



Terms of Reference

audit of the general financial situation of the AO "Centrul Media pentru Tineri" for the period 01.01.2020 – 31.12.2020

I. General description

Youth Media Center' Public Association, hereinafter referred to as 'The Association', is a non-governmental, apolitical, non-for-profit public association, founded by the free manifestation of the will of associated persons, in order to jointly the following goals:

- promoting free access of children and young people to useful and age-appropriate information, in order to prepare them to approach their own lives responsibly and to assert themselves as people with civic spirit and dignity;
- promoting rights of children and young people and their protection mechanisms;
- ensuring a safe and friendly space for children and young people, providing them with facilities for useful, pleasant and healthy organization of spare time;
- promoting media education among children and young people to develop their critical thinking;
- creating an information flow that sensitises the public opinion to the specific problems faced by children and young people and serves to promote their positive image in society;
- promoting social inclusion of children and young people;
- promoting positive education among parents, preventing violence and promoting social norms and values;
- creating conditions for promoting a healthy lifestyle among children and young people.

II. Objectives and goals of the audit

General scope of the assignment is to audit the general financial situation of the **AO "Centrul Media pentru Tineri" (CMT)** for the period of 01.01.2020 – 31.12.2020 and to enable the auditor to express a professional opinion(s) on the financial position of the organization at the end of the fiscal year, and on funds received and expenditures incurred for the relevant accounting period. The audit report and management letter will be presented to the **AO "Centrul Media pentru Tineri"**.

As part of the assignment, the auditor shall produce 1 audit report and one management letter both in English and Romanian. The original report will be produces in English and then translated to Romanian.

The auditor shall in the audit report and the management letter comment on:

- If the financial report complies with CMT accounting records;
- Observations made during the review process;

- Recommended actions;
- If CMT has taken appropriate actions according to previous audit recommendations.

The audit of general financial situations will be carried out in accordance with International Standards on Auditing (ISA) 800/805 promulgated by the International Federation of Accountants (IFAC), the legislation of the Republic of Moldova in force and the Code of professional conduct of the auditor and accountants of the Republic of Moldova. The audit will include such tests and auditing procedures as the auditor will consider necessary under the circumstances. The auditor will express an opinion as to reasonableness of the financial statements in all material respects. While conducting the audit, special attention should be paid by the auditor as to whether the:

- The auditor will determine whether expenditures are recognized and recorded under current legislation and grant / service contracts. The number and volume of the applied tests will be based on the risk analysis and will be described in the report;
- Assessing the organization's accounting system to determine whether the administration of grants / service contracts is properly conducted, revenues and expenditures can be easily identified. The accounting documents reflect separately operations related to revenues and expenditures;
- Verifying if foreign exchange income and losses are reflected fairly in the accounting records;
- Goods, works and services financed have been procured in accordance with the CMT established rules and procedures;
- The financial statements have been prepared by CMT management in accordance with applicable accounting standards and give a true and fair view of the financial position CMT and of its receipts and expenditures for the period ended on that date.
- Comprehensive assessment of the adequacy and effectiveness of the accounting and overall internal control system to monitor expenditures and other financial transactions.
- Respecting the national legislation on the calculation and payment of the obligatory contributions, duties and social security taxes;
- Checking the balance at the end of the previous period coincides with the balances at the beginning of the current period;
- In addition to the audit report, the auditors will prepare a Management Letter on the following:
 - a. Give comments and observations on the accounting records, procedures, systems and controls that were examined during the course of the audit.
 - b. Identify specific deficiencies and areas of weakness in systems and controls and make recommendations for improvement.
 - c. Report on the implementation status of recommendations pertaining to previous period audit reports.
 - d. Communicate matters that have come to their attention during the audit which might have a significant impact on the sustainability of the organization.