SONERGY DIAGNOSTICS LIMITED ("SDL")

REQUEST FOR PROPOSAL FOR EXTERNAL AUDIT SERVICES

1.0 Background

The Sonergy Diagnostics Limited ("SDL") is a Local Company Limited by Shares Incorporated on 21st February 2012.

Sonergy Diagnostics is a Lusaka-based sales, service, and distribution company that provides medical and diagnostic equipment and consumables to the health sector in Zambia. The company aims to equip hospitals and labs with reliable diagnostic solutions, including equipment, consumables, and training, and offers after-sales services like maintenance and support for equipment.

SDL is governed by a Board of Directors which consists of Three (3) members.

SDL is headed by a Managing Director. Management staff in place include the Technical Director, Manager - Service and Sales Administrator, CFO and other twenty-six (26) members of staff in different departments and sections.

1.1 **Services and products**; Sonergy Diagnostics supplies a range of medical and diagnostic equipment, consumables, and laboratory equipment. They also provide services such as equipment maintenance and customer support, along with services like modular oxygen plants and cold chain facilities.

1.2 **Mission and vision**; The company's mission is to augment innovative health care solutions through the provision of reliable, efficient & quality medical and laboratory equipment along with supply of reagents/consumables, end user training & providing exceptional Back-up Service & Maintenance of equipment.

1.3 **Location;** Sonergy Diagnostics is headquartered in Lusaka, Zambia, with its primary address at Plot 7450 Katopola Road Rhodespark, Lusaka.

2.0 The Assignment

The SDL Management has been granted a "No Objection" by the Board of Directors to outsource a private external auditor to audit its financial statements for the financial years ended 31st December 2025, 2026 and 2027.

3.0 Objective of the Audit

The objective of the external audit to SDL is to examine the reliability of the SDL's internal controls and financial reporting processes and express an opinion on its financial statements for the years ending 2025, 2026 and 2027 respectively including;

3.1 Notes to the financial statements

3.2 Bidders will not be required to express an opinion on internal controls, however, they will be required to comment on the soundness of the internal systems of controls and whether these have been put in effect.

3.3 Bidders will also be required to comment on whether the internal controls comply with the Sonergy's policies and procedures, and

3.4 Any other matter related to external audit.

4.0 Scope of works to be rendered

8.0 Commencement Date

The commencement date for the assignment will be one (1) week following the appointment of the Auditor.

9.0 Qualification of Audit Firms

The estimated number of professional staff months required for the assignment is one (1). However, the proposal shall be based on the number of staff months estimated by the audit firm.

The minimum required qualifications and experience of proposed professional staff is;

9.1 **Engagement Partner** - Postgraduate qualification with at least **ten (10)** years experience auditing similar companies like SDL, **five (5)** of which must be at management level. In addition, he/she should be a member of the Zambia Institute of Chartered Accountants.

9.2 **Audit Manager** – Professional qualification with at least **five (5)** years experience, **two (2)** of which must be at senior level.

9.3 **Audit Senior** – Professional qualification with at least **three (3)** years experience, **one (1)** of which must be at senior level.

9.4 **Two (2) Technical Audit Assistants** – Degree in Accountancy (or equivalent) with at least **three (3)** years experience, two (2) of which must have been in auditing.

9.5 The key audit team:

9.5.1 Shall be completely impartial and independent from all aspects of management or financial interests of the organization; and

9.5.2 Shall, not, during the period covered by the audit nor during the undertaking of the audit, be employed by, serve as advisers or mentors for, or have any financial or business relationships with Sonergy Diagnostics Limited.

The reports that are part of the assignment must be written in **English.**

10.0 Basis of Awarding

Awarding will be based on submitted technical proposals and additional Information in the Technical proposal to be considered will include:

- Company profile / experience in similar assignments,
- Details of relevant engagements similar to SDL's operating sector undertaken by the firm,
- Detailed work schedule and staff month allocation,
- Proposed audit methodology and approach to the assignment,
- Authentic and detailed curriculum vitae of staff proposed for the assignment.

A formal contract of engagement specifying the scope of audit shall be prepared and signed between Sonergy Diagnostics Limited and the Audit firm prior to the beginning of the assignment.

The contract of engagement shall also clearly spell out the responsibilities of the two Parties. Sonergy Diagnostics Limited will award a contract to the most economically advantageous tender based on the following criteria.

3.4 Any other matter related to external audit.

4.0 Scope of works to be rendered

The services to be rendered are as follow:

4.1 Undertaking risk assessments and internal control evaluations of the SDL's operational and work processes,
4.2 The scope of work address audit requirement for the audit of financial statements of the Sonergy Diagnostics Limited covering period 1st January – 31st December of each year.
4.3 The audits should be carried out in accordance with International Standards of Auditing (ISA) and International Financial Reporting Standard (IFRS).
4.4 Sufficient audit evidence should be gathered to substantiate in all material respects the accuracy of financial statement.
4.5 The audit report of the auditors should state if the audit was not in conformity with any of the above standards, and that the financial and accounting procedures approved for the organization (e.g. operational manual, financial procedures manual, etc.) were followed and used.
4.6 Conduct audit reviews of the SDL's accounting records and year - end financial statements in accordance with International Accounting Standards,
4.7 Provide the SDL's Management with professional advice on best practices, particularly as may pertain to financial control matters.
4.8 In rendering the above services the auditor will audit;

4.8.1 The Statement of comprehensive Income
4.8.2 The Statement of financial position
4.8.3 The Statement of cash flows
4.8.4 Statement of Changes in Equity
4.8.5 Notes to the financial statements
4.8.6 Bidders will not be required to express an opinion on internal controls, however, they will be required to comment on the soundness of the internal systems of controls and whether these have been put in effect.
4.8.7 Bidders will also be required to comment on whether the internal controls comply with the Sonergy's policies and procedures, and
4.8.8 Any other matter related to external audit.

5.0 Tenure of the Audit Assignment

This audit assignment is only for the audit of financial statements for the financial years ending 31st December 2025, 2026 and 2027.

6.0 Fees payment Structure:

Unless otherwise, the proposed fee payment structure is 40% upon commencement of the audit, next 60% after issuance of completion and signed audit report.

6.1 All financial proposals MUST be indicated in Zambian Kwacha
6.2 There will be no price variation after signing of contract
6.3 Prices must be inclusive of all taxes within Zambia

7.0 Duration of the Audit

The external auditor is expected to propose a timeline for the assignment which shall not exceed (30) days to issuance of the Final report.

The contract of engagement shall also clearly spell out the responsibilities of the two Parties. Sonergy Diagnostics Limited will award a contract to the most economically advantageous tender based on the following criteria.

Assessment Criteria	Weighting (%)
Understanding of the Audit Requirements	10
Specific experience of the firm related to the assignment	20
Adequacy of the proposed work plan and methodology in responding to the TOR	30
Qualifications of the Proposed audit Team Engagement Partner Audit Manager Audit Senior Audit Assistant(s)	30
Fee basis and total costs	10
Total	**100**

11.0 Deadline for Submission of Technical and Financial Proposals

The Bidder shall submit the proposal (*NO MORE THAN TEN PAGES*) in **ONE EXTERNAL ENVELOPE CONTAINING INSIDE TWO SEALED ENVELOPES** by the closing date set forth in point 11.0 herewith and can be dropped at the company premises in the **BID BOX.**

The outer envelope should be clearly marked in the top right-hand corner **"EXTERNAL AUDIT SERVICES 2025 - 2027"**.

NOTE: If the envelopes are not sealed and marked as per the instructions in this clause, Sonergy Diagnostics Limited will not assume responsibility for the proposal's misplacement.

The deadline for the submission of proposals is Friday 12th December 2025 at 17:00 Hours Lusaka time (GMT +2).

NOTE: Late Tenders
Any Bid received by Sonergy Diagnostics Limited after the deadline for submission of Bids shall be rejected.

There shall be no exception to this requirement.

12.0 Bid Submission Format

Bidders are advised to include in their bids the following standard forms as annexures:

a) Company Profile
b) Bidder's references;
b) Comments and suggestions on the Scope of Work;
c) Description of the methodology for performing the assignment;
d) Team Composition and Tasks assignment; and
e) Proposed fees.

NOTE:

Only firms that will score 70% and above in the Technical evaluation will be considered for Financial proposal evaluation.

Justine Mwila
Inventory/Procurement Officer

RSO400119/9.12