TERMS OF REFERENCE

Audit of the Final Financial Report of an EU-Funded Project

1. Background

Eastern Partnership Civil Society Forum (hereinafter referred as "**the Secretariat**") seeks quotations from qualified audit firms for the audit of the final financial report of an EU-funded project implemented over approximately three years, with a total budget of approximately 6 million euros.

2. Objective

The objective is to obtain an independent audit or expenditure verification of the project's final financial report in accordance with the applicable European Commission requirements and the relevant grant agreement.

The auditor shall assess the accuracy and completeness of the reported expenditure, its eligibility under the grant agreement, and the adequacy of the supporting documentation.

3. Scope of Work

The selected audit firm shall perform the following procedures, in accordance with the applicable engagement requirements.

3.1. Review of the applicable framework

Review the grant agreement, amendments, approved budget(s), applicable financial rules and reporting requirements.

Identify the applicable European Commission audit or expenditure verification requirements and prescribed reporting format.

Agree on the audit methodology, documentation requirements and timetable with the Secretariat.

3.2. Verification of the final financial report

Check the arithmetic accuracy and internal consistency of the final financial report.

Reconcile reported expenditure with the accounting records, expenditure listings and supporting documentation.

Verify the allocation of expenditure to the relevant budget headings and reporting period.

Check compliance with the approved budget, applicable budget flexibility provisions and contractual reporting requirements.

Review the calculation of direct and indirect costs, exchange rates, taxes and other financial adjustments, where applicable.

3.3. Verification of expenditure eligibility

Verify that expenditure was incurred within the eligible project period and relates to approved project activities.

Examine invoices, contracts, purchase orders, payment records, receipts and other supporting documents.

Verify the accuracy of amounts claimed and their traceability to the accounting records.

Review personnel costs, consultancy fees, travel, equipment, supplies, services and other expenditure categories applicable to the project.

Verify compliance with the eligibility conditions established by the grant agreement.

Identify unsupported, ineligible, incorrectly calculated, duplicated or otherwise non-compliant expenditure.

3.4. Procurement and contractual compliance

Review procurement documentation for selected expenditure items.

Verify compliance with applicable competition, quotation and supplier selection requirements.

Examine contracts and purchase orders supporting reported expenditure.

Identify procurement irregularities, missing documentation or potential conflicts of interest relevant to expenditure eligibility.

3.5. Project partner expenditure

Where the final financial report includes expenditure incurred by project partners, verify the consolidation of partner expenditure and the supporting documentation, in accordance with the applicable requirements.

The bidder shall specify whether partner-level verification is included in the quoted fee and identify any additional costs.

3.6. Final financial reconciliation

Reconcile project funding received, expenditure reported and outstanding balances.

Verify the calculation of the final amount claimed and identify any discrepancies affecting the amount reported.

3.7. Findings and documentation

Document identified exceptions, unsupported expenditure, calculation errors and potential non-compliance.

Quantify financial discrepancies and potentially ineligible expenditure wherever possible.

Maintain appropriate working papers documenting the procedures performed, evidence examined and conclusions reached.

Inform the contracting organisation of material findings and provide an opportunity to clarify discrepancies before finalisation of the report, where permitted by the applicable requirements.

4. Deliverables

The selected audit firm shall provide:

Document request and audit plan: List of required documentation, proposed methodology and timetable.

Draft findings: Preliminary findings and identified discrepancies for review and clarification by the Secretariat.

Final audit or expenditure verification report: Report prepared in the format prescribed by the applicable European Commission requirements and grant agreement, including the required conclusions and any identified exceptions.

Detailed findings schedule: Description of findings, affected expenditure, financial implications where quantifiable, and responses or clarifications received.

Closing meeting: Presentation of the final findings and clarification of any outstanding issues.

The quotation must identify the precise type of report to be issued and confirm that it satisfies the applicable European Commission requirements.

5. Qualifications and Experience

The audit firm must demonstrate:

- Relevant professional authorisation and qualifications to perform the engagement.
- Proven experience auditing or verifying expenditure under European Commission-funded projects, preferably EU external action grants.
- Familiarity with EU grant agreements, expenditure eligibility rules and financial reporting requirements.
- Experience with projects of comparable financial volume and complexity.

- Capacity to review documentation in English and manage supporting documents in other languages where necessary.
- Independence from the contracting organisation and the project, with no conflicts of interest.
- Availability to complete the assignment within the proposed timeframe.

6. Responsibilities of the Contracting Organisation

The Secretariat shall provide the grant agreement, approved budget, financial reports, accounting records and supporting documentation required for the engagement.

The Secretariat shall designate a contact person to coordinate document requests, respond to queries and facilitate access to relevant project personnel and partners, where necessary.

7. Timetable

Bidders shall indicate their earliest availability, estimated working days and proposed schedule for completing the assignment, including the draft and final reports.

The final deadline for submission of the report will be agreed with the selected firm.

8. Financial Offer

The quotation shall include:

- Total professional fee in EUR, excluding VAT.
- Applicable VAT rate and amount, and total price including VAT.
- Breakdown of estimated working days and fees by staff category.
- Any additional expenses, including travel and administrative costs.
- Confirmation of whether partner-level verification and all deliverables are included.
- Any exclusions, assumptions or additional charges.
- Offer validity period and proposed payment terms.

The quoted fee shall cover the full scope of work described in these Terms of Reference. Additional services or costs shall require prior written approval.

9. Documents to Be Submitted

Interested firms shall submit:

- Technical proposal outlining the proposed methodology and understanding of the assignment.
- Detailed financial offer.
- Firm profile and examples of relevant EU-funded project audits or expenditure verifications.

- CVs and qualifications of the proposed engagement lead and key team members.
- Confirmation of independence and disclosure of potential conflicts of interest.
- Confirmation of availability and proposed completion timeline.

10. Evaluation and Selection

The Secretariat intends to obtain at least three quotations and assess them on the basis of:

- Relevant experience with European Commission-funded projects.
- Compliance with the required audit or expenditure verification framework.
- Quality of the proposed methodology and qualifications of the team.
- Availability and ability to meet the required deadline.
- Overall price and value for money.
- The contracting organisation may request clarifications before selecting the audit firm.

11. Confidentiality and Data Protection

All project information and documentation shall be treated as confidential and used exclusively for the purposes of the engagement. The selected firm shall comply with applicable data protection legislation and contractual confidentiality requirements.

12. Submission of Quotations

Submission deadline: 6th November 2026 23:59 CET

Submission email: ana.gorduladze@eap-csf.eu

Contact person: Ana Gorduladze

Expected start date: 1st December (tentatively)

Final report deadline: 15-20 December 2026 (indicative)