October 30, 2025

TERMS OF REFERENCE FOR PROVISION OF EXTERNAL AUDIT SERVICES

1.1 BACKGROUND INFORMATION

Finnlemm Non-WDT Regulated Sacco whose registered office is in Nairobi City County, was initially formed by employees of Diplomatic Missions, Non-Governmental Organizations and their affiliates worldwide. The membership has since been opened to include other organizations and individuals in business.

The Sacco has an asset base of about Kshs. 2.3 billion.

Finnlemm Non-WDT Regulated Sacco invites submissions of audit proposals from duly approved, authorized and qualified audit firms to perform annual statutory audit (interim and final) of the SACCO for the financial year ending 31 December 2026.

1.2 REQUIREMENTS FOR THE EXTERNAL AUDIT SERVICES

i. Proof that the firm is approved by the Sacco Societies Regulatory Authority (SASRA)
ii. The firm should be approved by the Institute of Certified Public Accountants of Kenya (ICPAK)
iii. The firm must have at least two fulltime partners
iv. The partners should be in good standing with ICPAK
v. The firm should have been in practice for a period of not less than five years
vi. The firm must have a physical address and valid practicing licenses
vii. The firm must have at least five years' experience in the audit of Regulated Saccos in Kenya
viii. The firm must demonstrate sufficient quality control measures through reviews and follow-up
ix. Ability to conduct Navision ERP system audit review as part of the assignment
x. Ability to offer tax health check reviews and advisory services as part of the assignment for the year
xi. Ability to offer advisory and assurance on SASRA regulatory compliance
xii. The firm must have at least three Sacco references that must be either current or former clients
xiii. A detailed company profile showing the list of clients
xiv. Profile for partners and key staff with their educational and professional certifications

1.3 MANDATORY PROPOSAL REQUIREMENT

i. The technical proposal should indicate the methodology and workplan for the assignment.

ii. The financial proposal should clearly indicate the gross cost for the assignment which includes the audit fees, taxes and other estimated charges and disbursements.

1.4 EXPECTED DELIVERABLES FOR THE AUDIT

i. Audit Report

The auditor will issue an independent auditor's report for the Sacco's financial statements for the year 2026 which shall capture the audit opinion as to whether there is fair presentation of the financial statements in all material aspects as well as any key audit matter(s).

ii. Management Letter

The management letter indicating observations made from the audit engagement and recommendations as a result of the observations.

iii. Registered Financial Statements

Registered and approved financial statements by the Saccos Societies Regulatory Authority (SASRA) together with a report on observations made.

Interested audit firms that meet the above requirements should submit as separate documents the Technical and Financial proposals to procurements@finnlemm.com and addressed to;

THE CHIEF EXECUTIVE OFFICER

FINNLEMM REGULATED NON-WDT SACCO

P.O BOX 67666 – 00200, NAIROBI

55 GATUNDU ROAD, KILELESHWA

To be received not later than 5pm, 14th November, 2025. The Terms of Reference can further be accessed through the society website https://www.finnlemm.com

The Sacco reserves the right to reject any proposal without giving reasons and does not bind itself to accept the lowest or any proposal.