TERMS OF REFERENCE
ENGAGEMENT OF EXTERNAL AUDITOR FOR FY 2026–27
JINNAH MEDICAL CONSTRUCTION COMPANY (JMC)

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1. BACKGROUND

Jinnah Medical Construction Company (JMC) is a public-sector, not-for-profit company established under the applicable provisions of the Companies Act, 2017 and wholly owned by the Government of Pakistan. JMC is responsible for undertaking and overseeing the development of major healthcare infrastructure, including the Jinnah Medical Complex & Research Center (JMCRC).

The Company invites proposals from eligible Chartered Accountancy Firms (hereinafter referred to as the "Auditor") for provision of external/statutory audit services for the Financial Year 2026–27, including review of the applicable Code of Corporate Governance/Statement of Compliance and submission of a Management Letter/Internal Control Memorandum.
The assignment relates to the audit of the Financial Statements of Jinnah Medical Construction Company (JMC) for the financial year commencing 01 July 2026 and ending 30 June 2027.

The appointment of the successful bidder shall be subject to approval of the competent authority and execution of a formal engagement letter/agreement between JMC and the selected Auditor.

2. OBJECTIVE

The primary objective of the assignment is to conduct an independent external/statutory audit of the Financial Statements of Jinnah Medical Construction Company (JMC) for the year ended 30 June 2027, in accordance with the applicable financial reporting framework and professional auditing standards, and to enable the Auditor to express an independent opinion on whether the Financial Statements present fairly, in all material respects, the financial position and financial performance of the Company.

The assignment shall also include, where applicable:

- review/reporting on compliance with the Public Sector Companies (Corporate Governance) Rules, 2013;
- review/certification of compliance with the applicable State-Owned Enterprises (Governance and Operations) Act and/or SOE Ownership and Management Policy, 2023; and
- issuance of a Management Letter/Internal Control Memorandum highlighting significant internal control weaknesses, financial reporting matters and other observations requiring management's attention.

3. SCOPE OF SERVICES

The Auditor shall conduct the external/statutory audit of Jinnah Medical Construction Company (JMC) for the financial year 2026–27 (01 July 2026 to 30 June 2027) in accordance with applicable International Standards on Auditing (ISAs) as adopted by ICAP, the Companies Act, 2017, applicable financial reporting standards, and relevant laws, rules and Government requirements.

The audit shall cover the Financial Statements, books of account and underlying records, material transactions, assets and liabilities, Government funds and project expenditure, and other matters necessary to form an independent audit opinion.

4. DELIVERABLES

The selected Auditor shall provide the following:

1. Audit Plan setting out audit methodology, significant risks, materiality and timetable.
2. Independent Auditor's Report on the financial statements for the year ending 30 June 2027.
3. Audited Financial Statements, including applicable notes and disclosures.
4. Management Letter/Internal Control Memorandum identifying significant control weaknesses, financial reporting matters, compliance observations, risks/impacts and recommendations.
5. Audit Findings/Exit Meeting with management before finalization.
6. Applicable statutory reports/certificates required under the Companies Act, 2017 and relevant regulations

5. ELIGIBILITY AND EXPERIENCE

The Audit Firm shall:

- Be a legally established Chartered Accountant/Audit Firm eligible to undertake the assignment in Pakistan;
- Possess valid professional/practice authorization;
- Be legally eligible for appointment as JMC's auditor;
- Have relevant statutory/external audit experience;
- Preferably have experience with public-sector, Government-funded, not-for-profit or Section 42 organizations;
- Preferably have experience with major capital expenditure/infrastructure projects;
- Have adequate qualified audit personnel and resources;
- Comply with applicable independence and ethical requirements; and
- Have no conflict of interest with JMC.

The bidder shall provide details of comparable audit assignments completed during the last five years, including client name, assignment scope and engagement period.

6. PROPOSED AUDIT TEAM

The bidder shall provide CVs and details of the proposed:

- Engagement Partner;
- Audit Manager; and
- Other key audit personnel.

The Engagement Partner shall have overall responsibility for supervision, audit quality and timely completion. Any change in key personnel shall require prior approval of JMC.

7. AUDIT PERIOD AND TIMELINE

The audit shall cover the period from 01 July 2026 to 30 June 2027.

The bidder shall submit a proposed audit work plan and completion timetable with its technical proposal. The audit shall be completed within the timeline agreed with JMC and applicable statutory requirements. Any anticipated delay shall be promptly communicated to JMC.

8. RESPONSIBILITIES OF JMC

JMC shall:

- Provide access to books, records and supporting documentation;
- Provide access to relevant personnel;
- Prepare financial statements and supporting schedules;
- Provide information reasonably required by the Auditor;
- Facilitate confirmations and verification procedures; and

- Designate a focal person for audit coordination.

Management shall remain responsible for preparation of the financial statements and maintenance of appropriate accounting records and internal controls.

9. PROPOSAL REQUIREMENTS

Technical Proposal

The technical proposal should include:

- Firm profile and registration documents;
- Relevant audit experience and comparable assignments;
- Proposed audit methodology;
- Audit work plan and timetable;
- Proposed audit team and CVs;
- Independence and conflict-of-interest declaration; and
- Other documents required under the bidding/procurement documents.

Financial Proposal

The financial proposal should clearly state:

Description	Amount (PKR)
Professional Audit Fee	
Out-of-Pocket Expenses, if any	
Applicable Taxes	
Total Quoted Fee	

All applicable taxes and additional charges shall be separately identified. No additional charges shall be payable without prior written approval of JMC.

Evaluation Criteria Weightage

- Technical proposal: 70%
- Financial proposal: 30%

10. CONFIDENTIALITY AND RIGHT OF JMC

The Auditor shall maintain strict confidentiality of all financial, operational, project, procurement, contractual and other information obtained during the engagement. Disclosure shall only be permitted where required by law, regulation, professional obligation or with JMC's prior written authorization.

JMC reserves the right to accept or reject any proposal, in whole or in part, in accordance with applicable laws, rules, regulations and procurement procedures.

Issuance of this TOR shall not constitute an obligation on JMC to award the assignment. Final appointment shall be subject to approval of the competent authority and execution of the appropriate engagement agreement