

We herewith confirm that we will carry out the audited report of the project mentioned above according to the guidelines laid down in this document (ToRs).

.....

.....

November 16, 2023
Place and Date *Chiginau,*
V. Surper 8112's 12.

.....
Signature

.....

.....

.....

- sub-grants foreseen in the project document have been provided to third parties and have been properly accounted for on the basis of actual costs
- applicable visibility regulations have been adhered to
- recommendations from previous periods have been implemented.

5. WORK PLAN

The procedures regarding the audit reports are conducted on the premises of Hope and Health and include the examination of all the original documents/vouchers. Hope and Health is obliged to provide the auditor with all information and all documents necessary to conduct the audit.

The audit must be carried out between 01.01.2024 and 16.02.2024. A draft of the audited report should be delivered to Diakonie ACT Austria and Hope and Health electronically per e-mail by 16. February at the latest.

Any open questions can be addressed to the auditor within 7 calendar days after sending the draft of the final report. After a period of clarification of 7 days a final version of the audited report has to be completed and forwarded to Hope and Health and Diakonie ACT Austria electronically as well as in hard copy (4 hard copies).

The audited report shall be submitted in English.

6. STRUCTURE OF THE AUDITED REPORT

The Auditor shall produce an audited report that clearly states:

- Project title
- Implementing Organisation
- Brief description of the project and partner(s)
- Period covered by the report
- Total amount of budgeted and actual incomes
- Complete list of project funds transferred, including donors' names, dates and exchange Rates
- Total amount of actual expenditures verified
- Expenditure Coverage Ratio
- Description of the procedures performed
- Actual findings
- Recommendations, if applicable
- Follow up of previous recommendations, if applicable
- Other relevant matters
- Date of the report
- Auditor's address and signature

The Report shall also comprise the following annexes:

- Financial Statement
- Bank account statements
- List of payable invoices, if any
- In case ineligible costs are detected, a list of respective vouchers
- Asset list, if applicable
- If expenses contain Value Added Tax (VAT), the Auditor shall certify that Grant Recipient is not exempt from VAT and cannot reclaim it either

Auditing firm: Invest Audit S.R.L.

Name/s of Auditor/s: Alena Mantaluta

The Report shall also comprise the following annexes:

- Financial Statement
- Bank account statements
- List of payable invoices, if any
- In case ineligible costs are detected, a list of respective vouchers
- Asset list, if applicable

and complexity to the project subject to the expenditure verification.

The Auditor must have sufficient knowledge of relevant laws, regulations and rules in the countries concerned i.e. where the project is implemented. This includes but is not limited to the company law, taxation, social security and labour regulations, accounting and reporting.

The Auditor will provide the Contractor with CVs of the staff/experts involved in the expenditure verification. The CVs will include appropriate details for the purpose of the evaluation of the offer on the relevant specific experience for this expenditure verification and the qualifying work carried out in the past.

Auditing Standards

The Auditor shall undertake this Engagement in accordance with:

- **the International Standard on Related Services ('ISRS') 4400 Engagements to perform Agreed-upon Procedures regarding Financial Information as promulgated by the IFAC;**

- **the IFAC Code of Ethics for Professional Accountants** (developed and issued by IFAC's International Ethics Standards Board for Accountants (IESBA), which establishes fundamental ethical principles for Auditors regarding integrity, objectivity, independence, professional competence and due care, confidentiality, professional behaviour and technical standards. Although ISRS 4400 provides that independence is not a requirement for Agreed-upon procedures engagements, the Contracting Authority requires that the Auditor is independent from the Beneficiary and complies with the independence requirements of the IFAC Code of Ethics for Professional Accountants.

Auditing Standards

4. OBJECTIVES OF THE AUDIT

Auditor verifies on the basis of original documents, if

- costs declared in the Financial Statement are justified by the relevant supporting documents
- costs meet eligibility criteria stipulated in the Grant Agreement and its annexes
- original vouchers (invoices/payment receipts) are clearly associated with the project and the projects time frame
- all original vouchers (invoices/payment receipts) that are funded by Otto per Mille have been devaluated and stamped with "Funded by Otto per Mille"
- all invoices have been settled and paid for
- financial resources have been used efficiently, cost effectively and solely for the purpose for which they were provided
- Generally Accepted Accounting Standards are met
- conversion of Currency has been calculated correctly
- accrued interest has been declared
- expenses have been correctly assigned to budget items
- over expenditure, if any, lies within the thresholds stipulated in the Grant Agreement
- usage of budget funds under "unforeseen" or "contingency reserve" has been approved by the donor
- indirect costs, if foreseen in the budget, have been calculated properly
- procurement regulations have been met
- other revenues originally not foreseen in the financial plan were registered on the bank statement
- revenues foreseen in the financial plan were not realized
- the contract, terms and conditions have been complied with
- applicable tax laws and regulations have been complied with
- applicable Social and Labour Laws have been complied with
- an adequate effective Internal Control System exists
- all assets and equipment have been incorporated in the asset list
- assets and equipment have been used for the project purposes
- project vehicles, if any, have been used according to the standards set out in the General Terms and Conditions of the Grant Agreement
- regulations on travel expenses have been followed

TERMS OF REFERENCE EXPENDITURE VERIFICATION

1. INTRODUCTION

Diakonie ACT Austria gem. GmbH and Hope and Health have signed a cooperation agreement for implementing the project **"Improving living conditions of adults with intellectual disabilities (PWID) and their families by accessible social service in Day Care Center in Moldova"**.

The project is carried out in Moldova by Hope and Health and will be implemented from 01.01.2023 to 31.12.2023.

The project is funded by Otto per Mille, thereafter referred to as the donor.

2. BACKGROUND OF THE PROJECT

The project aims to achieve the following objective and results:

Objective:

At least 30 people with intellectual disabilities (PWIDs) and their family members benefit from regular day care center services (including training, psychological assistance, consultancy, socialization, humanitarian aid, etc.).

Result 1 – At least 30 PWID and their family members benefit from comprehensive specialized assistance through 'day care center' service.

Result 2 – Hope and Health increased its capacities and quality of services for PWIDs, have raised awareness of the community on PWIDs rights and abilities, needs and support measures.

3. GENERAL INFORMATION AND REQUIRED EXPERTISE

An expenditure verification should be conducted for the year of project implementation (2023). The total project sum to be audited amounts to EUR 63,000 (costs for auditing not included). The audited report has to show the total annual project costs.

The auditing firm is asked to:

- Check that all expenses are recorded in the NGO's accounts and are backed by original documents;
- Check if financial transfers (bank, cash) are understandable and in line with reported expenditures (including usage of confirmed exchange rate EUR/MDL)





The auditor must not have been involved in the operation's accounting and must not be personally connected in any way with the organisation being audited.

The expert auditor company must be legally registered in Moldova.

The Auditor is a member of a national accounting or auditing body or institution which in turn is a member of the International Federation of Accountants (IFAC)

or
The Auditor is a member of a national accounting or auditing body or institution. Although this organisation is not a member of the IFAC, the Auditor commits himself/herself to undertake this Engagement in accordance with the IFAC standards and ethics.

The Auditor will employ staff with appropriate professional qualifications and suitable experience with IFAC standards and with experience in verifying financial information of projects comparable in size

<p>For Invest Audit S.R.L.</p> <p>Signature: </p> <p></p> <p>Name in Print: Invest Audit S.R.L.</p> <p>Address: Strada 1460002081</p> <p>Position: Head of Department</p> <p>Date: 16.11.2023</p>	<p>For Diakonie ACT Austria</p> <p>Signature: </p> <p></p> <p>Name in Print: Diakonie ACT Austria</p> <p>Address: Simone Peter Diakonie ACT Austria gem. GmbH</p> <p>Position: Geschäftsführung</p> <p>Head of Department: Stiebergasse 3/12, 1170 Wien</p> <p>Date: 16.11.2023</p>
---	---

Signature: _____

Name: Griffiths

Alio

Position

Head of

Date: _____

16.11.2023

Signature: _____

Name in Print Letters

Simone Peter

Position

Head of Department

Date _____

100

Diakonie

ACT Austria

Diakonia AG Austria am GmbH

Geschäftsführung

Steingasse 3/12-1170 Wien

1912-43-1-402 67 5A

Signature _____

Name in Print Letters:

Ludmila Andreiciuc

Position

President

Date: _____

16.11.2023

12. November 1993

02500-2000

This will be paid 10 days after providing the final audit report.

Other costs, such as lodging, food and travel during the field mission, communication and translation are part of the contract and will be directly covered by the contractor. Costs related to the field mission in terms of organisation of interviews (transport for participants, snacks, etc.) will be carried by Hope and Health.

Payment will be based upon a receipt, and the finalized audit report.

6. Liabilities

The consultant is responsible for his/her insurance cover as Diakonie ACT Austria and Hope and Health cannot be held responsible for any loss, damage, illness or injuries to the consultant and consultant's equipment and staff occurring during, or as a result of, this contract.

7. General Conditions and other obligations

- During the contract duration the Contractor will act in compliance with the principles set out in the TORs which are attached in Annex 1.
- The Contractor binds himself/herself to respect the laws and regulations in force in the places and country where the services are rendered.
- Diakonie ACT Austria and Hope and Health are the exclusive owners of the information gathered and materials produced under this service contract.
- The Contractor will not pass on reports, written and oral communication to third parties, without prior and explicit approval. This clause stays valid after termination of this contract.
- The Contractor is obliged to pass on to Diakonie ACT Austria and Hope and Health all information, which is important concerning Diakonie ACT Austria's and Hope and Health's activities in the country of operation.
- For the duration of this contract, the Contractor must not get involved in political activities and has to refrain from all political and religious statements except for neutral one.
- All statements to media and/or the general public relating to Diakonie ACT Austria projects and the Contractor's activities are subject to Diakonie ACT Austria's prior approval.
- Diakonie ACT Austria and Hope and Health are obliged to provide the Contractor with all information which is necessary to fulfil the TORs.
- As a general principle Diakonie ACT Austria / Hope and Health will only cover project-related expenses incurred by the Contractor, that have been approved by Diakonie ACT Austria. The Contractor shall comply with the relevant guidelines of Diakonie ACT Austria.
- The law of Austria shall govern all matters not covered under present contract. In case of legal disputes between the Contractor and Diakonie ACT Austria concerning this contract, Austrian law and the jurisdiction of Austrian courts of justice apply.
- The language of the contract shall be English. Communication is in English.
- Working utilities and facilities are provided by the Contractor.
- Any amendment to the present contract shall be agreed to in writing by both parties.

8. Others

This contract consists of three pages and the following Annex

ANNEX 1 - Terms of References (TORs)

CONTRACT for SERVICES

1. Contract parties

Diakonie ACT Austria

Address: Steingasse 3, 1170 Vienna, Austria

A.O. Speranță și Sănătate (NGO Hope and Health)

Address: Vasile Lupu Street, 81/2, MD-2008, Chișinău, Republic of Moldova

And Invest Audit S.R.L.

Address: Codrilor Street, 8/5-74, MD-2071, Chișinău, Republic of Moldova

Both hereinafter referred to as 'the parties'

2. Subject

The present contract is a contract for services concluded between Diakonie ACT Austria, Hope and Health and the Contractor

The contractor will be engaged as

Auditor to the "improving living conditions of adults with intellectual disabilities (PWID) and their families by accessible social service in Day Care Center in Moldova" Project of Hope and Health

The Terms of Reference (ToR) are attached in Annex 1 and form an integral part of the contract

The Contractor undertakes to fulfil the duties and responsibilities listed in Annex 1 in accordance with the highest professional standards and in line with the instructions given by Hope and Health, DIAKONIE ACT AUSTRIA and its mandated representatives.

The place of performance of the services shall be Moldova / Chisinau.

3. Contract Duration

The date for providing the services is between 01.01.2024 and 30.02.2024

4. Termination of Contract:

Diakonie ACT Austria and Hope and Health reserve the right to unilaterally and unconditionally terminate this contract in case of serious default. Reasons include, inter alia:

- The contractor's failure to comply with the terms of the contract and the ToR;

- The contractor's failure to comply with the instructions of the respective ToR;

5. Payment

Diakonie ACT Austria and Hope and Health will make available an amount of 2000 EUR incl. the respective VAT if applicable. The Contractor is responsible for all tax liabilities including VAT

10 November 2023