Project/Activity Name:	KENYA LIVESTOCK MARKETING AND RESILIENCE PROJECT(KLMP)
Agresso Work Order:	KE0864HIKE00
Country:	KENYA

REQUEST FOR PROPOSAL

ANNUAL AUDIT FOR THE KENYA LIVESTOCK MARKETING AND RESILIENCE PROJECT

RFP Release Date:	Wednesday 5th August 2026
Proposal Submission Deadline:	Tuesday 25th August 2026
Question/ Inquiry Submission Deadline:	Wednesday 19th August 2026
Electronic submission to the attention of:	Procurement Kenya
Electronic submission:	procurement-ke@heifer.org
Contact information for inquiries about this RFP:	procurement-ke@heifer.org
Performance Period:	August – October 2026

HEIFER INTERNATIONAL KENYA

1. BACKGROUND

Since 1944, Heifer International has worked with more than 43 million people around the world to end hunger and poverty in a sustainable way. Working with rural communities in 19 countries in Africa, Asia, and the Americas, including the United States, Heifer International supports farmers and local food producers to strengthen local economies and build secure livelihoods that provide a living income. Heifer started work in Kenya in 1981. Since then, Heifer Kenya has supported more than 682,000 families working in the dairy, meat, poultry, and horticulture value chains. Heifer Kenya is working with farmers to increase production and productivity by strengthening extension services and farmers' cooperatives where they gain vital skills that enable them to scale and sustain their businesses. Heifer Kenya implements its projects through 1) Community development and 2) enterprise development approaches. Each of the projects focuses on three priority directions, namely, strengthening, and diversifying the resource base, strengthening country program efficiency, and increasing outreach and impacts through the utilization of innovative value chain systems.

2. INTRODUCTION

The Heifer International, hereafter referred to as the "Cooperation partner" wishes to engage the services of an audit firm for the purpose of auditing the KLMP (Kenya Livestock Marketing and Resilience Project), as stipulated in the agreement between the Cooperation partner and Sida. The audit shall be carried out in accordance with international audit standards (ISA) issued by IAASB[1]. In addition, an assignment according to International Standards on Related Services (ISRS) 4400 (Revised) shall be carried out. The audit and the additional assignment shall be carried out by an external, independent and qualified auditor.

I. Objectives and scope of the audit

The objective is to audit the financial report for the period 2025-09-01 to 2026-08-31 as submitted to Sida and to express an audit opinion according to ISA, applying ISA 800/ISA 805, on whether the financial report of KLMP is in accordance with the Cooperation partner´s accounting records and Sida's requirements for financial reporting as stipulated in the agreement including appendices between Sida and Cooperation partner (Agreement).

II. Additional assignment; according to agreed upon procedures ISRS 4400 (Revised), review the following areas in accordance with the Terms of Reference below

Mandatory procedures that must be included:

a) Observe whether the financial report is structured in a way that allows for direct comparison with the latest approved budget[2].
b) Observe and inspect whether the financial report provides information regarding:
    a) Financial outcome per budget line (both incomes and costs) for the reporting period and columns for cumulative information regarding earlier periods under current agreement.
    b) When applicable, compare if the opening fund balance[3] for the reporting period matches with what was stated as closing fund balance in the previous reporting period.
    c) A disclosure of exchange gains/losses. Inquire and confirm whether the disclosure includes the entire chain of currency exchange from Sida's disbursement to the handling of the project/programme within the organisation in local currency/ies, if applicable.
    d) Explanatory notes (such as, for instance, accounting principles applied for the financial report).
    e) Amount of funds that has been forwarded to implementing partners, when applicable.

[1] The International Auditing and Assurance Standards Board (IAASB)

[2] The budget is attached to the agreement with Sida as an annex and any updates should be supported by a written approval by Sida.

[3] I.e. funds remaining from disbursements made during previous reporting period/s

a) Inquire and inspect with what frequency salary costs during the reporting period are debited to the project/programme.

Choose a sample of three individuals for three different months and:

b) Inquire and inspect whether there are supporting documentation[4] for debited salary costs.
c) Inquire and inspect whether actual time worked is documented and verified by a manager. Inquire and inspect within which frequency reconciliations between debited time and actual worked time is performed.
d) Inspect whether the Cooperation partner comply with applicable tax legislation with regard to personal income taxes (PAYE)[5] and social security fees.

3. Review and confirm that the Cooperation partner screens IP's and/or suppliers to ensure that such parties are not subject to the European Union's financial sanctions list of persons, groups and organisations (EU Sanctions list).
   Enquire whether there has been any reported findings from the screening process and if so, report on such findings.

5. a) Inspect and confirm that the unspent fund balance (according to the financial report) at the end of the financial year is in line with information provided in the accounting system and/or bank account.

b) **Applicable the final year:** Inspect and confirm the unspent fund balance (including exchange gains) in the financial report and confirm the amount that shall be repaid to Sida.

Follow up of funds that are channeled to implementing partners

Mandatory assignments that must be included if the Cooperation partner forward funds to implementing partners (IP's):

Choose a sample of a minimum of 40 % of the total of disbursed funds as well as 40 % of the number of IP's or a maximum of 10 IP's.

6. Inspect and confirm whether the Cooperation partner has signed agreements with the selected IP's.
7. Inspect and confirm whether the Cooperation partner, in all agreements entered with IP's, included the requirement to carry out annual audits. The requirement shall specify that these audits shall be carried out with application of ISA (reporting according to ISA 800/805) and a separate assignment according to ISRS 4400 (Revised) should be included for project/programme support. If agreements regarding core support are entered into with IP's, the audit shall be conducted in accordance with ISA 700 or National standards on auditing.
8. Inquire and inspect whether the Cooperation partner has received financial reports and auditor reports from all IP's included in the selected sample:
   a) Inquire and inspect whether the Cooperation partner has verified if reports from IP's are in line with the requirements in the Agreement.
   b) Inquire and inspect whether the Cooperation partner has documented its assessment of the submitted financial reports and reporting from auditors including management responses and action plans from selected IP's.
   c) Inquire and inspect whether the Cooperation partner has documented its follow-up actions based on the information provided in the financial reports and the reporting from the auditor of the selected IP's.
   d) Inquire and inspect whether the Cooperation partner has reported substantial observations[6] from selected IP's audit reports in its communication with Sida. List observations[7] from IP's audit reports which have been part of this sample.

9. Confirm whether the Cooperation partner has followed-up grants in accordance with the requirements as

[4] Debited salary costs should be verified by supporting documentation such as employment contracts.

[5] Pay As You Earn

[6] Deemed substantial by the Cooperation partner.

[7] Observations included in Management Letters and if applicable, qualified audit reports.

described in Appendix D to the Agreement. Obtain a list of all IP's that are affected by the decision and select 40 % or a maximum of 15 IP's. Inspect and confirm whether the selected IP´s have been followed-up in accordance with annexed routines.

10. Enquire whether the Cooperation partner has used alternative payment methods. If so, obtain information of the **total amount** that have been transferred through alternative payment methods. Furthermore, select 40 % or a maximum of 15 Implementing partners where alternative payment methods have been used. Review, confirm and report on the below:
    a) That the Cooperation partner has followed its routines for the use of alternative payment methods,
    b) The relevant amount transferred,
    c) Why the exemption from bank transfers is motivated and authorised in the specific context.

III. The reporting

The reporting shall be signed by the responsible auditor (not just the audit firm[8]) and shall include the title of the responsible auditor.

Reporting from the ISA assignment

The reporting from the auditor shall include an independent auditor's report in accordance with the format in standard ISA 800/805 and the auditor's opinion shall be clearly stated. The financial report that has been the subject of the audit shall be attached to the audit report.

The reporting shall also include a Management letter that discloses all audit findings, as well as weaknesses identified during the audit process. The auditor shall make recommendations to address the identified findings and weaknesses. The recommendations shall be presented in priority order and with a risk classification.

Measures taken by the Cooperation partner to address weaknesses identified in previous audits shall also be presented in the Management Letter. If the previous audit did not have any findings or weaknesses to be followed-up on, a clarification of this must be disclosed in the audit reporting.

If the auditor assesses that no findings or weaknesses have been identified during the audit that would result in a Management Letter, an explanation of this assessment must be disclosed in the audit reporting.

Reporting from the ISRS 4400 (Revised) assignment

The additional assignment according to agreed upon procedures ISRS 4400 (Revised) under section II, shall be reported separately in an "Agreed-upon procedures report".
Performed procedures should be described and the findings should be reported in accordance with the requirements in the International Standard on Related Services 4400 (Revised). When applicable, the sample size shall be stated in the report.

[8] If the audit firm is obliged to sign, refer to relevant legislation. Sida still needs to know who has been responsible for the audit assignment.

3. RESOURCES AND ACCESS

The consulting firm shall have access to project-related financial data, reports, and documentation as required for this assignment. However, the audit firm shall not disclose, share, or use this information for any purposes beyond the scope of this project without prior written consent from Heifer Kenya.

4. EVALUATION CRITERIA

The selection committee will evaluate all proposals based on the following criteria. Vendors are encouraged to provide detailed and specific responses in alignment with these criteria.

Proposal Evaluation Focus	Percentage (%)
Understanding of the TOR	10%
Audit approach and methodology	20%
Capability Statement CVs, experience, systems, and lead	20%
Experience and expertise in carrying out similar SIDA funded projects.	40%
Statutory compliance and Budget justification /costs realism	10%
Total	**100%**

5. APPLICATION REQUIREMENTS

Only legally registered audit firms are ELIGIBLE to apply and should submit the following documents upon application:

a) Letter of expression of interest and demonstration of capability
b) A technical proposal detailing your understanding and how you propose to undertake the assignment with general information approach as below.

i. **Capacity Statement:** The technical capacity statement, including past experiences and activities related to the assignment.
ii. Organization and/or individual overview highlighting related assignments completed.
iii. The capacity and portfolio of the lead auditor , detailed profile of the lead auditor , including their qualifications, experience, and expertise relevant to the assignment.
iv. At least three references from other clients for similar assignments
v. A clear and comprehensive work plan (draft), outlining the major activities and schedule.
vi. **Financial proposal** –Applicants should submit a detailed budget in Excel format in **KES**

c) The bidding audit firm must attach the documents below with their bid or proposal to Heifer International Kenya
- Certificate of registration
- A Partnership Deed if you are running a partnership business.
- Valid audit practicing certificate.
- KRA online PIN Certificate.
- Valid Tax Compliance Certificate.
- Physical location including town, building, room number and postal address.
- Trade reference and clientele list where similar services have been or are being provided including their respective contacts.

Failure to submit any of the required documents may result in the disqualification of the application.

6. APPLICATION PROCEDURE

The proposal (duly signed) from the audit firm should comprise a letter of expression of interest quoting the audit fees. Applications will be accepted preferably in soft copy through email and mentioning the subject line; **"FINANCIAL AUDIT FOR THE KENYA LIVESTOCK MARKETING AND RESILIENCE PROJECT"** to **procurement-ke@heifer.org** on or before **Tuesday 25th August 2026**

7. LATE SUBMISSIONS AND MODIFICATIONS

Proposals received after the submission deadline will not be considered. Applicants are responsible for ensuring their proposals are submitted according to the instructions stated herein. Heifer retains the right to terminate this RFP or modify the requirements upon notification to the Applicants.

8. VALIDITY OF PROPOSALS

Proposals submitted shall remain open for acceptance for Twenty-One (21) days from the last date specified for receipt of the proposal. This includes, but is not limited to pricing, terms and conditions, service levels, and all other information. If your organization is selected, all information in this document and the negotiation process is contractually binding.

9. LIMITATIONS

This Request for Proposal does not represent a commitment to award a contract, to pay any costs incurred in the preparation of a response to this RFP, or to procure or to contract for services or supplies. Heifer reserves the right to fund any or none of the applications submitted and reserves the right to accept or reject in its entirety and absolute discretion any proposal received because of the RFP.

10. INTELLECTUAL PROPERTY

Section 1. Ownership Generally. Subject to Section 2 below, any intellectual property (including but not limited to copyrights, trademarks, service marks, and patents), intellectual property rights, deliverables, manuals, works, ideas, discoveries, inventions, products, writings, photographs, videos, drawings, lists, data, strategies, materials, processes, procedures, systems, programs, devices, operations, or information developed in whole or in part by or on behalf of Contractor or its employees or agents in connection with the Services and/or Goods (collectively, the "Work Product") shall be the exclusive property of HPI. Upon request, the Contractor shall sign all documents and take all actions necessary to confirm or perfect HPI's exclusive ownership of the Work Product.

Section 2. Prior-Owned Intellectual Property. Any intellectual property owned by a Party before the Effective Date ("Prior-Owned IP") shall remain that Party's sole and exclusive property. Regarding any of Contractor's Prior-Owned IP included in the Work Product, Contractor shall retain ownership, and hereby grants HPI a permanent, non-exclusive, royalty-free, worldwide, irrevocable right and license to use, copy, reproduce, publicly display, edit, revise, perform, and distribute said intellectual property, in any format or any medium, as part of the Work Product.

Section 3. Work Made for Hire. To the extent copyright laws apply to the Work Product, the Parties agree that (a) HPI specially ordered or commissioned the Work Product, (b) the Work Product is a "work made for hire" under United States copyright laws, and (c) HPI shall be deemed the author thereof and shall own all right, title, and interest therein. To the extent such rights, in whole or in part, do not vest in HPI as a "work made for hire", Contractor hereby irrevocably grants, assigns, and transfers to HPI, exclusively and in perpetuity, all of the Contractor's rights of any kind or nature, now known or hereafter devised, in, too, and in connection with the Work Product, and HPI shall solely and exclusively own any rights therein, and in the elements thereof, including but not limited to any allied, ancillary, subsidiary, incidental, and adaptation rights. The contractor hereby waives all rights known as "moral rights", and any similar rights, which Contractor may have in connection with the Work Product. The description of Services and/or Goods provided in this Agreement shall in no way limit the way HPI may use the Work Product.

11. DIVERSITY AND INCLUSION

Heifer International values diversity, equity, inclusion and belonging ("DEIB"), and believe that effectively accessing and managing diverse talent leads to improved outcomes. HPI takes a broad view of diversity, and inclusive of varied backgrounds including, but not limited to, age, experience, race, ethnicity, sexual orientation, gender, gender identity, disability status, national origin, and culture. HPI expect third-party providers to respect and reflect HPI's value of DEIB. HPI's ongoing monitoring of third-party service providers incorporates an assessment of vendors' commitment to, adherence with, and track record of accessing and retaining diverse and inclusive workforces.