



Albanian Women Empowerment Network

AWEN

TERMS OF REFERENCE FOR EXTERNAL AUDITOR/AUDITING COMPANY

Project title: “Protection and promotion of women rights in Albania” supported by the Swedish International Development Agency, Sida 2016 - 2018

I. 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 9 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,

II. Background Information

AWEN’s member organizations and the network itself have benefited during this year from the support of the *Swedish International Development Cooperation Agency, Sida*.



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The project “Protection and promotion of women rights in Albania” covers a three year period, starting in 1st January 2016 and ending 31 December 2018 with a budget of 984.600 EUR.

The main components of this project are:

1. National and local governments are increasingly promoting and protecting women’s right.
2. AWEN members are enabled to carry out projects and initiatives for the protection of women human rights.
3. AWEN members are viable and sustainable organizations and have the capacity to contribute to the promotion of women human rights.

As specified in the specific objective 2, AWEN members are financially supported by AWEN through Sida funding for eight projects implemented in different districts of Albania. The network members supporting through this funding are:

1. “Agritra Vision”, Peshkopi
2. “Counseling Line for Girls and Women” (CLWG), Tirana
3. “Jona”, Sarande
4. “Me, the Woman”, Pogradec
5. “Social Centre for Women and Girls”, Durres
6. “The Psycho - Social Centre “Vatra”, Vlora
7. “Woman's Forum”, Elbasan,
8. “Woman to Woman”, Shkoder,

To this purpose, Albanian Women Empowerment Network/AWEN wishes to engage the services of an audit firm for the purpose of auditing the “*Protection and promotion of women rights in Albania*”, as stipulated in the agreement between AWEN and Sida and between AWEN and members.

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).

¹ The International Auditing and Assurances Standards Board (IAASB)



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III. Period covered by the assignment

The audit should cover the annual period of project implementation from **1st of January, 2016 to 31st of December, 2018 for AWEN and eight organizations**, members of AWEN network in Albania.

IV. Objectives and scope of the Audit

The objective is to audit the Financial Reports submitted to Sida for a three year period, starting from 1st of January, 2016 to 31st of December, 2018 and to express an audit opinion according to ISA 800/805 on whether the financial reports of Protection and Protect Women's Rights Issues in Albania in accordance with Sida's instruction for financial reporting as stipulated in the agreement including appendix between Sida and AWEN.

Additional assignment; according to agree upon procedures ISRS 4400, review the following areas in accordance with the Terms of Reference below

- Follow up whether salary costs debited to the project/programme are recorded throughout the duration of the year in a systemized way and examine whether the salary costs can be verified by sufficient supporting documentation.²
- Follow up whether AWEN has implemented the following recommendations from the Efficiency Audit, March 2015, KMPG. The examination includes reviewing whether AWEN has implemented the action points as described in the most recent AWEN's management response that has been submitted to Sida/Embassy.
- Examine whether foreign exchange gains and losses are disclosed in accordance with what is stipulated in the agreement including appendixes.
- Follow up whether AWEN has adhered to the procurement guidelines annexed to the agreement.
- Review if outgoing balance for previous period is the same as incoming balance for the current period.
- If AWEN applies modified cash basis as accounting principle, the auditor shall motivate whether the applied accounting principle is acceptable for this type of financial report.

² If the budget includes salary costs to be debited to the project, the auditor shall always examine salary costs as stipulated here.



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V. Follow up of funds that are channeled to implementing partners

- Does AWEN have signed agreements with its partner organisations?
- Are the audit requirements in agreements with partner organisations in accordance with the audit requirements as stipulated in AWEN's agreement with Sida?
- The review shall include whether AWEN makes documented assessments of the audited financial reports submitted to AWEN and whether these reports are followed-up by AWEN. The review shall include verifications of contributions supported. The number of contributions (projects) in relation to the total number of contributions and the % of funds in relation to the total disbursed funds that will be included in the review shall be based on the auditor's risk analysis. The review shall also include any observations from auditors that Sida should be informed about.
- Are the same requirements for reporting exchange rate gains/exchange rate losses as stipulated in the agreement between AWEN and Sida, included in the agreements between AWEN and its implementing partners?

VI. The reporting

The scope of the audit shall be stated in the report and the methodology used shall be presented. The reporting shall be signed by the responsible auditor (not just the audit firm) and title.

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, as well as a Management letter with audit findings and weaknesses identified during the audit process. The auditor shall regardless of materiality, quantify the amount for costs lacking sufficient supporting documentation. The auditor shall make recommendations to address the weaknesses identified and the recommendations shall be presented in priority order. 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.

Measures taken by the organisation to address weaknesses identified in previous audits shall also be presented in the Management letter.

The additional assignment according to agreed upon procedures ISRS 4400 under paragraph III, shall be reported separately in a "Report of factual findings".

If the auditor conducts an additional assignment according to ISRS 4400 and assesses that the observations presented in the "Report of factual findings", include the information that would



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have been included in a Management letter, a Management letter does not need to be developed. In such a case, the “Report of factual findings” shall include an explanation of why a Management letter has not been developed.

VII. Timeline

The submission of the Final Audit Report for the 1st year of financial auditing will be on 10 April, 2017.

The proposals **should be submitted no later than 17:00 Tirana time on March 4, 2017 to the following:**

Address: “Vaso Pasha” Str, B.16/1, 2nd floor, Tirana

Email: info@awenetwork.org

Late or unresponsive applications will not be considered.

All applicants are invited to address potential questions until February **28, 2017**.

Applicants will be officially notified on the results of the process.