender submission.
  - 7.1.8 Contact details for three organisations for which you have performed similar work and who may be approached for references.
- 7.2 The company will submit **4 signed bound copies** of its written submission, plus a loose-leaf version for photocopying.
  - 7.3 All Tenderers will be required to carry out an oral presentation of their proposals lasting approximately 15 minutes to the evaluation panel as part of the evaluation process. The presentations will take place week commencing 9<sup>th</sup> April 2012. The presentation must be attended by the person who will have overall responsibility for the audit team. The panel will ask questions following the presentation.
  - 7.4 The tender and accompanying documents shall be carefully parceled, sealed, have the enclosed label affixed and be delivered to the Project Manager no later than 2<sup>nd</sup> April, 2012 at 4:00 PM. Failure to comply with these instructions may result in the tender being considered ineligible.
  - 7.5 An electronic copy of the Invitation to Tender document can be obtained from the following e-mail address: [Gershwin.Lake@gov.ai](mailto:Gershwin.Lake@gov.ai)
  - 7.6 Written tenders will only be accepted in a sealed envelope or parcel which shall bear the word "Tender" followed by the subject to which it relates, the closing date and time for the return of the tender and no other mark of identification.
  - 7.7 No late tender shall be considered. Late tenders will be opened after the Contract has been awarded, for the sole purpose of identifying Tenderers.
  - 7.8 Tenders will be opened in accordance with the relevant procedures.
  - 7.9 Tenderers shall not reproduce the logos of the Company on any documents, presentations or publications without obtaining the prior written consent of the Company. Any such unauthorized use constitutes an infringement of the Company's copyright.

## **8.0 FORM OF CONTRACT**

- 8.1 The Company and the successful Tenderer will enter into a written contract in respect of the services detailed in section 4 of this Invitation to Tender.
- 8.2 The form of contract will be as agreed between the Company and the successful Tenderer.

## **9.0 FURTHER INFORMATION**

For further information a tenderer may contact the chief Financial Officer at the address shown below:

Chief Financial Officer  
Water Corporation of Anguilla  
Crocus Hill  
P. O. Box 60  
The Valley Anguilla

Email: [Gershwin.Lake@gov.ai](mailto:Gershwin.Lake@gov.ai)

## **9.1 COMPLETED TENDERS TO BE RETURNED TO:**

Chairman  
WCA Audit Committee  
Crocus Hill  
P. O. Box 60  
The Valley, Anguilla

**PLEASE MARK THE ENVELOPE: TENDER – EXTERNAL AUDIT**

## **9.2 CLOSING DATE:**

**2<sup>nd</sup> April, 2012 @ 4.00PM**

**APPENDIX A**

**TENDER FEE SUBMISSION**

**1. Tender Fee Submission for:**

**i) External audit (Annual Fee)**

All inclusive lump sum fee for carrying out Annual External audit services specified in section 4 of the Invitation to Tender

\$

Hours to be spent on the work

Days to be spent on the work

For each of the personnel or categories of personnel to be engaged on the project Tenderers shall insert below hourly rates

Status of Fee Earner

Hourly Rate

Number of Hours

**APPENDIX B**

**FORM OF TENDER**

**FORM OF TENDER**

**For the provision of services in respect of external audit**

To: Water Corporation of Anguilla  
We, [insert full name of your organisation]

.....  
Carrying on business at: [insert full address]  
.....  
.....

Hereby offer to deliver services in respect of external audit in accordance with the attached Contract prepared by us on the basis of the completed Tender Fee Submission for the sum of:

.....dollars .....cents (\$) ) annually

We agree that this tender shall remain open to be accepted or not by the Company and shall not be withdrawn for a period of thirteen weeks from this date.  
We undertake to execute a contract in the form attached.

Unless and until a formal agreement is prepared and executed, this tender, together with your acceptance of it in writing, shall constitute a binding contract between us.

We certify that the details of this tender have not been communicated to any other person or adjusted in accordance with any agreement or arrangements with any other person.

We understand that you are not bound to accept the lowest or any tender you may receive.

We certify that this is a bona fide tender and that we have not colluded with or entered into any other arrangement with any other person in relation to it.

Tenderer's

Signature(s) .....

[Print name(s) in full] .....

Dated.....

[\*Where the Tenderer is a company, either two directors or the company secretary and a director (duly authorised) should sign. In case of a partnership, at least two duly authorised partners should sign. In case of an individual that person should sign.]