



TERMS OF REFERENCE FOR EXTERNAL AUDITOR/AUDITING COMPANY

Introduction

The Albanian Women Empowerment Network (AWEN) works in the field of protection of human rights, in particular of the rights of women and girls. The main aim of this network is the social, economic, cultural and political empowerment of Albanian women. The network already functions on the basis of a well-defined mission, a board of directors, six-month and annual plans, etc.

The network consists of 10 organizations, which are located in all districts of Albania from north to south, specifically:

- “Agritra Vision”, Peshkopi
- “Gender Alliance for Development Centre”, Tirana
- “Counseling Line for Girls and Women” (CLWG), Tirana
- “Jona”, Sarande
- “Me, the Woman”, Pogradec
- “Social Centre for Women and Girls”, Durres
- “The Psycho - Social Centre “Vatra”, Vlora
- “Woman's Forum”, Elbasan,
- “Woman to Woman”, Shkoder,
- “Center for Legal Civic Initiatives”, Tirana

I. Background Information

AWEN’s member organizations and the network itself have benefited during this year from the support of the *Swedish Government* and other international donors.

Albanian Women Empowerment Network/AWEN wishes to engage the services of an audit firm for the purpose of auditing the financial statements of the organization.



The audit shall be carried out in accordance with international audit standards issued by IAASB¹. The audit shall be carried out by an external, independent and qualified auditor (Approved Public Accountant/Authorized Public Accountant or equivalent).

II. Period covered by the assignment

The audit should cover the annual period of project implementation from 1st of January, 2023 to 31st of December, 2023.

III. Objectives of the Audit

The objective is to audit the Financial Statements for the period from 1st of January, 2023 to 31st of December, 2023 and to express an audit opinion according to ISA 700, on whether the financial statements are in accordance with the AWEN accounting records and legal requirements for financial statements.

IV. Scope of the audit

The audit of the organization will be carried out in accordance with International Standards of Auditing (ISA) issued by IAASB. The auditors will comment on their accounting principles used for (Statement of all financial activities, Cash flow statement, Balance sheet, etc.) for completeness and accuracy from January 1st 2023 up to December 31st 2023 and National Laws. The auditor will pay special attention as to whether:

- All types of income for all programmes, including:
 - International/national funds (Grants)
 - Any other income (incomes from membership fees, bank interests, donations in kind etc.).
- All kinds of expenditures including running costs for all programme units - Emerging grants that have been forwarded to small non-member organizations.
- All assets and liabilities of the Organization. The fixed assets register report includes acquisition values, total depreciation values and book values.
- All relevant documents to ensure the correctness and completeness of accounting records.

¹ The International Auditing and Assurance Standards Board (IAASB)



- Amount of funds that have been forwarded to implementing partners (AWEN Members)
- Obtaining reasonable assurance about whether the financial statements are free from material misstatements.

On completion of the audit, the auditor signs and stamps the financial statements of the entire Organization for the financial year on a national level. These financial statements must include all programme units of the Organization. These financial statements are:

- Statement of financial activities (Income & expenditure statement)
- Cash flow statement (Statement of receipts and payments)
- Balance sheet (Statement of financial positions)

In addition have to be signed and stamped by the auditors as well:

- Management letter which includes deficiencies noted by the auditor and recommendations for remediation measures given by the auditor to the Organization especially in case of qualified or denial of opinion.
- Notes to the financial statements

V. Audit Report

Reporting from the ISA700 assignment

On completion of the audit programme, the auditor should submit to AWEN the following documents, properly signed and stamped, as the audit package:

- Audit report and auditors' independent opinion, including reasons for negative (or denial of auditor's opinion) or qualified (positive audit opinion with restrictions) audit certificate, if any.
- Audited financial statements.
- Management letter, which discloses all audit findings, as well as weaknesses identified during the audit process. Response from management and follow-up of previous year's points of restriction and recommendations also forms an integral part of the management letter.



VI. Management Letter

In addition to the audit report, the auditors will 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 (AWEN) to address weaknesses identified in previous audits shall also be presented in the *Management Letter*.

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.

VII. Timeline

The submission of the Final Audit Report and Management letter and will be on 24 May, 2024.

VIII. General Information

8.1 The auditors will be given access to all legal documents, correspondence and any other information associated with the projects and consider necessary by them.

8.2 It is recommended that the auditors become familiar with the following documents:

- AWEN Manual of Policies and Procedures
- AWEN Manual of Financial Procedures
- AWEN Manual of Grants
- AWEN Procurement Process
- Financial software (Alpha Business)

IX. Application Process

Interested candidates must include in their application the following documents:

- Background information on the audit firm: details of firm's experience in providing auditing services to companies in the not-for-profit sector, especially international organizations
- Firm's registration details with relevant regulatory authorities



- Provide names and resumes of key personnel that will conduct the audit.
- Include estimated time required on-site to complete the services.
- Fee proposal to complete the services outlined in this request (including VAT).

The proposals should be submitted within February 27, 2024 to the following:

Email: rezarta.gerimi@awenetwork.org;

cc: info@awenetwork.org;

cc: ines.leskaj@awenetwork.org